

Ordinary Meeting of Council 16 April 2024 Attachments

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Minutes

M011

Audit & Risk Committee Meeting

Tuesday 26 March 2024

3:00 pm
Council Chambers
Beaufort Council Offices
5 Lawrence Street, Beaufort





MINUTES - Audit & Risk Committee Meeting 26 March 2024 - M011

Members: **Ms Wendy Honeyman (Chair)**
 Mr Rod Poxon
 Mr Brian Keane
 Cr Damian Ferrari
 Cr Ron Eason
 Mr Kelvin Tori

Officers: **Mr Jim Nolan – Chief Executive Officer**
 Mr Douglas Gowans – Director Assets and Development Services
 Ms Kathy Bramwell – Director Corporate and Community Services
 Mr Glenn Kallio – Manager Finance
 Mr Dean Miller – Manager Governance and Performance
 Ms Emma Poyser – Executive Assistant to the Directors

Guests: **Mr Brad Ead – AFS & Associates**



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1. ACKNOWLEDGEMENT OF COUNTRY

The Chair acknowledged the people past and present of the Wadawurrung, Dja Dja Wurrung, Eastern Maar and Wotjobaluk tribes, whose land forms the Pyrenees Shire. We pay our respect to the customs, traditions and stewardship of the land by the elders and people of these tribes on whose land we meet today.

2. APOLOGIES

Cr. Damian Ferrari
 Kate Scarce - AFS & Associates

3. CONFLICT OF INTEREST DECLARATIONS

There were no conflicts of interest declared.

4. CONFIRMATION OF THE PREVIOUS MINUTES

Attachments:

1. 2023.11.28 - MINUTES - Audit & Risk Committee Meeting - 28 November 2023 [4.1.1 - 30 pages]

Cr Ron Eason / Rod Poxon

That the Minutes of the Audit and Risk Committee meeting held 28 November 2023, as tabled, be accepted as accurate and complete.

5. ACTIONS ARISING FROM PREVIOUS MINUTES

MEETING DATE	ACTION	STATUS	
M008 May 2023	Review Instruments of Delegation and Governance Manuals for Community Asset Committees.	A working group led by Dean Miller (Manager Governance and Performance) has been established to review the Instruments of Delegation. Action completion delayed due to emergency response – will be complete in preparation for annual delegations renewal – July 2024.	In progress
M009 September 2023	Consider inclusion of business continuity/disaster recovery in internal audit program.	Our plans need to be updated as part of a project between Dean Miller (Manager Governance & Performance) and Scott Wright (Manager Information Management), which ideally will be completed prior to the audit	In progress



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		program finalisation – will look at inclusion in 2025.	
M010 November 2023	Extension of tenure letter for independent member Mr. Brian Keane amendment.	Amended to ensure inclusion of the final meeting to be held in November 2024, sent 13/12/2023.	Complete
M010 November 2023	Review of outstanding Past Issues for relevance, some will be superseded.	Audit deferred to May 2024 due to workload impact from emergency response Feb 2024.	In progress
M010 November 2023	Circulate finalised scope to Committee members outside of this meeting.	AFS & Associates to action – EP has followed up for an update (30/01/24).	Complete
M010 November 2023	Review the volume of low transactions for opportunities to improve procurement efficiencies.	AFS & Associates to action – EP has followed up for an update (30/01/24).	In progress
M010 November 2023	Annual Report to be provided to all Audit & Risk Committee Members.	Electronic copy provided to all independent members. Hard copies posted to independent members 30/01/2024.	Complete
M010 November 2023	Amend the scheduled June 2024 meeting to Tuesday 18 June 2024.	Amended and invitations sent to all members.	Complete
M010 November 2023	Circulation of the Fraud and Corruption Control Plan to all Audit & Risk Committee Members upon completion.		In progress
M010 November 2023	Circulation of VAGO notes to meeting participants attending remotely.		Complete

Information circulated outside of meetings:

The following items were circulated to members of the Audit & Risk Committee outside of formal meetings:

Date Circulated	Item
December 2023	VAGO status report – November 2023
January 2024	VAGO status report – January 2024



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	Pyrenees Shire Council Annual Report (2022/23) VAGO Audit Committee Forum – November 2023 (circulated to members in remote attendance at the November 2023 meeting.)
February 2024	VAGO status report – February 2024



6. ELECTION OF CHAIRPERSON

Former Chairperson to vacate the Chair and pass to the Director Corporate & Community Services to lead this part of the meeting.

In accordance with the Audit & Risk Committee Charter the Chairperson of the Audit & Risk Committee is required to be elected annually. It is therefore appropriate for the Committee to elect a Chairperson for the next twelve months.

Call for recommendations:

Wendy Honeyman (Chair) nominated Mr. Rod Poxon.
Wendy Honeyman to Chair the March meeting.

RECOMMENDATION

That Mr. Rod Poxon be elected to the role of Chairperson for a period of twelve months commencing 27 March 2024.

Following the finalisation of the vote, and the passing of the resolution, the Director Corporate & Community Services will vacate the Chair and pass the meeting to the current Chairperson (Wendy Honeyman).

8. REPORTS

8.1. COMMITTEE MEMBERSHIP

Author: Kathy Bramwell, Director Corporate and Community Services

Independent Member Tenure

The tenure of independent committee member Mr Rod Poxon was scheduled to expire in May 2024. In early 2024, the CEO conducted a review of Mr Poxon and offered a tenure renewal for a further three years, ending on 22 May 2027. This renewal was accepted.

The tenure of independent committee member and Committee Chair, Ms Wendy Honeyman, will expire in April 2024. This marks the end of nine years on the Pyrenees Shire Council's Audit & Risk Committee for Ms Honeyman and under the requirements of the Charter cannot be extended further.

This meeting is, therefore, the last meeting for Ms Honeyman and the CEO and Council would like to extend its sincere thanks for the years of service.

Recruitment has been conducted for a new independent member to replace Ms Honeyman and details of the successful candidate will be provided at the meeting.



Attachments:

Nil

COMMENTS:

- Pleased that Rod Poxon accepted the Chairperson position for a further term.
- All Committee members expressed their appreciation to Wendy Honeyman for 9 years of contribution to the committee.
- Cr. Ron Eason also relayed the appreciation from Councillors for the reports that Wendy has provided to Council.
- Welcome to new independent member Kelvin Tori.
- Wendy Honeyman expressed appreciation of the committee members continued support throughout her tenure.

Rod Poxon / Cr Ron Eason

That the Audit and Risk Committee:

1. Notes the information provided within this report, and
2. Expresses its thanks for the nine years of service given by the retiring Chair – Ms Wendy Honeyman.



8.2. CEO REPORT

Author: Jim Nolan, Chief Executive Officer

CEO's Report to the Audit and Risk Committee - March 2024

The following report is focused entirely on emergency management to provide the A&RC with an appreciation of these two major events and their impact on Council operations.

Bayindeen-Rocky Road Fire Event

Council received a report on this event at its March 2024 Council Meeting, and below is an excerpt of that report highlighting what happened, what we did, and what issues needing to be addressed as we transition from response to recovery.

On Thursday 22 February 2024 there was a fire on Bayindeen Rocky Road. An Incident Control Centre (ICC) in Ballarat was activated, and Council was requested to setup a Relief Centre. A Relief Centre was established at the Goldfields Recreation Reserve. Spot fires were occurring 10km ahead of the fire which resulted in an evacuation notice being issued for Beaufort. The Relief Centre was relocated to Ballarat.

Subsequently Relief Centres were also opened at Maryborough and Ararat.

Significant ground and air equipment and personnel were deployed to control the fire which continued to burn for several days. It was deemed safe for some residents to return to their homes days later, while other areas near the fireground remained unsafe due to fire risk or dangerous trees. Numerous state local roads remained closed for several days.

An extreme fire danger day and total fire ban was issued for Wednesday 28 February, and residents in a significantly expanded warning area issued with warnings to leave the area due to the potential for the fire to break control lines. Most council facilities were closed, and services limited.

The main risk was averted due to the extensive effort and resources assigned to the fire.

The February 2024 Victorian Storms and Bushfires were declared a Natural Disaster enabling impacted individuals and businesses to access financial support through emergency relief payments through Victoria's Department of Fairness, Families and Housing (DFFH).

Council received notification on 29 February that the Commonwealth had issued an Australian Government Reference Number (AGRN) 1108 to activate the event under the Disaster Recovery Funding Arrangements (DRFA).

On 1 March, the Commonwealth announced Federal Disaster Recovery Payments had been extended to include Raglan in the Pyrenees Shire. (A subsequent request has been made to clarify other communities in the affected area).

At the time of preparing this report, the event is still under the control of the ICC. Preliminary impact information is reported below.

Importantly no lives were lost in this event.

The February 2024 Bayindeen Rocky Road Fire event has had significant impacts across the Pyrenees Shire Council. As the full picture starts to emerge of the devastation, Council is actively engaging with Commonwealth, State and other Local Government agencies to garner the full range of support needed.



Rapid Impact Assessment (RIA) data from the Incident Control Centre (ICC) has been provided however emergency services are still in the process of blackening out the fire and further RIAs may come in once these areas become accessible. Secondary impact Assessments (SIA) are due to commence in the next week or so with Council staff currently being briefed and trained. At present a total of 36 properties will be subject to SIAs.

Further issues have presented in the request for specific data from the Department of Fairness, Families and Housing (DFFH) in relation to Relief Payments.

Thousands of community members were evacuated during the height of the event with most businesses closed including Council Offices. Agriculture Victoria has undertaken assessments on affected private farmland, and the Department of Energy, Environment and Climate Action (DEECA) has completed most of their assessment of impact on the public land values within the Mount Cole and Mount Buangor state parks including built assets, biodiversity, catchment and water, cultural heritage, forestry, tourism and economy.

The Communities of the municipality were well into active recovery fifteen months on from the significant October- November 2022 Flood events, to be further devastated by the Bayindeen Rocky Roady Fire event. The compounding nature of emergencies experienced has quite significantly set most people in the community and workforce backwards. Pyrenees Shire has a small population of 7,613 across a vast geographic area of 3,435 kilometre with 35.9% of the population over 60 years of age. This presents Council with a further challenge to adequately fund services and maintain and renew community assets.

At an EFT of 87 staff, Council has had an estimated 80-90% of staff directly impacted by the fire, severely hampering our overall capacity to operate and provide response, relief and planning for recovery activities.

Council has engaged specialist trauma psychological services for staff impacted.

Agriculture and Tourism (particularly nature-based tourism) are critical contributors to the economy of the municipality – both have been disrupted to an unprecedented level. A comprehensive Impact Assessment of the visitor economy will be necessary to understand the full impact on tourism.

The following is a high-level Snapshot of known impacts up until 13 March 2024. Council has received RIA data and are commencing SIAs however the full impact of the fire continues to emerge.

Communications throughout the event was a major focus for Council staff to ensure staff, Councillors and the community were appropriately informed.

Ensuring a roster of staff to fill the Emergency Liaison Officer (EMLO) role in the ICC for the duration was essential to ensure appropriate information flow.

Current Situation

While the fire has been deemed under control there are crews are continuing to blacken areas on the fire ground, there have been several spot fires and assessments of hazard trees continues. Community Information Advice – Stay Informed have been issued to 25 communities impacted by the Bayindeen-Rocky Road fire.

Access is prohibited to all areas of Mount Cole/Beeripmo and Mount Lonarch/Berumgower State Forest until 30 April. Mt Buangor State Park is closed until further notice, this includes Middle Creek, Ferntree and Bailes Camping areas and all walking tracks.

Transition to recovery

With the fireground still active Council is not in a position to officially transition into recovery through the sign off process however the following work has been undertaken in preparation:



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- Completion of transition to Recovery Action Plan detailing tasks and actions
- Development of Draft Recovery team structure and position descriptions
- DFFH Relief Payments
- As at 5:00pm on 12 March DFFH have processed 246 Relief Payments.
- Relief Centres establishment/shut down: (All closed)
 - Maryborough was opened on 22/2/2024 and closed on 1/3/2024 (9 days)
 - Ararat was opened on 22/2/2024 and closed on 1/3/2024 (9 days)
 - Ballarat was opened on 22/2/24 and closed on 24/2/2024 and reopened on 28/2/2024 and closed on 1/3/2024 (6 days)
- The Beaufort and Avoca Resource and Information Centers were also used as places for residents to seek relief, support and information during the weeks of the event.

Communities Impacted include Amphitheatre Avoca Bayindeen Beaufort Buangor and Buangor East Elmhurst Raglan Mount Cole Lexton

5 Community Meetings were held to date, and others planned.

RIA data indicated that approximately 228 properties have been affected.

Preliminary RIA data indicates significant damage to 36 of the 228 properties.

7 houses were confirmed as destroyed.

Agriculture impacts (AS AT 9 MARCH)

Local Government Areas (LGA): GRAMPIANS REGION			
	Ararat	Pyrenees	TOTAL
Total farm area affected (ha)	1137	3366	4503
Livestock			
Total animal deaths	54	228	282
Total bee hives lost	1	537	538
Infrastructure			
Total fencing impacted (km)	346	464	810
Machinery, woolsheds and haysheds lost	0	49	49
Irrigation pumps lost	0	2	2
Vehicles and machinery lost	0	17	17
Crops/Pastures/Grain/Fodder			
Total field crop (standing) lost (ha)	0	20	20
Total stored grain lost (t)	0	0	0
Total hay/silage lost (t)	18	170	188
Total grazing pasture lost (ha)	767	2,272	3,039
Horticulture			
Summer fruit lost (ha)	0	0.1	0.1
Wine grapes lost (ha)	10	0	10
Other fruit lost (ha)	0	14.9	14.9

For the agriculture sector, the impact on lost assets and productivity is yet to be analysed in detail and resources are required to do so.

BlazeAid has established a base camp at Buangor from which to facilitate volunteers and farm fencing replacement.

Tourism and Economic:

Mt Cole State Forest comprising the Beeripmo Trail and many campgrounds has been significantly impacted – major attraction for hikers, campers and day visitors and is the primary centre for activities for Cave Hill Creek.



The following events have been cancelled:

- *Jump out event for 20 trainers, 50 support staff and 120 horses Avoca Turf Club.*
- *Both town markets at Beaufort and Avoca.*
- *Avoca by the River.*

No data is available on business and the value of economic impact however it is anticipated this will emerge over the coming weeks. TMV have met with Grampians Tourism and a joint approach is being made to access funding for consultants to undertake a financial assessment of the impact. There are four tourism properties directly impacted and with the significant amount of damage to nature-based tourism, we expect Mt Buangor State Park, Mount Cole, and Mount Lonarch will remain closed for quite some time.

This will have a significant impact on others nearby who rely on nature-based experiences as well as those directly impacted.

Elmhurst Cemetery – impacted by fire retardant which needs to be cleaned before public access.

Immediate Concerns for Council:

- *Community having difficulties accessing relief services.*
- *Welfare of community members affected*
- *Maintaining contact with affected residents and ensuring residents have access to services and support.*
- *Maintaining up to date relevant and appropriate communications across a range of formats for various purposes.*
- *waste management and clean up services*
- *Supporting farmers with coordination of agencies and activities relating to farm fencing, fodder and animal management issues.*
- *Assisting in the replenishment of water supplies taken from private property as part of the fire response.*
- *Fire damage to water tanks and troughs for rural residential and farming properties*
- *Assisting to facilitate water tank cleaning*
- *Assessment of damaged road assets and progressively opening local roads as they are made safe and maintenance of traffic management.*
- *Initial Assessment and management of dangerous roadside trees and coordination with relevant agencies over the removal and management of timber.*
- *Undertaking Secondary Impact Assessments by Council staff and contractors over the coming weeks.*
- *Financial implications on Council to provide services and support to community*
- *Financial implications on Council to adequately support the workforce in terms of psychological wellbeing.*
- *Staff fatigue*
- *Impact on Councils Business-as-Usual services*
- *Councils' ability to fund staff for immediate and long-term recovery support and services.*
- *State agency assessing information and requiring Council assistance placing further strain on resources eg, property details and contact information for over 100 properties with short turn-around.*
- *Flood Recovery Team has been assisting but funding is insufficient to maintain full time services in the long term for flood as well as the fire event.*
- *Environmental impact, particularly if and when rain occurs causing run off issues.*
- *Advocacy to government for support and financial assistance.*
- *Council's limited resource capacity in relation to support from the State in context to Council being unable to meet its legislated responsibilities under the Emergency Management Act (2013) and*



Emergency Management Legislation Amendment Act (2018). (EM Roles are added to BAU for employees in Local Government without any resourcing provided aside from limited MERP funding).

October-November 2022 Flood Event

Council received a progress report at its February Council Meeting on the implementation of the Flood Recovery Plan. The plan relates to the flood event of October and November 2022, and sets out recovery actions for the period up to June 2025. An excerpt of that report is contained below:

*Works are progressing well to repair Council roads, floodways, bridges, and culverts. Following a strategic review of the initial list of damaged infrastructure, having regard to the large administrative task associated with claiming reimbursement at each individual site, a large number of the "smaller value" sites have been removed from the list with the view to these works being incorporated into Councils ordinary road maintenance program or addressed as part of a resheeting or other periodic maintenance works activity. **In summary the number of sites to be undertaken under the flood recovery program has been reduced from approximately 1373 originally identified to approximately 800, and then further reduced to 666. The total estimated value of the works reduced from \$7,318,761 to \$6,352,705. As of 31 December 2023, \$2,939,597 has been completed.** Regular updates on the works appear on the Council's website, in the Noticeboard and in the Flood Recovery Newsletter.*

- *The Flood Recovery Newsletter continues to be distributed quarterly with the next newsletter due to go out in March 2024.*
- *Further work to restore the wall and repair drainage at the Lions Park in Avoca has been completed. Plantings will occur when the weather is more suitable.*
- *Some recovery/resilience events were held across the municipality such as the Waubra Community Day and Landsborough Bush Dance. More events are being planned for 2024.*
- *Council staff providing outreach support at places such as the Beaufort Agricultural Show and Avoca Market.*

Other notable matters include:

- ***Council's application for a second advance payment of approximately \$1,332,698.75 was approved and received in January 2024. The first advance payment of \$1.5M was received during 2023.***
- ***There is a significant time lag between lodging claims for reimbursement and claims being assessed for payment. At the time of preparing this report, a total of nine claims have been made with just one being assessed and approved.***
- *Following a new provision for betterment, Council officers have been incorporating appropriate additions to a small number of projects for betterment claims to enable more resilient assets under future flood events.*
- *Council officers met with the CEO of Emergency Recovery Victoria (ERV) in Avoca recently. ERV is the body that has now assumed responsibility for administering DRFA claims. This was an opportunity to discuss and advocate on a range of matters relating to claims process and emergency recovery generally. ERV advised that a review of the claims process is scheduled for 2024.*

Regards,

Jim Nolan, CEO



Attachments:

Nil

COMMENTS:

- The focus of the report are the recent flood and fire events, with the CEO's report from the March Council meeting incorporated.
- The CEO report was brought forward in this meeting to put the rest of the conversation in context.
- A short term financial issue resulting from the recent fires are the delays to be expected in the recovery of rates.
- Properties where homes were lost as a result of the fire are receiving a Secondary Impact Assessment. Insurance impacts these residents recovery.
- Financial gap for Council unless funding arrangements are forthcoming, with the Stat Government decision regarding fire funding to be made.
- Management strategies to be determined for the staff impacts on workforce and workload and the disruption to business as usual.
- A recovery plan has been drafted with a lens over the financial exposure and funding of recovery actions.
- At the moment we are still in the initial emergency stage and have not quite moved into full recovery, although working through with trauma counselling and arborist works.
- Impacted properties have been put through for re-evaluation.
- There is always a risk in disaster events to have spent funds reimbursed. Some business as usual inflexibility's and spend commitments are still in place and conscious of cashflow.
- Currently attending various meetings in the hope of resolving any out of pocket costs.
- The Pomonal fire impacts were included in the Agriculture impacts table within the report.

Cr Ron Eason / Rod Poxon

That the Audit and Risk Committee notes the information contained in this report.



8.3. EXTERNAL AUDIT STRATEGY 2024

Author: Ryan Schischka – Johnsons MME

Council's External Auditor will lead a discussion on the Annual Audit Strategy for 2024.

A copy of the Audit Strategy Memorandum is attached to this report for information.

Attachments:

1. Audit Strategy Memorandum 30 June 2024 - Pyrenees Shire Council [**8.3.1** - 23 pages]

COMMENTS:

- The fire issues are complex and emerging and may be premature but this along with the floods is a lot of work.
- A work in progress and funding should be confirmed by 30 June 2024 with funds to fall into the next financial year.
- Audit to be completed remotely as VAGO states this is the most efficient process due to distance. Not all problems in the last audit would have been solved with an onsite audit. There were a number of issues that should have been picked up in previous audits and anticipating none of these will be raised this year as year two audit is always a little easier.
- The Fair Value assessment process application will be at the May Audit & Risk Committee meeting with Shell statements.
- Operations statement will run at a significant loss due to the fall behind of funding processing.
- Comprehensive notes will explain the flood and fire event focus.
- The scheduled Audit & Risk Committee meeting on 24 September will be held during the caretaker period, confirmed this will go ahead as usual.

Brian Keane / Cr Ron Eason

That the Audit and Risk Committee notes the information provided by Council's External Auditor.



8.4. FINANCE REPORT

Author: Glenn Kallio, Manager Finance

Financial Update 2023-2024

This report provides the committee with the financial position of Council as at end of February 2024, the financial statements are provided as an attachment to this report.

Several external financial issues which are being experienced by Council that Council has had no control over. These relate to:

- October 2022 flood event
- February 2024 fire event
- Issues relating to the 2023-24 re-valuation of rateable properties by the Valuer General.

To date Council has had the financial capacity to deal with these financial issues.

The major financial issues are:

1. Operating position:

- 1.1. Rate revenue – It is expected that rate revenue will be reduced by approximately \$100k due to the overstatement of valuations approved for this financial year.
- 1.2. Employee costs will exceed budget due to the higher EBA increase than originally budgeted.
- 1.3. Material and service will exceed the budget due to the October 2022 and recent fire events; it is expected that the majority of this expenditure will be covered by increased operating grants.

2. Cash position

2.1. Cash position has improved due to:

- Receipt of advanced payment of the floods
- Improved position for the collection of outstanding rate money
- Under expenditure (Roads to Recovery works) of capital works year to date.

3. Capital Works

- 3.1. Council has resolved to purchase strategic land totaling \$1.4 million. These funds will be cashflowed this financial year with borrowings in the 2024-25 budget to recover the funds.
- 3.2. Additional funds have been required to be allocated to the Avoca Depot project.
- 3.3. Waste management costs will exceed the budget relating to escalation costs associated with the collection contracts which have been impacted by the financial climate over the last two years.
- 3.4. Additional infrastructure costs have been incurred due to the flood and fire events, there has been a degree of expenditure that is not possible to be reclaim through the various funding sources.

The financial statements are attached to this report.



Budget Preparation 2024-2025

The budget process for the 2024-25 financial year has commenced. The process involves the Executive Leadership Team providing a balanced budget and sustainable long term financial plan to Council with various options. Several workshops have been scheduled with Council to review and amend the draft budget, the timetable has the budget being adopted in June 2024.

The preparation of this budget is made even more difficult due to the following factors:

- Rate Cap has been set at 2.75%
- Issues regarding the valuations will see a reduction in rate income
- EBA increase is set at 3%
- Superannuation rate increases by a further 0.5%
- Insurance premiums are expected to increase by at least 10%
- Introduction of ministerial guidelines for the calculation of the waste charge could result in a rate cap variation in 2024-25. These regulations are expected to put additional financial pressure on rate income going forward
- Natural disaster are increasing the financial pressures on Council, the delay in the receipt / approval of claim income result in Council having to fund the cashflow of the recovery works
- Additional administration of claims for funding is increasing the administration resource.

A copy of the draft budget and long term financial plan will be provided to this committee prior to adoption.

Attachments:

1. Final Financial Report [8.4.1 - 29 pages]

COMMENTS:

- Taking into account the recent fire and floods we are still in a strong position. Operating quite well considering although the next financial year will be more difficult.
- Next year's budget will be the tightest seen for some time with pulling back on spending and delivering less to be more sustainable will be challenging. Recent Executive Leadership team budget meeting highlighted a tough budget with tough decisions to be made, the community will suffer with the lack of service provision.
- Rates are on target to date but unknown if this will remain. This would significantly impact on costs and impact will be evident in the next two years due to the inability to take legal action on those who don't pay until this time.
- The State have released guidelines stating proposed changes to the inclusion of waste collection charges which may require a reduction or removal services to cut costs. The Minister has since softened the approach on these Guidelines.

ACTION: State Waste Guidelines to be shared with Committee members.

Rod Poxon / Cr Ron Eason

That the Audit and Risk Committee notes the information contained in this report.

8.5. COMPLIANCE UPDATE

Author: Kathy Bramwell, Director Corporate and Community Services



Fraud:

- There have been no identified instances of fraud or corruption in the reporting period.

Public Interest Disclosures:

- There were no public interest disclosures or complaints that should be managed as public interest disclosures received during the reporting period.

Non-compliances:

- No compliance breaches were detected or reported during the reporting period.

CEO Credit Card expenditure:

- Three purchases were made by the Chief Executive Officer in December totaling \$619.20:
 - o Uber fare
 - o Hire of co-working facility in Ballarat
 - o Forum attendance
- Four purchases were made by the Chief Executive Officer in January/February 2024 totaling \$95.64:
 - o Uber fare
 - o Hire of co-working facility in Ballarat
 - o Minor meeting refreshment expenses

Attachments:

Nil

COMMENTS:

No misconduct or fraud to report.

Rod Poxon / Cr Ron Eason

That the Audit and Risk Committee notes the information provided in this report.



8.6. GOVERNANCE RISK & COMPLIANCE REPORT

Author: Dean Miller, Manager Governance & Performance

REPORTING PERIOD

The reporting period for the purposes of this report is the period 20 November 2023 to 15 March 2024. "Year to date" means 1 July 2023 to 15 March 2024.

COVID

The Council continues to be affected periodically by isolated cases of COVID that necessitate absences from work, but no more seriously than other illnesses. Council no longer maintains additional Covid leave for employees and the Pandemic Committee still meets on an ad-hoc basis.

STAFFING

During the reporting period there were 4 new employees and 10 resignations.

INDUCTION WORKING GROUP

A working group consisting of five employees has been formed for the purposes of:

- Reviewing Council's existing induction systems and their effectiveness;
- Creating an Induction Framework consisting of policies, procedures, systems, and strategies;
- Making recommendations to management and ELT for improvements to the Framework; and
- Overseeing improvements to the Framework.

Employee induction is a critical element of the Council's recruitment and selection process, and risk management framework. In the short term, the working group will meet monthly to further the above-mentioned objectives and twice a year in the long term.

PRIVACY AND DATA SECURITY

There have been no known data breaches within the reporting period.

A full update on compliance progress against the *Victorian Protective Data Security Standards (VPDSS)* is under preparation for submission to OVIC (Office of the Victorian Information Commissioner) by August 2024.

A project is underway with the Manager Information Management and Manager Governance & Performance to fully review and align the Council's *Business Continuity Plan* and *Disaster Recovery Plan* using updated disaster experience as a guide to real-time needs.

REQUESTS FOR INFORMATION

Since 1 July 2023, 14 FOI (Freedom of Information) requests have been received:

- 4 requests were processed in accordance with the FOI Act.
- 11 requests were processed outside of the FOI Act.
- 1 is currently being processed.

COMPLAINTS



27 complaints have been lodged since 1 July 2023, including 11 since the last report.

One complaint relates to the incorrect Rates Reminder Template / Notice that was sent to about 2,600 ratepayers. An investigation was undertaken, the matter was reported to Councillors, and a public apology issued. This matter has been treated as a single complaint for statistical purposes, but three ratepayers lodged formal complaints with Council. We are also aware of a small number of other ratepayers who complained to the Mayor and Councillors, and complaints were received by Martha Haylett MP. In addition, over 30 ratepayers contacted the Council to inquire as to why the letter was sent and to request payment plans.

FRONTLINE SERVICE REVIEW

The Frontline Services Review is complete, and a draft report prepared. A suggested remodel of the service is being prepared for Council's consideration in April 2024, with a primary focus on cost savings.

RISK MANAGEMENT AND INSURANCE

1. Insurance claims and injury statistics

There is one open / ongoing injury claim.

There are three outstanding motor vehicle claims. Two of these are minor claims that are awaiting repairs. The third and most recent claim involves damage to the roof of the library bus caused by a bird strike.

There have been two windscreen claims made since the last report – one for the library bus and the other for a pool vehicle.

There was also a glass breakage claim for a grader based in Avoca.

Flood impact claims are now complete. The insurers and Council agreed on a final cash payout for the Beaufort Men's Shed of \$216,955.37. The deed of release is expected to be signed week commencing 18th March 2024.

2. Risk Management Committee

A meeting of the Risk Management Committee was held on 30 November 2023. The Committee adopted a new Terms of Reference with the following amendments:

- The Committee is no longer responsible for the oversight or management of specific risks, as these are the responsibility of management;
- The Committee's responsibilities primarily relate to operational risks, noting that responsibility for the oversight of strategic risks rests with the Audit Committee, and the Council.
- The Committee is an advisory body with no power to act;
- Membership of the Committee is limited to ELT and managers;
- The Committee is responsible and accountable to ELT, not to Council; and
- A new requirement for the establishment of a Workplan, KPIs, and annual self-assessed performance review.



The Committee received reports relating to insurance claims, OHS (Occupational Health and Safety), Covid-19, emergency management, and project management. There is nothing of strategic significance that needs to be reported to the Audit and Risk Committee.

3. Health Safety & Wellbeing (HSW)

The outcomes of the October 2023 HSW meeting were reported to the November meeting of the Audit and Risk Committee. The next meeting will be held on 28 March 2024.

4. JMAPP Property Insurance Risk Management Project

The final report into the review of insurance for non-Council owned or managed assets project has been received. The purpose of this project was to review insurance premium payment responsibilities for assets not owned or managed by Council, with a view to maximising the potential for successful claims outcomes in the future.

The Council insures approximately 167 Crown assets across 29 sites. The financial cost to the Council under the JMAPP Scheme for the year 2023/24 represented 38.34% of the total property insurance premium - \$63,052 plus GST. These assets include playgrounds, public halls, toilets and amenity blocks, pavilions, sheds, kiosks, workshops, shelters and BBQs, light towers and scoreboards, fencing and gates, stockyards, contents, sports courts and playing surfaces (including turf), water tanks and fixtures, and powered sites.

As Council is not directly responsible for DEECA (Department Energy, Environment & Climate Action) infrastructure or the governance of committees of management, there is a significant gap in Council's capacity to ensure Crown infrastructure is properly maintained, further exposing Council to the possibility of rejected claims (as experienced a few years ago with an insurance claim related to a community hall).

The final report included 20 recommendations that would require significant additional expenditure to implement. These recommendations require more consideration by officers to enable a comprehensive report (including costings and implementation strategies) to be presented to Council.

One of the options to be considered is the transfer of insurance costs to committees of management. This is likely to raise questions of inequity between communities – some of which have Council-owned facilities financially supported by the Council, and others not because their facilities are on Crown land. Whilst the report moots this option, it does not provide any detailed discussion about the pros and cons of doing so, or the impact on premiums. For these reasons, it is appropriate for Council to continue to maintain the status quo in the short term by renewing and funding the insurances for Crown land Committees for the 2024-25 year.

During the year, officers will meet with Council's insurance broker, DEECA and Committees of Management to explore what is practically and financially possible, and research what other councils are doing in this space. Once that occurs, a comprehensive report with costed recommendations will be presented to Council.



5. Insurance Renewals 2024-25

Work is underway in preparing comprehensive documentation necessary for the renewal of Council's insurances for the 2024-25 year. Documentation includes asset schedules for vehicles, buildings, and artworks and responses to detailed questionnaires. Council currently has the following policies in place:

- Community Liability: cover for community groups that hire Council facilities;
- Public Liability: cover for losses incurred by third parties arising from Council activities;
- Professional Indemnity: cover for claims arising from advice provided by Council officers;
- Cyber Liability: cover for losses resulting from criminal use of computers and the internet.
- Councillors and Officers Liability: covers the cost of claims made against Councillors and Officers, including claims arising from employment practices, and defamation.
- Motor vehicle: cover for damage to Council vehicles and third parties;
- Buildings: cover for damage to Council buildings and third parties;
- Artwork: cover for loss or damage to Council's art collection;
- Corporate Travel: cover to employees whilst travelling on Council business.
- Personal Accident: cover for volunteers if injured whilst engaged in Council activities.

Last financial year, Council's insurance premiums rose significantly. Building insurance premiums rose by 29 percent, and public liability premiums rose by 10 percent. Insurance premiums (excluding Workcover) currently account for 2% of Council's annual expenditure.

Our insurance broker, JLT, has indicated that premiums may rise across the board by between 15 to 20 percent this year. This is a significant impost on Council which far exceeds any increases in rate revenue that is used to fund it. Accordingly, some tough decisions may need to be made this year, including insuring some assets for indemnity (that is, to cover the cost of demolition and debris removal only, and not replacement of the asset), increasing the deductibles on claims made (also known as the claim excess), and limiting the total amount claimable.

For the 2025-26 year, as discussed above, Council will test the market for alternate brokers and cease to insure assets not owned by Council.

EMERGENCY MANAGEMENT

1. Bayindeen-Rocky Road Fire February 2024

The CEO Report to the A&RC Meeting provides details on this emergency event.

2. Municipal Emergency Management Plan (MEMP)

The Municipal Emergency Management Planning Committee (MEMPC) has completed its four-year review and self-assessment of the *Municipal Emergency Management Plan (MEMP)* and supporting *Animal Welfare Sub-Plan*. These plans have been submitted to the Grampians Regional Emergency Management Planning Committee (GREMPC) for that committee's review and endorsement. As at the date of this report, no response has been received.

3. Flood Recovery

The CEO Report to the A&RC Meeting provides details on this emergency event.

**MAV COMPLIANCE FRAMEWORK**

At a recent State Council meeting of the MAV (Municipal Association of Victoria), the following resolution was carried:

That the MAV, after consulting Local Government Victoria and considering options to draw on governance expertise throughout the sector:

1. *Pursue a coordinated approach to development of a regulatory and compliance framework and technology to support Victorian councils to effectively respond to their extensive and diverse legislative compliance requirements in an efficient manner.*
2. *Consider previous examples such as Queensland in the development of such a framework.*
3. *Report progress to State Council in May 2024*

To that end, the MAV has established a Working Group comprised of three MAV officers and 8 council representatives, including Council's Manager Governance and Performance, Dean Miller. The Committee's inaugural meeting was held on 14 March 2024. Mr Miller will update the Audit and Risk Committee as the project develops.

Attachments:

Nil

COMMENTS:

- Some rescheduling of meeting dates due to staff members assisting with secondary impact assessments and fire recovery work.
- The Induction working group has been established as a result of the VAGO audit recommendation to ensure Councillors and staff receive support and training. This does not include on site contractors and Councillors induction is completed through MAV & LGV.
- Planning department recruitment has been challenging.
- Discussion around the learning's and outcomes of the incorrect Rates notice distribution.
- For a three month period there were no FOI's received. Council has since received one and three questions at Council meetings, these were lodged as acti

Rod Poxon / Kelvin Tori

That the Audit and Risk Committee note the information contained in this report.



8.7. INTERNAL AUDIT

Author: Kate Scarce – Internal Auditor, AFS & Associates

Internal Audit Reviews

No internal audit reviews have been completed during the reporting period.

Due to the impacts of the Bayindeen-Rocky Road fire emergency event in February 2024, the following reviews were deferred to May 2024:

- Review of Outstanding Recommendations from former reviews
- Purchase Cards Internal Audit Review

The internal audit planning documents for the above reviews are attached to this report.

Internal Audit Program Progress Update

An update of the Internal Audit program is attached for information / discussion.

Recent Reports and Publications of Interest to Councils

Please find attached the latest Industry Update.

Attachments:

1. 2132478 4 Internal Audit Planning Document Purchasing Cards R [8.7.1 - 8 pages]
2. 2132449 6 Internal Audit Planning Document Past Issues Review R [8.7.2 - 6 pages]
3. 2191555 2- Status Update 26.03.24 [8.7.3 - 5 pages]
4. 2191622 2- Industry Update 26.03.24 [8.7.4 - 10 pages]

COMMENTS:

- Format commended for the clarity provided to the committee members.
- Psycho-social risks are an emerging area of work, internal working groups and steering groups amalgamated to manage the risks and meet health and safety compliance.

Cr Ron Eason / Kelvin Tori

That the Audit and Risk Committee notes the information provided in this report.



8.8. CHAIRPERSON'S REPORT - FEBRUARY 2024

Author: Wendy Honeyman, Committee Chair

Please find attached a report provided in February 2024 for the latter part of the 2023 calendar year.

This report provides information regarding the performance and activities of the Committee and is provided twice yearly by the Committee Chair. This report was provided to the Council at their Ordinary Meeting held on 19 March 2024.

During the reporting period, a face-to-face meeting of the Audit & Risk Committee was held on 28 November 2023.

In the report, I reported on the outcomes of letters written on behalf of the Committee regarding the increasing volume of FOI requests and the resulting impact on Council resources. Overall, I believe the Committee has undertaken its duties in a responsible and effective manner and acknowledge the contributions of members of the Audit & Risk Committee and Council officers during the reporting period.

Attachments:

1. Report by Chair - March 24 [**8.8.1** - 5 pages]

COMMENTS:

- Excellent report and well put together.

Brian Keane / Cr Ron Eason

That the Audit and Risk Committee notes the information contained in the attached report.



9. GENERAL BUSINESS

Congratulations to retiring Chairperson, Wendy Honeyman it was lovely to work you and your expertise is appreciated.

10. OPPORTUNITY FOR CLOSED DISCUSSION

Author: Wendy Honeyman - Chairperson

The Chairperson asks all members of the Audit & Risk Committee if they would like to discuss any matter in closed session with internal or external auditors.

The Chairperson asks internal and external audit representatives present if they would like to discuss any matter in closed session with Audit & Risk Committee members.

If yes: The Chairperson will move that the meeting be closed to all other Council officers or invitees and that a formal note of closed discussions will be provided to the Minute-taker for inclusion within the minutes of the meeting.

Committee members did not wish to discuss any matter in a closed session with the internal or external auditors.

Rod Poxon / Cr Ron Eason

That the invitation is declined.

11. CLOSE OF MEETING

Next meeting of the Audit and Risk Committee will be held at 3.00pm on Tuesday 18 June 2024 (M012).

Audit and Risk Committee meeting closed at 4.43pm.

Reviewed and signed by the Chairperson:

Mr. Rod Poxon, Chairperson

Date:



19 March 2024

Ref No.: 2191555_2
Private and Confidential
Ms Wendy Honeyman
Audit and Risk Committee Chair
Pyrenees Shire Council
5 Lawrence Street
BEAUFORT VIC 3373

61 Bull Street
Bendigo VIC 3550

afs@afsbendigo.com.au
03 5443 0344

Dear Wendy

Strategic Internal Audit Program Status Update

I attach the new three-year Strategic Internal Audit Program for Pyrenees Shire Council (PSC). I have included the current status of topics and scopes for approaching topics.

The Planning Documents, including the proposed scope and approach for the following topics have been included as attachments for review and approval by the Committee:

- Review of Past Recommendations May 2024
- Purchasing Cards.

Your program remains dynamic and may be tailored to your changing circumstances. The scopes, topics and timing of delivery may be altered to optimise value, minimise disruption or reflect a different risk profile.

I look forward to discussing the proposed topics and scopes in greater detail with you.

Yours sincerely

A handwritten signature in black ink that reads 'Brad Ead'.

Brad Ead
AFS & Associates Pty Ltd

afs**endigo**.com.au

Status of Strategic Internal Audit Program

Topic	Timing	Status
2023/24		
Cyber Security	23 October – 3 November 2023	Complete
Purchasing Cards	2-12 April 2024	Scheduled
Review of Past Recommendations	6-10 May 2024 25 March 2024	Scheduled
2024/25		
Human Resources	September 2024	Not Scheduled
Heavy Plant and Equipment Management	March 2025	Not Scheduled
Review of Past Recommendations	March 2025	Not Scheduled
Internal Audit Program Review	June 2025	Not Scheduled
2025/26		
Local Laws Enforcement	September 2025	Not Scheduled
Delegations by Council and CEO	March 2026	Not Scheduled
Review of Past Recommendations	March 2026	Not Scheduled
Governance	May 2026	Not Scheduled
Internal Audit Program Review	June 2026	Not Scheduled

High Level Scopes – Approaching Topics

Review of Past Recommendations May 2024

Ref.	Scope Area	Ref.	Internal Audit Procedures
A	Confirm the actions taken by management to address the risks raised by Internal Audit. This will focus on those internal audit agreed management actions where a risk rating was assigned to the issue raised and management has actioned the agreed management actions.	A1	Review of the register of completed and closed Internal Audit agreed management actions as reported and provided by management (loaded onto the document portal) by the documentation due date.
		A2	Review and examination of documentation supporting the management advised ‘closed’ or ‘completed’ actions to mitigate the risk identified by Internal Audit, which has been loaded onto the document portal by the documentation due date.
		A3	Discussion with key personnel where required to confirm any points of clarification.
		A4	Determining whether those agreed management actions deemed ‘complete’ or ‘closed’ by management have been adequately completed to mitigate the risk identified as part of the original Internal Audit.
		A5	Reporting on those agreed management actions which are confirmed as complete or closed and those which management would like to have the committee review and close.
		A6	Those agreed management actions which we have not been able to confirm as complete or closed, due to unavailable supporting evidence or documentation addressing the risk/s identified, will be summarised and provided to management.

Purchasing Cards

Ref.	Scope Area	Ref.	Internal Audit Procedures
A	Assess the use of purchasing cards by cardholders of Council including the Mayor and CEO to confirm: <ul style="list-style-type: none"> ▪ documentation is appropriately retained ▪ cardholder agreements are appropriately signed and retained to confirm understanding of Council requirements of card use ▪ approvals and reconciliations are occurring ▪ the assignment and removal of card holders is sufficient. 	A1	Meet with key personnel and discuss the procedures for approval and reconciliations of purchasing cards.
		A2	Review PSC’s purchasing card policies and procedures and confirm they include key controls relating to: <ul style="list-style-type: none"> ▪ administering purchasing cards ▪ the appropriate use of purchase cards ▪ reviewing and approving expenditure ▪ terminating purchasing cards.
		A3	Perform sample testing of purchasing card transactions, statements, reconciliations and approvals from across the previous 12 months, testing for compliance with and application of the PSC Credit/Purchasing Card Policy Framework and Instrument of Delegations.
		A4	Perform testing of purchasing card holders to ensure: <ul style="list-style-type: none"> ▪ cardholder agreements are appropriately signed by the employee and retained on file ▪ cardholders are current employees ▪ purchasing cards have been cancelled in a timely manner for terminated employees.
		A5	Meet with key personnel and discuss the procedures for approval and reconciliations of purchasing cards.
B	Perform data analytics over purchasing card spending (if possible) to identify categories and trends in the use of purchasing cards.	B1	Perform data analytics to identify categories and trends in the use of purchasing cards (if possible).
C	Identify the use of purchasing cards for purchases where an alternate purchasing mechanism is available/preferred (e.g. fuel cards or purchase order under contract).	C1	Meet with key personnel to discuss the process for reviewing purchasing card expenditure to identify alternate purchasing mechanisms.
		C2	Review purchasing card policies and procedures to identify instances where employees are able to use purchasing cards vs. should use alternative means.
		C3	Perform limited sample testing or data mining of purchasing card transactions to identify instances where an alternate purchasing mechanism should have been used instead of a purchasing card.

Management Feedback

For each internal audit feedback is collated and then provided as part of each Audit and Risk Committee meeting. Below is the feedback received from and given to management as part of the projects delivered within the last quarter.

Project	Feedback given	Feedback received	Actions to address feedback
Cyber Security	AFS thanked PSC for their availability for meetings and for getting documents to us on time. A very easy client to deal with.	PSC thanked us for our work during the audit.	-

Local Government

Reports and publications of interest



Please find below our update of recent reports and publications of interest to your industry. The information contained within this document is current as at the time of development. We also provide regular updates on the latest as it happens. Stay updated and subscribe to AFS insights: <https://www.afsbendigo.com.au/insights/>

Source	Name	Coverage	Relevant links
AFS & Associates	AFS & Associates releases inaugural Sustainability Report	<p>AFS & Associates Chartered Accountants (AFS) proudly presents our inaugural Sustainability Report for the fiscal year 2022-23, showcasing our commitment to environmental, social, and governance responsibility. This report reflects our journey towards sustainability, highlighting achievements, ongoing efforts and goals to create a positive impact on the world around us.</p> <p>AFS seek to educate and support other businesses in developing their own sustainability report, to help them achieve meaningful targets, demonstrate their commitment and continual progress in sustainability practices.</p> <p>Reach out to AFS to discuss your corporate sustainability journey.</p>	https://www.afsbendigo.com.au/sustainability-report/
Australian Institute of Company Directors (AICD)	Skills shortages, cost of living top challenges facing economy	<p>The AICD has published its Director Sentiment Index (DSI) for the second half of 2023. Directors have identified labour shortages and cost of living as the major challenges facing the Australian economy, followed by inflation and rising interest rates. More than two-thirds of directors believe that increasing interest rates will cause a housing/mortgage crisis. Productivity growth has also become a major concern.</p> <p>In the short-term, housing affordability/supply has become the most pressing issue requiring the government’s attention, as mentioned by 34% of directors. That number is up six %age points from the first half of 2023.</p> <p>On the issue of flexible working, 65% of directors view flexibility as an incentive for attracting skilled staff. However, it’s interesting to note that markedly more directors now believe that flexible working arrangements are having a negative impact on organisational culture (45%, up from 41%), and on innovation (up from 36% to 43%).</p>	https://www.aicd.com.au/economic-news/australian/outlook/skills-shortages-cost-of-living-top-challenges-facing-economy.html

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Reports and publications of interest



Source	Name	Coverage	Relevant links
Government News	Report finds 'striking' council use of automation, but regulation lacking	<p>Local councils are increasingly making use of unregulated AI and automation technology, a new report says.</p> <p>An analysis by the ARC Centre of Excellence for Automated Decision Making and Society released this month says automated decision making (ADM) is widespread and increasing in NSW, across both state and local government.</p> <p>The NSW Ombudsman initiated the project to map and analyse ADM in NSW in response to a lack of visibility around how and when the technology is being used.</p> <p>The survey found the use of sensors and computer vision analysis is widespread among local councils, but not so widely publicised.</p>	<p>https://www.governmentnews.com.au/report-finds-striking-council-use-of-automation-but-regulation-lacking/</p>
Australian Institute of Company Directors	Governing through a cyber crisis	<p>Governing Through a Cyber Crisis provides a framework of better practice guidance to assist Australian directors to navigate critical cyber incidents at their organisations. The guidance was developed by the AICD in partnership with the Cyber Security Cooperative Research Centre (CSCRC) and Ashurst.</p> <p>The guidance assists boards and directors with overseeing the effective response and recovery from a material cyber incident and emerge on the other side with a more cyber resilient organisation.</p> <p>The resource expands on existing guidance in the AICD CSCRC Cyber Security Governance Principles and has been informed by insight from senior Australian directors, cyber security advisors and government.</p> <p>The accompanying Snapshot includes a checklist of practical steps for SME and NFP directors in responding to a critical cyber incident. The AICD, CSCRC and Ashurst are committed to updating the guidance as the cyber security threat and regulatory landscape evolves.</p>	<p>https://www.aicd.com.au/risk-management/framework/cyber-security/governing-through-a-cyber-crisis-cyber-incident-response-and-recovery-for-australian-directors.html</p>

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Reports and publications of interest

Source	Name	Coverage	Relevant links
Australian Institute of Company Directors (AICD)	Cyber security reforms proceed at pace	<p>The federal government has maintained momentum on lifting Australia’s cyber security practices with consultation on a broad suite of proposed reforms. The proposed reforms are seeking to implement key planks of the 2023-30 Australian Cyber Security Strategy and will establish for the first time standalone cyber security legislation in Australia.</p> <p>There are nine key measures that fall into two categories:</p> <ul style="list-style-type: none"> ▪ New cyber security legislation, covering: <ul style="list-style-type: none"> > secure-by-design standards for consumer Internet of Things devices > a no-fault ransomware reporting framework, where a business will report when both a ransom demand is made and separately if a ransom is paid > limited use obligation on the Australian Signals Directorate (ASD) and the National Cyber Security Coordinator for information provided by a business during a critical cyber incident > establishing a Cyber Incident Review Board to undertake post-incident reviews of critical cyber incidents. ▪ Amendments to the <i>Security of Critical Infrastructure Act 2018</i> (SOCI Act), comprising: <ul style="list-style-type: none"> > data storage systems that hold ‘business critical data’ to be included within the definition of ‘asset’ under the SOCI Act and the risks to business-critical data be specifically covered in risk management settings > new ministerial consequence management powers following a critical incident, including directing an entity to replace documents of individuals or businesses impacted by the incident > clarify and simplify the protected information sharing provisions > new Secretary of Home Affairs directions power related to deficiencies in an entity’s risk management program obligations > consolidation of telecommunications security requirements under the SOCI Act. 	https://www.aicd.com.au/risk-management/framework/cyber-security/cyber-security-reforms-proceed-at-pace.html
Governance Institute of Australia	Cyber in 2023 and 2024: What we’ve seen and what’s to come	<p>The steady increase in cyber breach incident numbers has prompted increased regulatory focus, and we will see the impact of this in 2024, not just in the increase in regulations and mandatory reporting of breaches, but also greater regulatory scrutiny on compliance and investigations. This will result in more pressure on boards, and greater recruitment of people with cyber knowledge to boards. The United States Securities and Exchange Commission (SEC) has ruled that boards must include this expertise in their ranks and the Australian Securities and Investment Commission (ASIC) has made strong comments that it will take action against directors breaching their governance duties in regard to cyber security.</p>	https://www.governanceinstitute.com.au/news_media/cyber-in-2023-and-2024-what-weve-seen-and-whats-to-come/

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Source	Name	Coverage	Relevant links
Victoria Chamber of Commerce	Cybercrime on the rise in Australia	<p>One cyber incident is reported every six minutes, according to the Australian Cyber Security Centre’s (ACSC’s) latest Annual Cyber Threat Report, a 23% increase on the year before.</p> <p>Small businesses are overrepresented in cyberattacks, reporting 92.6% of all business incidents. Small business also reported an increase to \$46,000 (an increase of 19% from FY22/23).</p> <p>The cost of this can be crippling, leading to business closure and job losses. The burden of cybercrime is felt most by medium businesses, with the average cost per reported cybercrime at \$97,200 (an increase of 11% from FY22/23). The top three cybercrimes reported by businesses were email compromise, business email compromise fraud, and online banking fraud - representing 51% of all reported cases by businesses.</p> <p>ACSC reports that most incidents would be prevented if simple preventative measures were in place like MFA, patching and backups. The Victorian Chamber has provided some quick explainer videos to get you started on these preventative cyber practices.</p>	https://www.victorianchamber.com.au/news/cybercrime-on-the-rise-in-australia
Institute of Internal Auditors (IIA) Australia	Why people do not accurately disclose their conflicts of interest	<p>Organisations need information about people’s conflicts of interest to manage them properly.</p> <p>Conventional wisdom is that the reason organisations do not get the information about conflicts of interest is because some people do not declare their conflicts. There are however two other reasons overlooked as to why organisations do not get complete conflict of interest information. Thus, two thirds of the problem is ignored.</p> <p>The purpose of this White Paper is to explore the three reasons organisations do not get the information they need about conflicts of interest:</p> <ul style="list-style-type: none"> ▪ People do not disclose their conflicts of interest ▪ People give misleading and inaccurate disclosures ▪ People disclose only part of their conflict of interest. <p>The consequences of this lack of information can be serious and detrimental to the conflicted individual, the organisation and key stakeholders.</p>	https://iia.org.au/wp-content/uploads/2023/11/IIA-Whitepaper-Why-People-Do-Not-Accurately-Disclose-Their-Conflicts-Of-Interest.pdf

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Reports and publications of interest



Source	Name	Coverage	Relevant links
Riotact	Stage two reforms of public sector whistleblower protection	<p>Further strengthening of protections for Australia’s public sector whistleblowers could be a step closer, with the Federal Government considering whether to establish an independent authority to oversee reforms.</p> <p>In June, the Federal Parliament passed priority amendments to the <i>Public Interest Disclosure Act</i>.</p> <p>These ensured immediate improvements to the public sector whistleblower scheme were in place in time for the start of the National Anti-Corruption Commission.</p> <p>So far, 21 of the 33 recommendations from the 2016 Review of the <i>Public Interest Disclosure Act 2013</i> by Philip Moss (the Moss Review) have been implemented.</p> <p>Now the Government has released a consultation paper on a second stage of reforms to further improve the Public Sector Whistleblowing Framework.</p>	<p>https://the-riotact.com/stage-two-reforms-of-public-sector-whistleblower-protection-on-their-way</p>

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Source	Name	Coverage	Relevant links
National Anti-Corruption Commission (NACC)	2023 Corruption Perceptions Index (CPI) - Transparency International Australia launch	<p>The CPI ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and business people. Using a scale of zero (highly corrupt) to 100 (very clean), the 2023 report shows Australia retained last year’s gains, holding steady with a score of 75/100.</p> <p>On 15 February 2024, NACC Deputy Commissioner Nicole Rose attended the launch of the 2023 CPI, hosted by Transparency International Australia.</p> <p>She spoke about emerging themes in public sector corruption, stating:</p> <p><i>‘Some of the trends we have seen in our first seven months of operation relate to corruption risks in procurement and recruitment and promotion. The mechanism through which these risks arose include preferential treatment of family, friends and associates and use of insider information.’</i></p> <p>Deputy Commissioner Rose went on to highlight three areas of focus for NACC corruption prevention and education in 2024. These include:</p> <ul style="list-style-type: none"> ▪ conflicts of interest ▪ ethical decision-making ▪ electoral issues. 	<p>https://www.nacc.gov.au/news-and-media/2023-corruption-perceptions-index-transparency-international-australia-launch</p>
Premier of Victoria	Second Municipal Monitor For Moonee Valley Council	<p>The second municipal monitor has been appointed to the Moonee Valley Council to improve its performance and ensure it serves the best interests of the community.</p> <p>Minister of Local Government Melissa Horne has today announced Prue Digby will act as the second municipal monitor following the end of her term in the same role overseeing the City of Greater Geelong from January 2023 to January 2024.</p> <p>Ms Digby joins Mr Phillip Carruthers, the first municipal monitor announced last week – the pair will work for a period of six months until 29 July 2024 to support good governance at Moonee Valley Council before providing a report to the Minister at the end of their term.</p> <p>The monitors’ terms of reference direct them to advise and provide any relevant assistance and support to the council in relation to the improvement of the council’s governance processes and practices.</p>	<p>https://www.premier.vic.gov.au/second-municipal-monitor-moonee-valley-council</p>

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Reports and publications of interest



Source	Name	Coverage	Relevant links
Chartered Accountants ANZ (CA ANZ)	Climate risks becoming the norm in financial statements	<p>More than a third of companies worldwide are now disclosing climate-related risks in their financial statements, according to new data released by peak accounting body CA ANZ, in a joint study with The University of Melbourne and The University of Queensland.</p> <p>The proportion of companies in the Australian, New Zealand and global sample making financial statement disclosures on climate risk has seen an unprecedented increase since 2021, stabilising in 2023 at around a third of companies analysed.</p> <p>“Climate risks are impacting companies’ disclosures concerning asset valuations, impairment testing, financial risks, and provisions,” said CA ANZ’s Reporting and Assurance Leader, Amir Ghandar.</p>	https://www.charteredaccountantsanz.com/news-and-analysis/media-centre/press-releases/climate-risks-becoming-the-norm-in-financial-statements
Institute of Internal Auditors (IIA) Australia	The 20 Critical Questions Series - What Directors should ask about Greenwashing	The Big Question: How does the board and audit committee know environmental performance statements made by the organisation are meaningful and accurate?	https://iia.org.au/wp-content/uploads/2024/02/20-questions-directors-should-ask-about-Greenwashing.pdf
Australian Institute of Company Directors	AICD view on mandatory climate reporting	<p>In recent months, the Australian Institute of Company Directors (AICD) made submissions on the Government’s proposed mandatory climate disclosure framework and the content of reporting standards, with the regime proposed to commence as early as 1 July 2024.</p> <p>The AICD supports a mandatory climate-related financial disclosure regime that is internationally aligned and meets the policy objectives of high-quality, comparable, and useful climate disclosures.</p>	https://www.aicd.com.au/risk-management/framework/climate/aicd-view-on-mandatory-climate-reporting.html

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Reports and publications of interest



Source	Name	Coverage	Relevant links
Riotact	Government increases Roads to Recovery funding to assist local councils with road repairs	<p>The Federal Government has vowed to double the Roads to Recovery Program to \$1 billion per year from 2027/28.</p> <p>The Roads to Recovery Program supports the construction and maintenance of the nation’s local road infrastructure assets.</p> <p>It also reduces the administrative burden of road repairs on local and state governments, particularly after two years of successive La Niña weather events, which dramatically increased damage to rural and local roads due to persistent rain and flooding.</p> <p>In conjunction with the Roads to Recovery, the government will also allocate additional funding to repair black spots, from \$110 million to \$150 million per year.</p> <p>In addition to these two programs, the Heavy Vehicle Safety and Productivity Program (HVSP) and the Bridges Renewal Program (BRP) will be merged into a new Safer Local Roads and Infrastructure Program, with funding slated to increase from the current \$150 million to \$200 million per year.</p>	https://the-riotact.com/government-increases-roads-to-recovery-funding-to-assist-local-councils-with-road-repairs
Essential Services Commission	Annual Council rate caps	<p>For the 2024-25 financial year, council rate rises are capped at 2.75%.</p> <p>If the rate cap does not meet a council’s needs, the council can submit a higher cap application for up to four years of higher caps at a time. Councils have until 31 March 2024 to apply for a higher cap in 2024-25.</p>	https://www.esc.vic.gov.au/local-government/annual-council-rate-caps
Institute of Internal Auditors (IIA) Australia	IIA-Australia Factsheet - Psychosocial risk	<p>‘Psychosocial’ risk looks at people in the context of combined psychological factors and the social environment. Psychosocial factors can have an impact on people’s physical and mental wellness and their ability to effectively function in society or a workplace.</p> <p>Factsheet key points:</p> <ul style="list-style-type: none"> ▪ A psychosocially safe work environment will have systems for protection and support for worker mental health. ▪ To perform a work health safety (WHS) audit effectively, internal auditors need to be aware of WHS risks when preparing the engagement risk assessment. ▪ This Internal Audit Standards make it clear the internal auditor has a responsibility to consider all relevant WHS risks. While many WHS risks are self-evident, psychosocial risk may not be familiar or even a consideration of the internal auditor. 	https://iia.org.au/technical-resources/factsheet/iia-australia-factsheet-psychosocial-risk?at_context=199

Local Government

Reports and publications of interest



Source	Name	Coverage	Relevant links
WorkSafe	Beware of WorkSafe imposters	<p>Victorian businesses are being urged to be wary of unsolicited offers of health and safety services claiming to be associated with WorkSafe.</p> <p>WorkSafe does not provide any paid services or training directly to individual businesses, test equipment, or provide or endorse any commercial operations.</p> <p>A number of WorkSafe and WorkWell branded communications have recently circulated promoting programs and services purporting to reduce WorkCover premiums for businesses.</p> <p>These communications are not produced, authorised or distributed by WorkSafe or any of its affiliates, and contain information that has no connection to WorkSafe.</p> <p>WorkSafe is also investigating recent reports of an individual allegedly posing as an inspector while visiting workplaces in Melbourne’s south-east offering first-aid training and equipment testing.</p> <p>Business operators can report suspect activity or check someone's credentials by calling WorkSafe's advisory service on 1800 136 089.</p> <p>Potential scams or fraudulent activity can be reported to the Scamwatch web site or Victoria Police.</p>	https://www.worksafe.vic.gov.au/news/2024-02/beware-worksafe-imposters
WorkSafe	Charges after fatal fall through shed roof	<p>Van Berkel Distributors Pty Ltd faces three charges under section 21(1) of the <i>Occupational Health and Safety Act</i> for failing, as far as reasonably practicable, to provide and maintain a safe working environment after a fatal accident where a man fell through a shed roof.</p> <p>It is alleged the company breached regulation 327(1) of the Occupational Health and Safety Regulations by performing high risk construction work without a safe work method statement (SWMS).</p>	https://www.worksafe.vic.gov.au/news/2024-02/charges-after-fatal-fall-through-shed-roof

Local Government

Reports and publications of interest



Source	Name	Coverage	Relevant links
Victorian Department of Health	The Victorian Public Health and Wellbeing Plan	<p>The Victorian Public Health and Wellbeing Plan sets the strategic direction for the Victorian government to work together to protect health, prevent illness, and promote wellbeing for all Victorians.</p> <p>The Victorian Public Health and Wellbeing Plan 2023-27 states, "Our vision is a Victoria free of the avoidable burden of disease and injury, so that all Victorians can enjoy the highest attainable standards of health, wellbeing and participation at every age."</p>	https://www.health.vic.gov.au/victorian-health-and-wellbeing-plan
Victorian Chamber of Commerce and Industry	Review into Australian apprenticeships incentives	<p>The Federal Government is undertaking a strategic review of the apprenticeships incentive system as Australia faces its most serious skills shortages in decades.</p> <p>The review will focus on:</p> <ul style="list-style-type: none"> ▪ examining the complementary role of services, support and high-quality training provision ▪ addressing the need to build the necessary skills and talent in the workforce ▪ supporting businesses to meet their current and emerging skills needs, including future pathways that emerge with the net zero transformation ▪ considering the cost-of-living pressures and financial stresses that prevent apprentices from completing their training ▪ ensuring engagement with under-represented groups such as women, First Nations people and people with disabilities to improve participation in apprenticeships in priority occupations facing skills shortages. 	https://www.victorianchamber.com.au/news/review-into-australian-apprenticeships-incentives

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Pyrenees Shire Council

Audit Strategy Memorandum

For the financial year ending 30 June 2024

To be presented to the Audit and Risk Committee on 26th March 2024

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Background

I enclose for your information the audit strategy memorandum (ASM) for the year ending 30 June 2024.

The ASM provides an overview of our planned approach to the annual audit of the financial report and performance statement of the Pyrenees Shire Council. This document covers matters we believe to be significant in the context of our work. This ASM will be discussed at the audit and risk committee meeting on 26 March 2024.

Acknowledgement

I also take this opportunity to thank your executive team and staff for the time they made available to us during the planning phase of our audit.

Yours sincerely



Ryan Schischka
VAGO Audit Service Provider: Engagement Leader
Johnsons MME
Albury
8 March 2024

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Pyrenees Shire Council Audit Strategy Memorandum 2023-24 | To be presented to the Audit and Risk Committee on 26th March 2024

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Introduction

Purpose of the audit strategy memorandum

This document outlines our planned approach to the audit of the Pyrenees Shire Council financial report and performance statement and relevant acquittals for the financial year ending 30 June 2024.

It is a key document for us to communicate with those charged with governance and management.

This document should be read in conjunction with our engagement letter addressed to the Mayor and Chief Executive Officer dated 29 May 2023.

Scope and purpose of the audit

Financial Report

The *Audit Act 1994* requires the Auditor-General to

- form an opinion on whether your financial report presents fairly in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020 and the Australian accounting standards and to provide an audit report to you
- provide a copy of the auditor's report to
 - the Minister responsible for your financial report, and
 - the Assistant Treasurer where we provide a modified audit opinion, or where the Auditor-General directs.

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Performance Statement

The *Local Government Act 2020* requires the Auditor-General to:

- form an opinion on whether your performance statement presents fairly in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020
- provide a copy of my auditor's report on the Council's performance statement to the Council and Minister.

AcquittalsRoads to Recovery Program

The *National Land Transport Act 2014* requires the Council to provide the Minister responsible for the Roads to Recovery Program an audited financial statement detailing funds received, spent, and carried forward as at the end of that year. The Auditor-General will form an opinion on whether the financial statement in all material respects is:

- presented in accordance with the Roads to Recovery Funding Conditions
- is based on and in agreement with proper accounts and records that the reported expenditure was used solely for the funded project.

Local Roads and Community Infrastructure Program

The Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts requires the Council to provide an audited financial statement detailing receipts and expenditure with respect to the Local Roads and Community Infrastructure Program. A separate financial statement is prepared for each phase of the program that funding is received.

The Auditor-General will form an opinion on whether the financial statement, for each phase, in all material respects is:

- presented in accordance with the Local Roads and Community Infrastructure Guidelines
- is based on and in agreement with proper accounts and records and that the reported expenditure was used solely for approved projects.

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Independence

The Auditor-General is:

- an independent officer of the Victorian Parliament
- appointed under legislation to examine on behalf of parliament and taxpayers, the management of resources within the public sector
- not subject to the control or direction of either parliament or the government.



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Planned audit approach

Risk identification and assessment



We understand your entity and its environment to:

- set materiality
- identify material transactions, balances, disclosures, and significant events
- identify and assess risks of material misstatement and the controls in place to mitigate these risks
- develop our audit strategy, including scope, timing, and direction of the audit—refer to **Appendix A** for the details of our planned approach.

Risk Response



We choose and execute procedures to obtain audit evidence. This may include:

- testing key manual and application controls
- performing substantive testing of transactions and balances
- substantive analytical procedures
- reliance on the work of others and specialist experts
- use of data analytics.

Reporting



We report:

- in our interim and final management letters, observations, and our recommendations to improve your internal controls and other identified deficiencies
- in our closing report, the outcome of our audit, informing you of financial reporting matters that are not related to internal controls
- our audit opinion in our audit report.

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New and emerging developments



Model financial report and performance statement for 2023-24

Each year Local Government Victoria (LGV) releases a model financial report and performance statement. The Local Government (Planning and Reporting) Regulations 2020 require councils to comply with these models.

LGV released the 2023-24 model financial report and performance statement on 23 February 2024 after consideration of feedback from the sector via a FINPRO working group, which VAGO attends.

Annual reporting timelines

The *Local Government Act 2020* requires council annual reports – which includes the audited financial reports and performance statements associated audit reports – to be finalised no later than one day prior to the election in a general election year.

To meet annual financial reporting timelines, an entity should have a plan that:

- outlines its legislative reporting requirements
- details tasks to be performed, by whom and when
- specifies the resources, milestones, key stakeholders, information systems, materiality threshold, oversight and quality assurance practices it needs to help the staff who prepare it.

Council elections October 2024

The *Local Government Act 2020* states a general election of Councillors must be held every 4 years on the fourth Saturday in October, unless an alternative date is specified by the Minister for Local Government.

A general Council election is currently scheduled to occur on 26 October 2024.

In light of an electoral structure review, 39 councils will alter their electoral structure before the October 2024 general election. For further information, refer [Electoral structure and ward boundary reviews](#).

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Key risks and areas of audit focus

Financial Statements

We identified that the following financial statement balances/ disclosures/ areas pose a higher risk of material misstatement to your financial report. We will focus particular audit attention to these areas. In addition, we will perform procedures to obtain sufficient appropriate audit evidence on other material classes of transactions, balances, and disclosures in your financial report to obtain assurance that they are fairly presented.

Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response	Significant judgements
1. Revaluation of property, infrastructure assets, plant, and equipment	No	<p>Property, infrastructure assets, plant and equipment represent a significant part of the Council's total assets (\$282 million as at 30 June 2023), with the majority of these assets carried at fair value.</p> <p>Some items experience significant and volatile changes in fair value, therefore necessitating an annual review of their value. While other assets it may be necessary to revalue the item only every 3 or 5 years.</p> <p>The market has been volatile and subject to uncertainties due to rising interest rates, supply chain issues, labour shortages, general inflation, COVID- 19, and other macro-economic factors.</p> <p>Determining the fair value of these assets is a complex process and is subject to judgement. Numerous assumptions about the assets are made (useful live, condition), valuation experts can be engaged and/or industry indices applied in determining fair value.</p>	<p>We will:</p> <ul style="list-style-type: none"> → review management’s assessment as to whether the fair value, for each material asset class, is materially different from the carrying amount → assess the reasonableness of key assumptions underlying management’s fair value assessment → review any indexation calculations prepared by management and sight supporting documentation to validate the fair value. <p>In respect to full valuations performed we will:</p> <ul style="list-style-type: none"> → assess the valuer’s competence, skills and experience to conduct an appropriate valuation → review the terms of engagement where an external expert is engaged (i.e. scope) → review the valuer's report to evaluate the appropriateness of the methodology adopted, assumptions and estimates used and the overall reasonableness of the valuation 	Yes

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Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response	Significant judgements
		<p>On annual basis, selected asset classes are scheduled for a full revaluation. Remaining asset categories will be subject to a managerial assessment.</p> <p>The financial report may include a material misstatement if the valuation is not performed in line with a suitable methodology, by unqualified experts or is based on inappropriate assumptions and judgements.</p> <p>Valuations may be inaccurate due to the judgement and complexities associated with applying AASB 13 Fair Value Measurement. Disclosures may be incorrect or insufficient.</p>	<ul style="list-style-type: none"> → test the completeness and accuracy of data provided to your valuer where an external expert is engaged → Test the accuracy of data used where valuations are performed in house <p>We will complete substantive procedures including:</p> <ul style="list-style-type: none"> → check the determination of the revaluation increment or decrement → review the journals posted by management to bring the revaluation increment or decrement to account → review management’s impairment assessment → reviewing the adequacy of disclosures in your financial report. 	
2. Government grants	No	<p>The Council receives funding from the Australian and Victorian governments. The amount and timing of receipt varies year-to-year at the discretion of the respective government, depending on program initiatives or capital projects.</p> <p>The application of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Non-for-Profit Entities requires management to exercise judgement in determining whether the funding agreement contains sufficiently specific enforceable performance obligations exist.</p> <p>Termination for Convenience (TFC) clauses within grant agreements, that require a grant recipient to refund unspent amounts upon demand by the grantor gives rise to a financial liability on any unspent amounts.</p>	<p>We will:</p> <ul style="list-style-type: none"> → update our understanding of key controls over material items of revenue → evaluate management’s process to assess funding arrangements against the requirements of AASB 15 and AASB 1058 → performing substantive analytical procedures → verify a sample of transactions to supporting documentation, including a review of the grant agreement against the requirements of AASB 15 and AASB 1058 → make enquiries of management regarding funding subject to recall and if recall provisions are enacted or waived sight supporting documentation to confirm the appropriateness of the accounting treatment adopted 	Yes

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Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response	Significant judgements
			<ul style="list-style-type: none"> → obtain and review management’s assessment of the impacts of Termination for Conveniences clauses → review the adequacy of disclosures in your financial report. 	
3. Impact of floods	No	<p>Heavy rainfall during October 2022 resulted in rising rivers and waterways.</p> <p>Flooding occurred across Victoria with many councils, including Pyrenees Shire Council, experiencing damage to property and infrastructure assets.</p> <p>The Council is able to seek recovery of costs associated with the recovery and clean-up activities via funding from the state government under the Disaster Recovery Funding Arrangements 2018 (DRFA).</p> <p>The risk of material misstatement is elevated because:</p> <ul style="list-style-type: none"> → the clean-up and recovery works may occur over an extended time period → the clean-up and recovery costs are ad hoc in nature and comprised of numerous transactions of varying amounts → claims under the DRFA may not be approved as eligibility requirements are not satisfied → a number of months may elapse as claims are assessed → funding may be advanced prior to claims being assessed 	<p>We will:</p> <ul style="list-style-type: none"> → update our understanding of the flood event impact on the operations and assets of the Council → update an understanding of the Council’s key systems and processes for capturing costs relating to clean-up and recovery activities → perform substantive procedures, including the verification of material transactions to supporting documentation → review the accounting treatment adopted by management for funding advanced and/or received from government → assess the appropriateness and reasonableness of any receivable or contingent asset recognised at balance date in light of supporting documentation → review the financial disclosures relating to the expenses and funding. 	No

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Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response	Significant judgements
4. Impact of 2024 Fires	Yes	<p>Significant fires occurred within the municipality during the 2024 summer. These fires may result in damage to Council infrastructure assets and recovery and clean-up cost.</p> <p>The Council is able to seek recovery of costs associated with the recovery and clean-up activities via funding from the state government under the Disaster Recovery Funding Arrangements 2018 (DRFA).</p> <p>The risk of material misstatement is elevated because:</p> <ul style="list-style-type: none"> → the clean-up and recovery works may occur over an extended time period → the clean-up and recovery costs are ad hoc in nature and comprised of numerous transactions of varying amounts → claims under the DRFA may not be approved as eligibility requirements are not satisfied → a number of months may elapse as claims are assessed → funding may be advanced prior to claims being assessed → a receivable or a contingent asset may need to be recognised at balance date subject to the status of the claims process 	<p>We will:</p> <ul style="list-style-type: none"> → update our understanding of the fire event impact on the operations and assets of the Council → update an understanding of the Council's key systems and processes for capturing costs relating to clean-up and recovery activities → perform substantive procedures, including the verification of material transactions to supporting documentation → review management's impairment assessment of PIPE to reflect actual damaged infrastructure assets → review the accounting treatment adopted by management for funding advanced and/or received from government → assess the appropriateness and reasonableness of any receivable or contingent asset recognised at balance date in light of supporting documentation → review the financial disclosures relating to the expenses and funding. 	Yes

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Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response	Significant judgements
		<ul style="list-style-type: none"> → assets may be impaired and need to be written off. 		

Performance statement

We have identified that the following area poses a higher risk of material misstatement to your performance statement. We will focus particular audit attention to these areas.

Key risk of material misstatement	New in 2023-24	Why we think it is of higher risk	Our proposed audit response
The performance statement may not be prepared in accordance with applicable legislative requirements	No	<p>The Local Government (Planning and Reporting) Regulations 2020 specify the indicators to be included in the performance statement.</p> <p>Local Government Victoria (LGV) release a model performance statement each year that needs to be compiled with.</p> <p>For 2023-24 there has been changes to the indicators to be included in the performance statement that are subject to audit.</p> <p>There is a potential risk that:</p> <ul style="list-style-type: none"> → systems in place at Council may not accurately capture the data required to support the sustainability and service performance outcomes → financial figures are incorrectly included or excluded when calculating the financial outcomes → a lack of quality assurance over the preparation of performance statement may also result in significant errors or omissions. 	<p>We will:</p> <ul style="list-style-type: none"> → review the systems in place to capture the financial and non-financial data → determine the reliability and completeness of the available records for compiling that indicator → verify figures to supporting documentation → check the calculations of reported figures → assess the reasonableness of explanations included in the performance statement for material variations → confirm that the format of the performance statement complies with model performance statement released by LGV.

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Materiality

We use our professional judgement to decide what is material by considering qualitative and quantitative factors.

We use materiality to make judgements about the:

- balances and disclosures that require detailed audit attention
- amount of audit work we perform
- effect of misstatements.

We start with an overall materiality for the financial report. Our view is that uncorrected errors above this amount, either individually or in aggregate, would mislead the users of the financial report.

For the council, we have determined that there are particular statements, account balances or disclosures for which misstatements of lesser amounts than overall materiality could reasonably be expected to mislead the users of the financial report. Consequently, a specific materiality threshold has been set for all account balances other than Property, Infrastructure Assets, Plant and Equipment (PIPE).

For our audit we use amounts less than overall and specific materiality, to reduce the probability that the aggregate of uncorrected and undetected misstatements exceeds overall and specific materiality. We call this 'performance materiality'. We will need you to correct any errors above performance materiality before we issue our opinion.

We will not need you to correct any errors that are clearly trivial—an amount below which we judge those misstatements are of no quantitative consequence. If we identify such misstatements, we will not communicate these to you.

We will reassess materiality before providing our audit opinion. Our planning materiality levels are shown in the table.

Description	Benchmark [^]	Amount (\$000's)
Overall materiality	5% of property, infrastructure assets, plant and equipment	14,120
Performance materiality	65% of overall materiality	9,178
Clearly trivial threshold	5% of performance materiality	459
Specific materiality (set for all account balances other than base component PIPE)		
Specific overall materiality	5% of total expenses	1,273
Specific performance materiality	65% of specific overall materiality	828
Specific trivial threshold	5% of specific performance materiality	41

[^] materiality based on 2022-23 financial report

For performance statements, we set materiality for each individual indicator reported after considering qualitative and quantitative factors influencing that indicator. The nature of performance statements means that an overall materiality level for the statement cannot be communicated.

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Other audit considerations

The following factors are also key to our audit approach and will be used at various stages of the audit process.

Using the work of internal audit

We have reviewed your internal audit plan and determined there is no coverage that will directly reduce our audit program.

Use of specialist/experts

Where you rely on the work of experts to assist with the fair value estimate of property, infrastructure assets, plant, and equipment, we will assess the work of the expert to determine whether we can place reliance on their report.

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Other responsibilities

Refer to our engagement letter for a complete list of responsibilities.

Internal control

Management is responsible for maintaining suitable accounting records and designing and operating internal controls that prevent and detect fraud and error.

The control environment is an integral part of the governance framework. It represents management's commitment to establishing and executing well-controlled business operations. Our ability to rely on systems of control is directly related to how effective we assess they are.

Our preliminary assessment of your control environment is that it supports our reliance on your internal systems of controls.

We will promptly write to those charged with governance on significant internal control deficiencies that come to our attention during the audit.

Fraud

During our audit we ask those charged with governance, management, and others to identify any known instances of fraud. We also make enquiries to understand where you consider fraud risks are and if you have any knowledge of actual or suspected fraud. This includes considering the risk of management override of controls. Our audit is not designed to detect fraud. However, should instances of fraud come to our attention, we will report them to you.

Suspected corrupt conduct

The *Audit Act 1994* requires us to notify the Independent Broad-based Anti-corruption Commission (IBAC) where we become aware of any matter during our audit that we reasonably suspect involves corrupt conduct occurring or having occurred. If we need to notify IBAC, this will override the existing confidentiality provisions in the *Audit Act 1994*.

Waste, probity, and financial prudence

If we become aware of any wastage of public resources or any lack of probity and financial prudence in the management or application of public resources, we will report it to management and/or Parliament via our reports.

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Audit timetable

Milestone	Date	Responsibility
Planning of our audit commences	12 February 2024	Johnsons MME and Management
Draft Audit strategy to be discussed at the Audit & Risk Committee meeting	26 March 2024	Johnsons MME and Management
Interim audit commences	25 March 2024	Johnsons MME and Management
Shell financial report provided to audit	April 2024	Management
Shell performance statement provided to audit	April 2024	Management
Draft financial report / performance statement submitted to audit after internal quality assurance by management	26 July 2024	Management
Final audit commences	29 July 2024	Johnsons MME and Management
Closing meeting with auditors	August 2024 [^]	Johnsons MME and Management
Closing report discussed at the Audit & Risk Committee meeting	24 September 2024	Johnsons MME and Management
Financial report and performance statement adopted and signed by governing body	September 2024 [^]	Management
Independent Auditor's Report signed*	September 2024*	VAGO
Final management letter issued by~	September 2024 [^]	Johnsons MME
Annual report printers proof provided to audit for review	October 2024 [^]	Management

Note: [^] date to be confirmed

Note: * date subject to VAGO receipt of signed financial report and management representation letter

Note: ~ to be issued no later than four weeks from date of audit report

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Fees and key contacts

Fees

You will be advised of the estimated audit fee in a separate letter.

Fees are based on our planned audit approach and will be billed progressively based on work complete.

Fees are subject to change if the scope, volume, or complexity of the audit changes.

Fees may change if agreed milestones are not met such as limited availability of key finance staff to assist the audit process.

Key contacts

Signing officer

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Sector Director, Financial Audit

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Engagement leader

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Other information

Financial reporting updates



Financial reporting alerts

There are no major changes to accounting standards for 2023-24.

Minor amendments to AASB 101 *Presentation of Financial Statements* encourage financial report preparers to consider the adequacy of financial reporting disclosures:

- entities must disclose material as opposed to 'significant' accounting policies. Examples of circumstances when accounting policies are likely to be considered material to the financial statements are detailed in AASB 101 paragraph 117B.
- clarification that disclosure on how your entity has applied the accounting standards to their own circumstances is more useful than copying the requirements of the accounting standards.

Please refer to VAGO's financial reporting alerts on our [website](#) covering the latest significant accounting developments and guidance for public sector entities.

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Reports to Parliament



Results of Financial Audits

VAGO will table two reports summarising the results of the 2023–24 financial audits:

- *Auditor-General's Report on the Annual Financial Report of the State of Victoria: 2023–24* (covering all sectors other than local government). We expect to table this report in November 2024.
- *Local Government: Results of the 2023–24 Audits*. We expect to table this report by the end of 2024.

VAGO will table two reports summarising the results of the 31 December 2023 financial audits:

- *Technical and Further Education Institutes: Results of the 2023 Audits*, and
- *Universities: Results of the 2023 Audits*.

We expect to table these reports in May 2024.



Performance Audits

- A list of performance audits in progress are on [our website](#)
- Details of planned performance audits are in our [Annual Plan](#)

Key VAGO links and resources



[VAGO's website](#)

[Transparent Report](#)

[VAGO's role](#)

[Complaints about VAGO](#)

[Reports and Publications](#)

[Public Sector Perspectives](#)

[Information privacy](#)

[Improving Public Sector Financial Reporting: Power of streamlining](#)

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APPENDIX A

Planned audit approach

Material component (\$million as at 30 June 2023)	Inherent risk assessment* (Likely/Possible /Unlikely)	Controls reliance* (Yes/Partial/No)	Planned internal audit reliance (Yes/No)	Residual risk of material misstatement* (High/Moderate/ Low/Negligible)	Planned reliance on substantive audit procedures (High/Moderate/ Low/Negligible)
Revenue and Income					
Rates and charges (\$12.8)	Unlikely	No	No	Low	Low
Government grants (\$15.8)	Likely	No	No	High	High
Expenses					
Employee costs (\$9.7)	Possible	No	No	Moderate	Moderate
Material and services (\$9.4)	Possible	No	No	Moderate	Moderate
Depreciation (\$6.0)	Possible	No	No	Moderate	Moderate
Assets					
Cash and cash equivalents (\$19.3)	Unlikely	No	No	Low	Low
Trade and other receivables (\$1.8)	Unlikely	No	No	Low	Low
Property, infrastructure assets, plant and equipment (\$282.4)	Likely	No	No	High	High
Liabilities					
Payables (\$2.8)	Unlikely	No	No	Low	Low
Unearned income/revenue (\$2.8)	Likely	No	No	High	High

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Material component (\$million as at 30 June 2023)	Inherent risk assessment* (Likely/Possible /Unlikely)	Controls reliance* (Yes/Partial/No)	Planned internal audit reliance (Yes/No)	Residual risk of material misstatement* (High/Moderate/ Low/Negligible)	Planned reliance on substantive audit procedures (High/Moderate/ Low/Negligible)
Provisions (\$2.5)	Unlikely	No	No	Low	Low
Equity					
Accumulated surplus (\$103.5)	Unlikely	No	No	Low	Low
Reserves (\$191.3)	Unlikely	No	No	Low	Low
Notes to the accounts					
Related parties	Possible	No	No	Moderate	Moderate
Key management personnel & other senior officer remuneration	Possible	No	No	Moderate	Moderate
Fair value disclosure	Unlikely	No	No	Low	Low
Commitments	Unlikely	No	No	Low	Low
Contingencies	Possible	No	No	Moderate	Moderate

Note *: We have changed our risk of material misstatement categories due to amendments to Australian auditing standard ASA 315 *Identifying and Assessing the Risk of Material Misstatement*. This standard is effective for financial reporting periods beginning after 15 December 2021. A summary of the changes and impact can be seen below:

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Risk Category	What is this?	Impact from amendments to ASA 315?
Inherent risk	The likelihood of material misstatement before considering internal controls	No change – continues to be assessed as either unlikely, possible, or likely risk of material misstatement by considering whether risk escalation factors are present. A risk assessed as likely is a significant inherent risk – VAGO categorise significant risks as 'high' in our table above.
Control risk	The control risk associated with relevant controls that the auditor intends to rely upon and plans to test for operating effectiveness.	No change – continues to be categorised as high, moderate, or low depending on the auditor's preliminary assessment of the effectiveness of key controls. Please note, the control risk must be set as 'high' when controls are absent, poorly designed, or where the engagement team plans not to test them as it is not appropriate or efficient to do so.
Residual risk of material misstatement	The risk of a material misstatement after considering control effectiveness and inherent risk. It is the risk that the financial report may contain a material misstatement.	We have reduced our previous 5-point scale for the (residual) risk of material misstatement to a 4-point scale. We now classify risk of material misstatement as: <ul style="list-style-type: none"> → High → Moderate → Low, or → Negligible. Essentially, this will not change our audit approach. Our prior 5-point scale provided subtle differentiation in risk ratings to leverage reliance on substantive audit procedures where it is appropriate and efficient to do so. We are confident that this risk response is embedded into our engagement approach, and we will continue to leverage on these procedures to provide an efficient risk response.

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ATTACHMENT A
ECONOMIC DEVELOPMENT UPDATE MACRH 2023

Council endorsed an action plan in 2020 to identify the key priorities

The following table summarises progress to date on each of the actions identified.

SECTOR	OBJECTIVE	ACTION	COMMENTS
All	Population growth:-	<ol style="list-style-type: none"> 1. Complete and implement a residential housing strategy to encourage young professionals and their families to build in the Pyrenees 2. Work in partnership with kindergartens, schools, hospitals, health and education agencies to provide support for projects that cater for the needs of a growing population. In particular but not exclusive to the needs of young families and professionals 3. Leverage the population growth of Melbourne and Ballarat by marketing the lifestyle attributes that will compliment Councils housing strategy and attract new residents to the Shire 4. Actively implement Integrated Water Management projects and the priorities identified in Community Action Plans to improve the amenity of the Pyrenees towns 	<p>In progress. Council has purchased residential property at Avoca and Beaufort to subdivide housing allotments. An application has been submitted to the Victorian Governments Regional Worker Accommodation Fund. The proposal is for a \$4.3M project to construct ten dwellings.</p> <p>Not started.</p> <p>In progress. Strong demand for regional migration remains ongoing and in the year ending 30 June 2023 saw a 1.73% population increase for the Shire.</p> <p>In Progress. Two IWM projects are currently nearing completion:</p> <ol style="list-style-type: none"> 1. Beaufort recycle water project and 2. Beaufort Linear masterplan.

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ECONOMIC DEVELOPMENT UPDATE MACRH 2023

	Pyrenees Futures - Streetscapes	5. Complete and adopt Streetscape Plans identifying place-making and urban design enhancements for Avoca, Beaufort, Amphitheatre, Landsborough, Moonambel and Raglan Secure funding to undertake the identified works	Not started. A Planning Scheme Review has identified future structure plans are required for Avoca, Beaufort, Amphitheatre and Moonambel. The structure planning work is dependent on funding.
All	Improved workforce capacity and access to labour	6. Partner with the Central Highlands councils to develop and implement a Workforce Development Plan 7. Partner the Ararat and Northern Grampians Councils to identify and action workforce solutions in the OPAN project	Central Highlands plan. Completed. Workforce plan completed.
All	Business growth	8. Develop and implement a home based business strategy to support the many small scale businesses to establish and grow 9. Develop a task force to identify measures that support small business to better deal with regulatory requirements	Not started. Not started.
All	Business support	10. Employ an Economic Partnerships Officer that can respond to development enquiries, to assist navigate regulatory requirements, work with business associations and other business networks to build the capacity of the small business sector	Completed. Business Support Officer engaged in mid-2022
Agriculture	Improved productivity	11. Focus on the essential infrastructure needs to unlock the regions potential including roads, water, telecommunications and energy supplies:- 12. Improve road access to markets 13. Water for Moonambel (refer action 14)	Ongoing. Project work is continuing on roads, water, internet and mobile communications. Ongoing. Road and bridge improvements ongoing by DAD to allow BDouble access In progress (refer action 14)

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ECONOMIC DEVELOPMENT UPDATE MACRH 2023

		14. Northeast Pyrenees water scheme	In progress; The feasibility study for the Southern Wimmera and Northeast Pyrenees water supply (including township supply to Moonambel) has been completed and progressed to business plan phase
		15. Telecommunications black spots	In progress. A Pyrenees Shire Digital Connectivity Plan is under development presently
		16. Work with other agencies such as Agriculture Victoria and Perennial Pasture systems to deliver programs that contribute to improved productivity	Ongoing
	Renewable energy projects	17. Skipton Straw to energy (S2E) project implemented	Completed
		18. Township Straw to Energy project scoped and delivered	Not started; lower priority
	Value add to the regions produce	19. Attract investment to establish value add enterprises for the regions produce	Not started. Investment attraction plan developed mid-2022. Actions identified in the plan have been postponed at this time.
		20. Support the Central Highlands Councils to establish a peak industry leadership organisation to drive transformative change	Completed. PSC led the investigation into establishing a regional agribusiness group. While establishment of such a group lacked industry support at the time, the project priorities identified have been included in the Central Highlands REDS and to be followed up by CH Councils
Wine Manufacturing	Increase the capacity for growth	21. Explore reliable water supplies as mentioned for the agriculture sector under the Northeast Water Supply Scheme	In progress. Refer action 13 and 14

ATTACHMENT A
ECONOMIC DEVELOPMENT UPDATE MACRH 2023

		22. Implement the initiatives for wine tourism mentioned under the tourism sector	In Progress; Local area action plans being developed by Tourism Midwest Vic are being finalised at present
Construction	Grow the capacity of the construction industry	<p>23. Complete Correa Park Development by end of June 2020</p> <p>24. Identify future residential development opportunities through development and implementation of a residential housing strategy</p> <p>25. Investigate options for more direct access for completion of building Review the Councils Industrial Land strategy to identify market demand for future industrial investment</p>	<p>Completed</p> <p>In Progress; Residential land purchased at Burke St Beaufort (refer also action 1) and Avoca.</p> <p>Not started</p>
		26. Provide training to contractors so that they meet the requirements to become preferred suppliers of Council and win more government contracts	Not started; Scheduled for second half of 2024
Tourism	Increase visitor numbers and their length of stay and expenditure	<p>27. Review the resource requirement for adequately maintaining the appearance of parks, gardens and public amenities that contribute to a visitors first impressions of the Shire</p> <p>28. Update Councils 2016-19 tourism strategy</p> <p>29. Implement two year Tourism Marketing Strategy</p> <p>30. Scope out and seek funding for the development of Pyrenees cycle experiences that were included in the Grampians Region Cycle Strategy</p>	<p>Completed. Additional outdoor staffing recruited and service standards in place.</p> <p>In progress; Destination Management Plan and Local Area Action Plans are being finalised by Tourism Midwest at present. Refer Action 22</p> <p>Completed; Tourism marketing strategy actioned</p> <p>In Progress; Avoca to Moonambel cycle path established. Further cycle trails pending external funding opportunities. Cycle tourism opportunities are being incorporated into the regional Destination Management Plan mentioned above</p>

ATTACHMENT A
 ECONOMIC DEVELOPMENT UPDATE MACRH 2023

<p>Towns</p>	<p>Attract families and young professionals</p>	<p>31. To provide the support for professionals and young families and their children to make a shift to the Pyrenees an attractive proposition. These needs include access to three year old pre-school facilities, catering for the current and growing number of school students as well as health services. (Refer priority One from current MEYP)</p> <p>32. Identify projects that support the engagement of youth</p>	<p>Ongoing. As population continues to grow, ongoing council advocacy is required for adequate pre-school care and school facilities. Goldfields Rec Reserve masterplan and Beaufort Linear Masterplan projects are examples of work in progress to improve recreational assets.</p> <p>Ongoing work by the Community Wellbeing Team</p>
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S11/S11A/S11B - INSTRUMENT OF APPOINTMENT AND AUTHORISATION

MARIA GALEA – April 2024 Environmental Health Officer

It is declared that this Instrument -

- comes into force immediately upon its execution, and
- remains in force until varied or revoked.

This Instrument is authorised by a resolution of the Pyrenees Shire Council made on 16 April 2024.

The Common Seal of the)
 Pyrenees Shire Council was)
 hereunto affixed in the presence of:)

----- Signature – Chief Executive Officer

----- Signature – Mayor / Councillor

----- Date of Execution





By this Instrument of Appointment and Authorisation Pyrenees Shire Council -

PART A

Under s 224 of the *Local Government Act 1989* – appoints the named officer to be an authorised officer for the administration and enforcement of the following Acts –

- *Building Act 1993*
- *Country Fire Authority Act 1958*
- *Domestic Animals Act 1994*
- *Emergency Management Act 2013*
- *Environment Protection Act 2017*
- *Fire Rescue Victoria Act 1958 (formerly known as the Metropolitan Fire Brigades Act 1958)*
- *Food Act 1984*
- *Graffiti Prevention Act 2007⁴*
- *Public Health and Wellbeing Act 2008¹*
- *Local Government Act 2020*
- *Local Government Act 1989²*
- *Part 14 of the Residential Tenancies Act 1997*
- *Summary Offences Act 1966*
- *Tobacco Act 1987³*
- *Planning & Environment Act 1987*
- *Housing Act 1983*

the Regulations made under each of those Acts, the local laws made under the *Local Government Act 1989* or the *Local Government Act 2020*, and any other Act, Regulation or local law which relates to the functions and powers of the Council.

PART B

- Under s 224(7) of the *Local Government Act 1989* – allow the authorised officer to enter any land or building in the municipal district at any reasonable time to carry out and enforce this or any other Act or any regulation or Local Law.
- Under s 72 of the *Domestic Animals Act 1994* – appoints the officer to be a Council Authorised Officer for the purposes of the *Domestic Animals Act 1994*.
- Under s 147(4) of the *Planning & Environment Act 1987* – appoints the offer to be an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act.

¹ Council only to appoint a person suitably qualified or trained under s 31(2) of the Act.

² Persons appointed or authorised officers under the *Local Government Act 1989* and *2020* are taken to be authorised persons for the purposes of the *Fire Services Property Levy Act 2012* (except in Part 4 of that Act).

³ This Act provides for the CEO of a Council to nominate a person to be an inspector for the purposes of the Act.

⁴ Authorised persons must agree in writing to exercise functions and powers of an authorised person under Part 4 of the *Graffiti Prevention Act 2007* and in accordance with any performance criteria determined by Council (see s 19(2)).





- Under s 242(2) of the Environment Protection Act 2017 and the Instrument of Delegation of the Environment Protection Authority under the Act dated 4 June 2021 – appoints the offer to be an authorised officer for the purposes of exercising the powers and functions set out in the Instrument of Direction of the Environment Protection Authority under the Act dated 4 June 2021.
- Under s 20 of the Food Act 1984 – appoints the offer to be an authorised officer for the purposes of the Food Act 1984.
- Under s 19(1) of the Graffiti Prevention Act 2007 – appoints the officer to be an authorised person for the purposes of carrying out Council’s functions under s 18 of the Graffiti Prevention Act 2007.
- Under s 71(1) of the Housing Act 1983 – appoints the officer to be an authorised officer for the purposes of entering a house or building and conducting an inspection under section 71 of the Housing Act 1983.
- Under s 3 of the Infringements Act 2006 – appoints the officer to be an issuing officer for the purposes of the Infringements Act 2006.
- Under s 147(4) of the Planning & Environment Act 1987 – appoints the officer to be an authorised officer for the purposes of the Planning & Environment Act 1987 and the regulations made under that Act.
- Under s 525(2) of the Residential Tenancies Act 1997 – appoints the officer to exercise the powers set out in s 526 of the Residential Tenancies Act 1997.
- Under section 59(1)(a)(ii) of the Road Safety Act 1986 – authorises the officer to exercise the powers under section 59(1) of that Act.
- Under section 59(1)(d) of the Road Safety Act 1986 – authorises the officer to exercise the powers under section 59(1)(d) of that Act.
- Under s 49(1)(a)(ii) of the Road Safety Act 1986 – authorises the officer to exercise the powers under section 59(1)(a) of that Act.
- Under section 98(1A) of the Road Safety Act 1986 – authorises the officer to exercise the power in section 87(1B)(c) of that Act.
- Under section 87(8) of the Road Safety Act 1986 – authorises the person who is not a member of Council’s staff for the purposes of section 87 of that Act.
- Under regulation 84(c)(ii) of the Road Safety (General) Regulations 2009 – authorises the officers for the purposes of filing a charge or an offence under s 90E of the Road Safety Act 1986 or under a regulation under that Act.

PART C

Under s 313 of the Local Government Act 2020 - authorises the officer generally to institute proceedings for offences against the Acts and regulations described in this Instrument.



S11/S11A/S11B - INSTRUMENT OF APPOINTMENT AND AUTHORISATION

GAVIN TAUSCHKE – April 2024

Building Inspector



It is declared that this Instrument -

- comes into force immediately upon its execution, and
- remains in force until varied or revoked.

This Instrument is authorised by a resolution of the Pyrenees Shire Council made on 16th April 2024.

The Common Seal of the)
 Pyrenees Shire Council was)
 hereunto affixed in the presence of:)

----- Signature – Chief Executive Officer

----- Signature – Mayor / Councillor

----- Date of Execution

By this Instrument of Appointment and Authorisation, Pyrenees Shire Council -

PART A

Under s 224 of the *Local Government Act 1989* – appoints the named officer to be an authorised officer for the administration and enforcement of –

- the *Building Act 1993*;
 - the *Housing Act 1983*;
 - the *Local Government Act 1989*;
 - the *Local Government Act 2020*; and
 - the Regulations made under each of the above-mentioned Acts; and
 - the local laws made under the *Local Government Act 1989* or the *Local Government Act 2020*; and
 - any other Act, Regulation or local law which relates to the functions and powers of the Council.
-

PART B

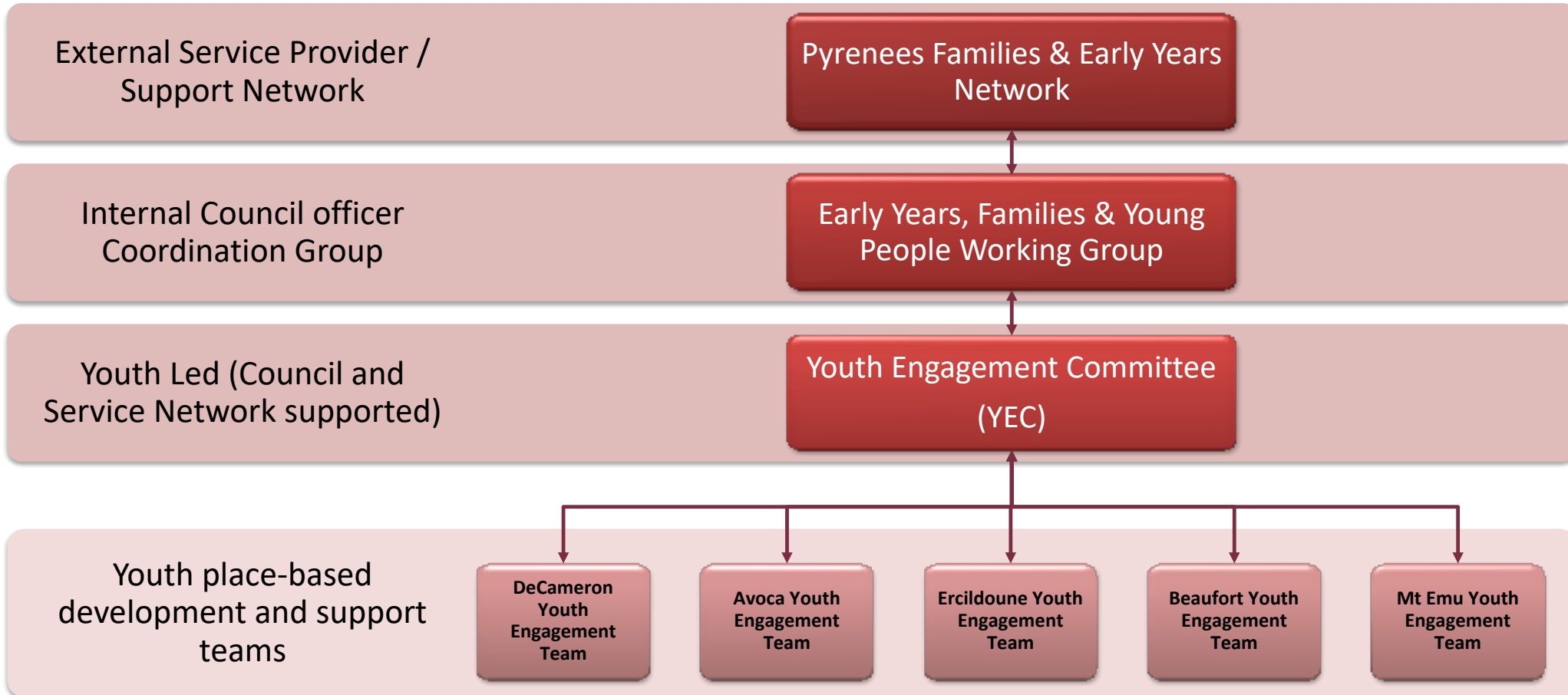
Under s 71(1) of the *Housing Act 1983* – appoints the officer to be authorised person for the purposes of entering a house or building and conducting an inspection.

AND

PART C

Under s 313 of the *Local Government Act 2020* - authorises the officer generally to institute proceedings for offences against the Acts and regulations described in this Instrument.

Youth Engagement Framework (YEF) - Governance Structure



Youth Engagement Framework - Annual Process

