



Risk Management and Audit Committee
Meeting (RMAC)
BUSINESS PAPER
Friday 13/03/2026

Meeting to be held commencing 9:30 AM
in Council Chambers at 7 Bees Creek Road, Freds Pass

A handwritten signature in black ink, appearing to read 'S. Hoyne'.

Stephen Hoyne

Chief Executive Officer

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Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.



RISK MANAGEMENT AND AUDIT COMMITTEE

AGENDA

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1 OPENING OF MEETING

2 APOLOGIES AND LEAVE OF ABSENCE

Apologies

Leave of Absence

3 DISCLOSURES AND DECLARATIONS OF INTEREST

Any member of the RMAC who may have a conflict of interest, or a possible conflict of interest regarding any item of business to be discussed at the RMAC meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.

4 CONFIRMATION OF MINUTES

4.1 Confirmation of Minutes

RECOMMENDATION

That the full minutes (including confidential minutes) of the Risk Management and Audit Committee Meeting held Tuesday 28 October 2025, pages be confirmed.



Risk Management and Audit Committee Meeting (RMAC)

MINUTES

Friday 31 October 2025

Meeting to be held commencing 2:30 PM
in Council Chambers at 7 Bees Creek Road, Freds Pass

Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.

RISK MANAGEMENT AND AUDIT COMMITTEE

MINUTES

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1 OPENING OF MEETING

The chair opened the meeting at 2:33pm.

2 APOLOGIES AND LEAVES OF ABSENCE

2.1 Apologies

COMMITTEE RESOLUTION RMAC/25/001

Moved: Chair Greg Arnott

Seconded: Mr Shane Smith

THAT the Risk Management and Audit Committee accept an apology from Mayor Wright.

CARRIED

2.3 Leave of Absence

Nil

3 DISCLOSURES AND DECLARATIONS OF INTEREST

Nil

4 CONFIRMATION OF MINUTES

4.1 Confirmation of Minutes

COMMITTEE RESOLUTION RMAC/25/002

Moved: Chair Greg Arnott

Seconded: Mr Shane Smith

That the full minutes of the Risk Management and Audit Committee Meeting held Thursday 14 August 2025, 3 pages be confirmed.

CARRIED

5 ACCEPTING OR DECLINING LATE ITEMS

Nil

6 BUSINESS ARISING

COMMITTEE RESOLUTION RMAC/25/003

Moved: Chair Greg Arnott

Seconded: Cr Kris Civitarese

THAT the committee receive and note the business arising.

CARRIED

7 OFFICER REPORTS

7.1 Internal Audit Update

EXECUTIVE SUMMARY

The purpose of this report is to provide an update to RMAC on the progress of the internal audits.

COMMITTEE RESOLUTION RMAC/25/004

Moved: Cr Kevin Harlan

Seconded: Cr Kris Civitarese

1. That the Risk Management and Audit Committee receive and note the progress on the internal audits.

CARRIED**7.2 Meeting Schedule and Workplan 2026****EXECUTIVE SUMMARY**

This report presents the proposed RMAC meeting schedule and workplan for 2026.

COMMITTEE RESOLUTION RMAC/25/005

Moved: Cr Kevin Harlan

Seconded: Cr Daisy Crawford

1. That the Risk Management and Audit Committee endorse the meeting schedule and workplan for 2026.

CARRIED

7.3 Management of Hazards Procedure

EXECUTIVE SUMMARY

This report presents to the Risk Management and Audit Committee a draft hazard procedure for Council employees.

COMMITTEE RESOLUTION RMAC/25/006

Moved: Cr Kevin Harlan

Seconded: Cr Kris Civitarese

1. That Risk Management and Audit Committee note the draft WHSp08 Management of Hazards procedure, attachment A and request it return to the committee at the next RMAC meeting to address the changes.

CARRIED

COMMITTEE RESOLUTION RMAC/25/007

Moved: Cr Kevin Harlan

Seconded: Cr Kris Civitarese

Pursuant to Section 93 of the Local Government Act and Regulation 51 of Local Government (General) Regulations the meeting be closed to the public to consider the following confidential item(s):

8.1 Appointment of External Financial Auditor

This matter is considered to be confidential under Section 99(2) - ci of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

8.2 Annual Financial Statements and Closing Audit Report 2024-25

This matter is considered to be confidential under Section 99(2) - d of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information subject to an obligation of confidentiality at law, or in equity.

Council moved to confidential to resolve the confidential reports at 2:57pm

CARRIED

COMMITTEE RESOLUTION RMAC/25/009

Moved: Chair Greg Arnott

Seconded: Mr Shane Smith

Resume in Open Session and continued with open section of the meeting at 7.4 Key Performance Indicators at 3:31pm.

CARRIED

7.4 Key Performance Indicators**EXECUTIVE SUMMARY**

This report presents RMAC with the Key Performance Indicators (KPI) summary for inclusion into the 2024-2025 Annual Report.

COMMITTEE RESOLUTION RMAC/25/010

Moved: Mr Shane Smith

Seconded: Cr Daisy Crawford

1. THAT the Risk Management and Audit Committee notes the Key Performance Indicators, at Attachment A, for inclusion into the 2024-2025 Annual Report.

CARRIED

11 OTHER BUSINESS

Nil

12 CONFIDENTIAL ITEMS

Nil items moved from Confidential

13 CLOSE OF MEETING

The chair closed the meeting at 3:50pm

5 ACCEPTING OR DECLINING LATE ITEMS

6 OFFICER REPORTS

6.1 Internal Audit Update

AUTHOR: Rebecca Taylor, Acting Director Governance & Community

AUTHORISER: Stephen Hoyne, Chief Executive Officer

ATTACHMENTS: 1. Internal Audit Register.pdf

EXECUTIVE SUMMARY

The purpose of this report is to provide an update to RMAC on the progress of the internal audits.

RECOMMENDATION

1. That the Risk Management and Audit Committee receive and note the progress on the internal audits.

BACKGROUND

In accordance with Council's Risk Management Governance Framework, internal and external audits are part of Council lines of defence for the management of risk. It provides independent assurance to the Council, Risk Management and Audit Committee and Management on the effectiveness of business operations.

Internal Audit: Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Risk Management and Audit Committee.

External Audit: Appointed by the Council on the recommendation of the Risk Management and Audit Committee to report independently to the Mayor and CEO on the annual financial statements.

In accordance with the internal audit plan, at Attachment A, there are two internal audits overdue from the 2021-22 financial period and one audit from the 2023-24 financial period. Below is an update on each audit.

Council's Reserve Management Arrangements

A lot of work is being undertaken in the recreation reserve space, with some information overlapping each other. Below is an update on the work being undertaken;

- **Asset Management**
The Asset Management Plan (AMP) for 7 of Council's 8 recreational reserves has been under development over a lengthy period, during which time there have been multiple changes in consultant staff and a drop off in performance. The initial draft AMP submitted had gross errors while the later submissions reveal that the data mapping is incongruent rendering the AMP submission largely unhelpful. Council is in ongoing discussions with the consultant to either work to a satisfactory outcome or conclude the contract without a satisfactory outcome.
- **Governance review**
Leases for each reserve have been in place for a number of years, including annual funding agreements. Subject to procurement processes, a consultant will review the management of the reserves, focusing on governance and risk. The scope will not include costs to maintain reserves or asset management. Staff circulated a request for quote but have not received any interest. Once a consultant is secured, Council can move forward with the audit.

Council's Road Inspection Regime

At RMACs meeting in August, the draft Road Inspection Regime was provided. Unfortunately, due to staffing resourcing, and the compounding demands on Council resources due to TC Fina and significant and ongoing rains, no further work has been undertaken.

Risk Register Audit

The updated risk register is provided to RMAC within this agenda. It remains an ongoing body of work that will be reviewed quarterly and presented to RMAC to highlight risk trends and key focus areas. From here, the recommendations from the audit will be reviewed and an updated provided in the next RMAC meeting.

With the risk register updated, this would be an appropriate time to review how internal audits are selected and assigned. Internal audits are an important risk mitigation tool, however, they require a significant investment of staff time. It is therefore important to ensure that the audits undertaken are necessary, well-targeted, and deliver meaningful impact.

LINKS WITH STRATEGIC PLAN

Performance - An Effective and Efficient Organisation

LEGISLATIVE AND POLICY IMPLICATIONS

This item is consistent with FIN08 Risk Management and FIN09 Risk Management and Audit Committee.

FINANCIAL IMPLICATIONS

Budget allowances are made for internal audits.

RISKS

Nil identified.

COMMUNITY ENGAGEMENT

Not applicable.

Internal Audit	Status	Financial Year	Description	Risk Profile
Procurement	Completed	17/18	Litchfield Council has engaged Local Buy Pty Ltd to assess Council's procurement practices and recommend ways in which to improve it, in line with local government best practice and ensure compliance with relevant Northern Territory government legislation	RP14 - Inadequate Procurement / Supplier / Contract Management
Works Permits	Completed	17/18	The objective of this Internal Audit was to review the processes by which work permits are submitted, assessed and approved in order to identify opportunities for improvement. Additionally, the engagement sought to understand the processes that took place in relation to the development approval at 110 FPR and the resulting community dissatisfaction.	RP4 - Errors, Omissions, Delays and Incorrect Advice
Waste Transfer Stations WHS	Completed	17/18	Audit of Councils Waste Transfer Stations WHS capability	RP8 - Inadequate Safety and Security Practices
Audit of Council's processes related to traffic management of Council commissioned works	Not completed	18/19	In response to the recent findings handed down by the NT Coroner regarding the liability of Councils in relation to traffic management, management propose to conduct an audit of Councils processes related to traffic management at Council commissioned works. Recommendations from this audit will contribute to improving controls in the "Inadequate Safety and Security Practices" risk profile which has an overall risk rating of high and overall control rating of inadequate.	RP4 - Errors, Omissions, Delays and Incorrect Advice
Audit of Council's payroll processes	Completed	18/19	Internal audit of Councils payroll processes to ensure accuracy and consistency. This audit will examine the processes currently in use to process Councils payroll including consistency between contract conditions and payroll setup. It will ensure that the "Ineffective and Unsustainable Financial Management" risk profile controls are maintained at an adequate level commensurate with the overall moderate risk rating and contributes to addressing the External Auditors findings regarding payroll certification	RP16 - Ineffective HR Management / Employment Practices
Audit of Contract Management Practices	Completed	18/19	As part of the current probity advice received on tendering and contract processes an opportunity was raised for an audit on current processes for contracts management and acceptance of variations to tendered contracts.	RP14 - Inadequate Procurement / Supplier / Contract Management
Audit of Mobile Work Force work health and safety procedures and practices	Completed	19/20	This audit will focus on the operational practices of the MWF both at the Humpty Doo workshop and in the field. Recommendations from this audit will contribute to improving controls in the "Inadequate Safety and Security Practices" risk profile which has an overall risk rating of high and overall control rating of inadequate. This audit was expanded to a complete WHS review of Council, approved at RMAC meeting March 2020	RP8 - Inadequate Safety and Security Practices
Review of Council WHS systems and framework	Completed	19/20	The purpose of this project is to review and update Council's Work Health and Safety (WHS) management system to ensure it meets legislative and operational requirements, and controlling an identified risk of inadequate health, safety and security practices.	RP8 - Inadequate Safety and Security Practices

RMAC Agenda Item 5 - Internal Audit Plan

Information Security	Completed	19/20	The ICT Improvement Plan has been developed in 2017 and implementation will be undertaken over the coming years. IT Security regarding data, cyper attacks and disaster recovery are a great risk to Council if not managed appropriately. The audit should identify if the implemented measures of the ICT Improvement Plan are mitigating the risk to Council's satisfaction.	RP6 - ICT Systems and Infrastructure Failure
Audit of compliance with Tree Risk Management Plan	Completed	20/21	Council has resolved to develop a Tree Risk Management Plan identifying the level, intervals and documentation of tree risk assessment for Council's open space. Development will take place in the 2018/19 financial year. The audit should identify if processes have been sufficiently established and are followed to mitigate risk to Council.	RP10 - Ineffective Management of Public Facilities / Venues / Events
Records Management processes	Completed	20/21	This audit will look at the success of the implementation of the Records Management Improvement Plan. The findings of the audit will inform and provide confirmation of control ratings related to records management risks	RP11 - Inadequate Records Management Processes
Audit and review of Council's reserve management arrangements	Underway	21/22	Council has been managing Howard Park and Knuckeys reserves since 2015 with five other reserves managed by local associations. This review will examine the reserve management arrangements and make recommendations as to the risks to Council.	RP10 - Ineffective Management of Public Facilities / Venues / Events
Audit of compliance with Roads Inspection Regime	Underway	21/22	Council has a regime of roads inspection determining intervals, level of inspection and documentation required. The audit will identify if the regime is adhered to and is appropriately mitigating risk for Council.	RP15 - Inadequate Asset Sustainability Practices
Audit of the implementation of the 2019 work health and safety management framework	Completed	22/23	Litchfield Council initiated a Council wide WHS review in 2019 in order to address a Risk Control Action which identified the requirement to undertake a review on the existing health and safety management systems used by Council and to identify and implement new systems as required. This audit will assess the level of implementation and effectiveness of the WHS framework developed as result of the 2019 review	RP8 - Inadequate Safety and Security Practices
Audit of Councils Human Resource policies for legislative compliance	Completed	22/23	An updated Local Government Act will be enacted in July 2021. A component of this Act requires Councils to adopt a series of HR principles in the form of a policy. This Audit will conduct a desktop review of Councils HR policies to assess if the policies are fit for purpose and compliant with relevant legislation. The outcome of this audit will inform the risk rating for the risk profile RP16	RP16 - Ineffective HR Management / Employment Practices
Cyber Security	Completed	23/24	Assess Council's Cyber Security against ACSC Essential 8 Maturity Model; <ol style="list-style-type: none"> 1.Application Whitelisting 2.Patch Applications 3.Configure Microsoft Office Macro settings to block macros from the internet 4.User Application Hardening 5.Restrict Administrative Privileges 6.Patch Operating Systems 7.Multi-Factor Authentication 8.Daily Backups 	RP5 - External Theft and Fraud (inc. Cyber Crime)
Risk Register	Underway	23/24	Audit Council's risk register for appropriateness	

6.2 Management of Hazards Procedure

AUTHOR: Rebecca Taylor, Acting Director Governance & Community

AUTHORISER: Stephen Hoyne, Chief Executive Officer

ATTACHMENTS: 1. Hazard Procedure

EXECUTIVE SUMMARY

This report presents to the Risk Management and Audit Committee a draft hazard procedure for Council employees.

RECOMMENDATION

1. That Risk Management and Audit Committee note the amended draft WHSp08 Management of Hazards procedure, attachment A.

BACKGROUND

At RMAC's meeting in October 2025, the committee resolved to;

7.3 Work, Health and Safety Overview

THAT RMAC note the draft WHSp08 Management of Hazards procedure, attachment A and request it return to the committee at the next RMAC meeting to address the changes.

The procedure at attachment A has been amended to include responsibilities as discussed.

LINKS WITH STRATEGIC PLAN

Performance - An Effective and Efficient Organisation

LEGISLATIVE AND POLICY IMPLICATIONS

WHS Management Plan 2023, Risk Management Framework

FINANCIAL IMPLICATIONS

Not applicable.

RISKS

Health and Safety

Having a procedure for managing hazards minimises risk in the workplace by providing a clear, structured and consistent approach.

COMMUNITY ENGAGEMENT

Not applicable.



Management of Hazards **PROCEDURE WHSp08**

Name	WHSp08 Management of Hazards
Responsible Officer	Human Resources
Approval Date	13/03/2026

1. Introduction

This procedure details how hazards are identified and managed within Council.

2. Application

This procedure applies to all staff.

3. Definitions

For the purposes of this procedure, the following definitions apply:

Hazard	An actual or potential source of harm which has the potential to cause injury or illness.
Risk	The likelihood and consequence of a hazard causing harm.
Stop Look Assess Manage (SLAM)	SLAM is an on the job hazard assessment of the work location, equipment, process etc.
Take 5	Similar to SLAM, Take 5 is an on the job hazard assessment of the work location, equipment, process ect.
Safe Work Method Statement (SWMS)	SWMS are used to identify, evaluate and control hazards at task/activity level. SWMS may be applied as a Pre-Job/Risk Assessment and is useful for formulating written Work Procedures/Instructions.
Safe Operating Procedure (SOP)	SOPs are used, to document safe methods of using equipment, plant and processes and control of identified hazards and risks.

4. Procedure Statement

4.1. Hazard Identification

- 4.1.1. Hazards can be found throughout any worksite and identifying them is a key part of maintaining a safe and productive workplace.

Management of Hazards **PROCEDURE WHSp08**

4.1.2. Hazards can be identified through regular workplace inspections and audits, employee feedback and reviews of incident and near-miss reports.

4.1.3. Types of hazards may include;

- Subcontractor Works
- Infrastructure
- Equipment
- Physical
- Chemical and Biological
- Electrical
- Radioactive
- Psychological

4.2. Reporting Hazards

4.2.1. Any employee who becomes aware of an uncontrolled hazard must report the hazard to the relevant supervisor.

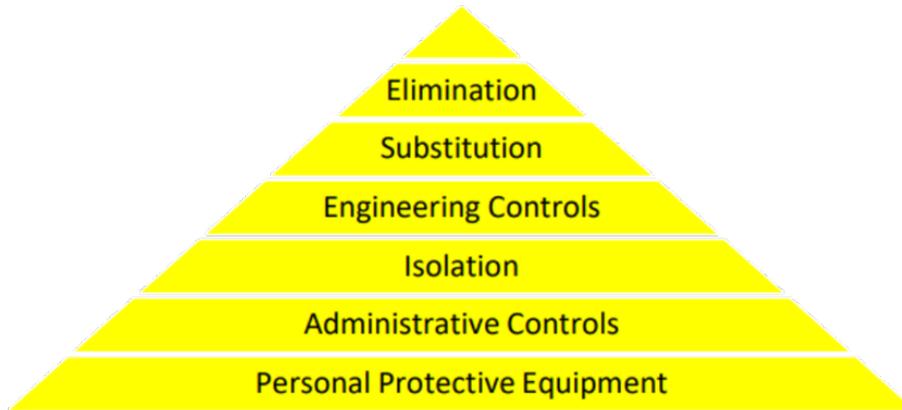
4.2.2. If there is an immediate risk to the health and safety of others, the employee will take practicable measures to control the hazard.

4.3. Assess and Control the Hazard

4.3.1. Supervisor will conduct a risk assessment and determine appropriate control measures.

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	MODERATE (5)	HIGH (10)	HIGH (15)	EXTREME (20)	EXTREME (25)
Likely	4	LOW (4)	MODERATE (8)	HIGH (12)	HIGH (16)	EXTREME (20)
Possible	3	LOW (3)	MODERATE (6)	MODERATE (9)	HIGH (12)	HIGH (15)
Unlikely	2	LOW (2)	LOW (4)	MODERATE (6)	MODERATE (8)	HIGH (10)
Rare	1	LOW (1)	LOW (2)	LOW (3)	LOW (4)	MODERATE (5)

Management of Hazards **PROCEDURE** WHSp08



4.4. Record and Track

4.4.1. Supervisors will record hazards and corrective actions in a register and will be periodically review, to ensure hazards are actively controlled.

4.5. Tools

4.5.1. Council utilises the following tools to assist with identifying, reporting and controlling hazards;

- Stop Look Assess Manage (SLAM)
- Take 5
- Safe Work Method Statement (SWMS)
- Safe Operating Procedure (SOP)

4.6. Responsibilities

4.6.1. All staff are responsible for reporting hazards.

4.6.2. Supervisors are responsible for ensuring hazards and corrective actions are recorded and periodically reviewed.

4.6.3. The PCBU is responsible for ensuring this procedure is communicated to all workers, reviewed periodically to ensure its ongoing effectiveness, and supported by appropriate tools, systems, and resources that are accessible to workers.

5. Associated Documents

S.03 Hazard Management Plan (WHS Management Plan 2023)

6. References and Legislation

Northern Territory Work, Health and Safety (National Uniform Legislation) Act

7 OTHER BUSINESS

8 CONFIDENTIAL ITEMS

RECOMMENDATION

Pursuant to Section 93 of the Local Government Act and Regulation 51 of Local Government (General) Regulations the meeting be closed to the public to consider the following confidential item(s):

8.1 Management Response 2024-2025 Audit

This matter is considered to be confidential under Section 99(2) - ci of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

8.2 Risk Register

This matter is considered to be confidential under Section 99(2) - d of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information subject to an obligation of confidentiality at law, or in equity.

9 REPORT OF CONFIDENTIAL RESOLUTIONS

10 CLOSE OF MEETING