

7.9. REPORT OF AUDIT AND RISK COMMITTEE MEETING HELD ON 19 MARCH 2026

REPORT AUTHOR	Interim Manager Governance and ICT
MANAGER	Acting General Manager, Corporate & Communities
DEPARTMENT	Governance
DATE	28 April 2026

RECOMMENDATION

That Council note the report of the Audit and Risk Committee meeting held on 19 March 2026.

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 19 March 2026. In accordance with s 211(1)(c) of the *Local Government Regulation 2012*, the Chief Executive Officer must present a written report to Council about the matters reviewed at the Committee meeting and the recommendations made.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

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

REPORT/BACKGROUND

Attached to this report are the matters considered by the Committee and subsequent recommendations for Council's consideration:

- Monthly Financial Performance Reports November, December, January
- Procurement Compliance Dashboard
- Procurement Policy Update
- Overview of U-29 weather event, including financial and risk implications
- Queensland Audit Office Report
- Draft 3-year Strategic Internal Audit Plan
- Draft Risk Management Framework; Draft Risk Appetite Statement and Draft Risk Register

FINANCIAL AND RESOURCE IMPLICATIONS

Robust risk management underpins Council's legislative compliance and sustainability obligations.

The Committee operates under a framework consisting of an Audit and Risk Committee Policy, a Terms of Reference and currently meets quarterly as per its annual work plan.

The Committee consists of two independent members, and two elected members. The independent members receive a fee which is provided in Council's adopted budget. When required, costs (time) associated with staff attendance is also provided in Council's adopted budget.

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 identified environmental implications associated with the recommendation of this report.

SOCIAL IMPLICATIONS

There are no identified social implications associated with the recommendation of 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, one representative attended from the Queensland Audit Office, and two representatives attended from Crowe Australasia.

CONCLUSION

In accordance with s 211(1)(c) of the *Local Government Regulation 2012*, the Report of the Audit and Risk Committee Meeting held 19 March 2026 is presented to Council.

ATTACHMENTS

1. Report to Council of Audit and Risk Committee Meeting held 19 March 2026 [7.9.1 - 3 pages]

REPORT TO COUNCIL

Audit and Risk Committee Meeting – Thursday 19 March 2026	
Committee Attendees:	Chair – Dr Martin Fahy – via Teams External Member – Drong Vue – via Teams Mayor Lisa Scmazzon Cr Michael Rees
Other Attendees:	Chief Executive Officer – Scott Osman Acting General Manager Corporate & Communities – Paul Hoye General Manager Infrastructure – Derek Langman Interim Manager Governance & ICT – Arun Pratap Governance and Information Officer – Rachel Dunn Interim Chief Financial Officer – Tamas Maffey-Stumpe Team Leader Corporate Accounting – Katie Wilkinson Coordinator Procurement – Melinda Wythes Queensland Audit Office – William Cunningham – via Teams Crowe Australasia – Donna Sinanian – via Teams Crowe Australasia – Sarah Trende – 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 19 March 2026 and the recommendations made.

1. FINANCIAL REPORTS – NOVEMBER 2025 TO JANUARY 2026

The Team Leader Corporate Accounting tabled the November 2025 to January 2026 financial reports that were previously presented to Council at the 9 December 2025, 27 January 2026, and 24 February 2026 Ordinary Council Meetings.

Officer's Recommendation

That the Committee note the Financial Reports for November 2025, December 2025, and January 2026.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

2. PROCUREMENT COMPLIANCE DASHBOARD

The Interim Chief Financial Officer provided an overview of the procurement compliance on Purchase Orders (POs) for the period 1 November 2025 to 28 February 2026.

The dashboard is designed to provide relevant stakeholders namely: the 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.

Officer's Recommendation

That the Committee:

1. Note the Procurement Compliance Dashboard report.
2. Consider the proposed Management Actions.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

3. PROCUREMENT POLICY UPDATE

The Interim Chief Financial Officer and Coordinator Procurement provided an overview of the proposed updates to Council's procurement policy.

Council's procurement policy is reviewed annually in accordance with s 198(3) of the *Local Government Regulation 2012*.

Officer's Recommendation

That the Committee note Council's proposed revisions to the Procurement General Policy.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

4. OVERVIEW OF U-29 WEATHER EVENT INCLUDING FINANCIAL AND RISK IMPLICATIONS

The Acting General Manager TC Jasper Corporate and Communities provided a verbal update on the recent U-29 weather event to the Committee.

The tropical low U-29 impacted the Douglas Shire region on Thursday 5 March 2026. This weather event caused flash flooding along the Daintree River and surrounding areas and has resulted in damage to the Daintree Ferry.

Officer's Recommendation

That the Committee note the financial and risk implications for Council of the tropical low U-29 weather event.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

5. QUEENSLAND AUDIT OFFICE REPORT

The Queensland Audit Office (QAO) tabled their 2026 Audit and Risk Committee Briefing Paper for noting.

Officer's Recommendation

That the Committee note the QAO 2026 Audit and Risk Committee Briefing Paper.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

6. DRAFT THREE-YEAR STRATEGIC INTERNAL AUDIT PLAN

The Interim Manager Governance and ICT tabled a draft Three-Year Strategic Internal Audit Plan.

In conjunction with Council's Governance team, Crowe Australasia has prepared a new draft Three-Year Strategic Internal Audit Plan for approval by the Committee.

Officers Recommendation

That the Committee approve the draft Three-Year Strategic Internal Audit Plan for July 2026 to June 2029.

Committee Decision

The Committee resolved to accept the Officer's recommendation.

7. DRAFT RISK MANAGEMENT FRAMEWORK, RISK APPETITE STATEMENT AND RISK REGISTER

The Interim Manager Governance and ICT tabled Council's draft Enterprise Risk Management Framework (ERMF) and associated key documents for noting and feedback.

Progress has been made on the development of Council's ERMF, in consultation with the Executive Leadership Team, Managers and Council, including preparation of the following draft documents:

- Draft Risk Management Framework.
- Draft Risk Appetite Statement.
- Draft Strategic and Corporate Risks Register.

Officers Recommendation

That the Committee note the progress in developing an Enterprise Risk Framework, Risk Appetite Statement and Strategic and Corporate Risks Register.

Committee Decision

The Committee resolved to accept the Officer's recommendation.
