

7.4. REPORT OF AUDIT AND RISK COMMITTEE MEETING HELD ON 1 DECEMBER 2025

REPORT AUTHOR	Governance and Information Officer
MANAGER	General Manager TC Jasper Corporate and Communities
DEPARTMENT	Governance
DATE	27 January 2026

RECOMMENDATION

That Council note the report on the Audit and Risk Committee meeting held on 1 December 2025.

EXECUTIVE SUMMARY

Under s 105 of the *Local Government Act 2009*, Council must establish an efficient and effective internal audit function. Council resolved to do that by establishing an Audit and Risk Committee (Committee).

A Committee meeting was held on 1 December 2025. In accordance with s 211(1)(c) of the *Local Government Regulation 2012*, there is a requirement for the Chief Executive Officer to present a written report to Council about the matters reviewed at the Committee meeting and the recommendations made.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

Nil

BACKGROUND

The role of the Committee is to provide independent assurance, oversight and advice to Council and senior management.

The core functions and responsibilities of the Committee include review and monitoring of Council's:

- Financial statements
- Internal audit processes
- Effectiveness
- Engagement with external auditors
- Risk management
- Internal controls
- Legislative and policy compliance
- Governance

The Committee currently operates under a framework consisting of an Audit and Risk Committee Policy and Audit and Risk Committee Terms of Reference.

The Committee is required to meet at least twice each financial year and currently meets quarterly as per its annual work plan.

FINANCIAL AND RESOURCE IMPLICATIONS

Robust risk and audit assurance underpins and sustains Council's financial goals.

RISK MANAGEMENT IMPLICATIONS

The Committee is a source of expertise in the management of risk and assurance of risk appetite, strategic risk management, and reasonable risk thresholds.

The report is required to be provided to Council to ensure compliance with s 211(1)(c) of the *Local Government Regulation 2012*.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

3.7 - Identify and manage risk.

Operational Plan 2025-2026 Actions:

Legislative requirement.

LEGISLATION AND POLICY

Local Government Act 2009

Local Government Regulation 2012

Audit and Risk Committee Policy

Audit and Risk Committee Terms of Reference

CONSULTATION

Internal: Members of the Executive Leadership Team and relevant Managers prepared reports and attended the Committee meeting.

External: Two external members form part of the Committee and two representatives attended from the Queensland Audit Office, as detailed in the report.

CONCLUSION

In accordance with s 211(1)(c) of the *Local Government Regulation 2012*, the Report to Council of the Audit and Risk Committee Meeting held 1 December 2025 is presented to Council.

ATTACHMENTS

1. Report to Council of Audit and Risk Committee Meeting held 1 December 2025 [7.4.1 - 4 pages]

REPORT TO COUNCIL

Audit and Risk Committee Meeting – Monday 1 December 2025

Committee Attendees: Chair – Dr Martin Fahy – via Teams
Independent Member – Drong Vue – via Teams
Mayor Lisa Scomazzon
Cr Michael Rees

Other Attendees: Chief Executive Officer – Scott Osman
General Manager TC Jasper Corporate & Communities – Matthew Eastham
Chief Engineer TC Jasper Infrastructure and Recovery – Derek Langman
Interim Chief Financial Officer – Arun Pratap
Manager Community Services – Sara Roberts
Team Leader Financial Accounting – Joanne Nicholson – via Teams
Senior Accountant Financial Accounting – Katie Wilkinson
Team Leader ICT – Garry Mason
Governance and Information Officer – Rachel Dunn – Minute Taker

Queensland Audit Office – William Cunningham – via Teams
Queensland Audit Office – Jessica Rossouw – via Teams

Apologies: Nil

In accordance with Council's Audit and Risk Committee Policy and s 211(1)(c) of the *Local Government Regulation 2012*, the following is a summary of the matters reviewed at the Audit and Risk Committee (Committee) meeting held on 1 December 2025 and the recommendations made.

1. FINANCIAL REPORTS – AUGUST 2025 TO OCTOBER 2025

The Interim Chief Financial Officer tabled the August to October 2025 financial reports that were previously presented to Council at the 30 September 2025, 28 October 2025, and 25 November 2025 Ordinary Council Meetings.

Officer's Recommendation

That the Committee note the Financial Reports for August 2025, September 2025, and October 2025.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

2. REVISED BUDGET 2026

The Interim Chief Financial Officer and Team Leader Financial Accounting provided an update on the revised budget for 2026.

Council performed the first of two planned Budget Reviews for the 2025-2026 financial year which was presented and subsequently adopted at the Ordinary Council Meeting held on Tuesday 25 November 2025.

Officer's Recommendation

That the Committee note Council's Revised Budget 2025-2026.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

3. QUARTERLY REPORT – CYBER SECURITY STATUS UPDATE

The Team Leader ICT tabled an ICT Working Group Quarterly Cyber Improvement Update report.

Officer's Recommendation

That the Committee note the Cyber Security update.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

4. MOSSMAN POOL – AQUATIC FACILITY SAFETY ASSESSMENT

The Manager Community Services tabled the assessment for noting.

On 14 March 2025, Royal Life Saving Australia assessed the Mossman Pool aquatic facility.

Council engaged Royal Life Saving Australia to conduct the assessment to better understand the status of safety and compliance with industry standards.

The final report was provided to Council in June 2025. The report highlighted some opportunities for improvement.

Officer's Recommendation

That the Committee note the findings of the Aquatic Facility Safety Assessment and ongoing activities to improve overall safety and compliance.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

5. QUEENSLAND AUDIT OFFICE FINAL MANAGEMENT REPORT

The Queensland Audit Office (QAO) tabled their 2025 Final Management Report to the Committee for noting.

The QAO closing report was previously discussed with the Committee on 14 October 2025.

Officer's Recommendation

That the Committee note the observations in the 2025 Final Management Report from the QAO for the 2024-2025 financial year.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

6. AUDIT FINDING RECOMMENDATIONS UPDATE

The Team Leader Management Accounting provided an update report for noting.

The QAO performed their annual audit for the 2024-2025 financial year. The Final Management Report identified one significant deficiency and three deficiencies in Council's internal control environment. Council provided management responses on how these matters will be addressed.

This report identifies the steps taken and the processes that Council has put in place to address the audit recommendations.

Officers Recommendation

That the Committee note the update to Audit Findings and the implementation of Audit Recommendations.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

7. PROCUREMENT COMPLIANCE DASHBOARD

The Interim Chief Financial Officer tabled the Procurement Compliance report for noting. The report was developed in response to the recent QAO audit observation and recommendations.

The report, or dashboard, is designed to provide relevant stakeholders namely: the Audit and Risk Committee; the Executive Leadership Team and the Senior Leadership Team with greater visibility over Council's compliance with its procurement policy, prevailing legislation and other prescribed requirements.

The report will also serve as the baseline by which trend analysis will be developed and serve as the impetus for necessary managerial actions to ensure Council satisfies policy and legislative requirements regarding procurement activities.

Officers Recommendation

That the Committee note the Procurement Compliance Dashboard report and consider the proposed Management Actions.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

8. ENTERPRISE RISK REGISTER UPDATE

The General Manager TC Corporate and Communities tabled a draft Strategic and Corporate Risk Register for noting and provided the Committee with an update on the development and implementation of Council's Enterprise Risk Framework (ERF).

This included the next steps towards completion of Council's Strategic and Corporate Risk Registers, the development methodology, and the forward program of work to finalise the Risk Appetite Statement, inherent and residual risk assessments, and Business Unit Risk Registers.

Officers Recommendation

That the Committee note Council's progress toward developing an Enterprise Risk Framework and associated register, policy and procedural collateral.

Committee Decision

The Committee resolved to accept the Officer's recommendation.
