

Report on Operations November 2025 to May 2026



Mornington
Peninsula Shire

Purpose

The Audit and Risk Committee's (ARC) Report on Operations provides an overview of the Committee's work for the six months following the November 2025 ARC meeting. The ARC Charter requires the Chairperson to report to Council twice a year on the Committee's activities. This is consistent with the *Local Government Act 2020* requirement for a biannual report describing the activities including its findings and recommendations.

Previous Report on Operations are available on the [ARC page](#) of Council's website, along with the ARC Charter and an overview of the ARC members.

Membership and meetings

Member attendance at 2026 Committee meetings is presented in the table below:

Attendance at 2026 ARC meetings

Member	26 Feb	28 May	27 Aug	3 Sep	26 Nov
Ms Lisa Tripodi, Chairperson Independent Member	✓	✓			
Mr Jonathon Kyvelidis Independent Member	✓	✓			
Mr David Fraser Independent Member	✓	✓			
Cr Bruce Ranken Councillor Member	✓	✓			
Cr Stephen Batty Councillor Member	✓	✓			
Cr Michael Stephens Alternate member	NA	NA			

NA = only noted as attending when formally acting as the Alternate member.

Other attendees have included:

- External Auditors: RSD Audit (appointed by Victorian Auditor General's Office)
- Internal Auditors: Aster Advisory
- Chief Executive Officer, Executive members, and Officers supporting or presenting reports to the Committee
- Councillors (non-members) may attend as observers
- Municipal Monitors (commenced 19 January 2026).

ARC member terms

Member	Current Term
Ms Lisa Tripodi, Chairperson Independent Member	1 November 2024 to 31 October 2026 Previous terms: 10 October 2017 – 31 October 2024
Mr Jonathon Kyvelidis Independent Member	2 February 2025 to 1 February 2028 Previous term: 2 February 2022 – 1 February 2025
Mr David Fraser Independent Member	25 August 2025 expiring 24 August 2028 Previous term: 25 August 2022 – 24 August 2025
Cr Bruce Ranken Councillor Member	1 January to 31 December 2026 Previous term *: 2025
Cr Stephen Batty Councillor Member	1 January to 31 December 2026 Previous term *: 2025
Cr Michael Stephens Substitute Representative	1 January to 31 December 2026

* Since the election of Council in October 2024

Council appoints two Councillor members, and an alternate, for the next Calendar year at its December meeting. Independent members are appointed as vacancies arise or reappointed prior to their term concluding (to a maximum of nine years).

ARC operations

A revised ARC Charter was endorsed at the November 2025 Committee meeting and adopted by Council on 17 February 2026.

A new Work Plan for 2026 was adopted at the February ARC meeting, structured around the Committee's responsibilities under the Local Government Act.

The 27 November 2025 draft Minutes were reported to council for noting 17 February 2026 and subsequently endorsed by the ARC at its February meeting.

A briefing on the proposed recruitment process for a new Independent ARC member was endorsed by the ARC at its May meeting.

Internal Audit

Aster Advisory were appointed as Council's Internal Auditors on 1 July 2025 for a term of three years with the option for two one year extensions. Key Internal Audit Activity has included:

- endorsing the scope for Property Management, Leases and Licences
- noting the Infrastructure Contract Management and Payroll Encoding Audit Reports
- receiving an update on the Events and Festivals Internal Audit
- noting the Internal Audit Program Status
- noting the status of open internal audit actions.

External Audit

RSD Audit was appointed by the Victorian Auditor General's Office (VAGO) in July 2022 to conduct the external audit of the Shire's financial report and performance statement on its behalf, for a period of up to six years (three plus three).

Key External Audit Activity has included:

- noting the Status of Implementation of Corrective Actions report
- noting VAGO's audit strategy 2025-26
- noting the External Audit Interim Report.

Risk Management

Key risk management activity included:

- noting the Recent Issues Brief (Aster Advisory)
- noting the Risk Management Updates
- endorsing the draft Enterprise Risk Management Policy
- endorsing the draft Enterprise Risk Management Framework
- receiving a presentation on the development of the Climate Resilience Strategic Risk.

Compliance Management & Internal Control Environment

Key compliance activity included:

- noting the Cyber security updates
- noting the Pool and Spa Compliance update
- noting the Reimbursement of Expenses for Councillors and Members of Delegated Committees report
- noting the Regulatory and Legislative Compliance updates
- noting the overview of the Victorian Ombudsman's report into Council handling of small claims
- noting the Policy Review report.

Financial and Performance Reporting

The Financial Controller reported on MPSC's financial management at each meeting.

Key financial and performance reporting activity included:

- noted the Quarterly Financial Reports
- noted the quality assurance process for the annual Performance Statement
- noted the Local Government Performance Reporting Framework mid-year results
- noted the draft template annual accounts for 2025-26 in line with Local Government Victoria model accounts.

Acknowledgements

The Committee benefits from the combined knowledge of councillor and independent members in many areas including governance, risk, financial management and financial reporting. As Chairperson, I would like to acknowledge the contribution of all members who perform their responsibilities with diligence and professionalism. I also acknowledge the contribution of our audit representatives from VAGO, RSD Audit and Aster Advisory.

I would like to record my appreciation of the work undertaken by staff in supporting the Committee, particularly regular attendees and presenters at Committee meetings.

This report has been reviewed and approved by the Committee.

Lisa Tripodi

Audit and Risk Committee Chair

