

ITEM NUMBER: 13.1

ATTACHMENT 2

CONFIDENTIAL DRAFT MINUTES – AUDIT COMMITTEE – 28 AUGUST 2019 (Report 337/19)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that the Council will receive, discuss or consider:

- d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, as this would prejudice the commercial position who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

- b. pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is

conducting business; or
proposing to conduct business; or
would prejudice the commercial position of the Council.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

Confidential Minutes of the Audit Committee of the City of Holdfast Bay held in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 28 August 2019.

9. ITEMS IN CONFIDENCE

9.1 Loan Receivables (Report No: 325/19)

Motion – Exclusion of the Public – Section 90(3)(d) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Audit Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Staff in attendance at the meeting in order to consider Report No: 325/19 Loan Receivables in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Audit Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 325/19 Loan Receivables on the following grounds:
 - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, as this would prejudice the commercial position who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
3. The Audit Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved by Councillor Snewin, Seconded by Mr Tu

Carried

In order to complete the financial statements for the year ended 30 June 2019 an assessment is required of community loans that are owed to Council and whether there is any objective evidence that they will not be fully repaid. This assessment has been done and it is presented to the Audit Committee for review.

Motion

That the Audit Committee advises Council that:

1. it has received and considered an assessment of community loans receivable as at 30 June 2019;
2. the current impairment amount of \$517,780 be maintained for impairment of community loans receivable as at 30 June 2019; and
3. in accordance with Accounting Standards the impairment amount be reviewed and updated annually.

Moved by Councillor Smedley, Seconded by Councillor Snewin

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

4. That having considered Agenda Item 9.1 Loan Receivables (Report No: 325/19) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Audit Committee, pursuant to section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of six months and the Chief Executive Officer is authorised to release the documents when the Audited Financial Statements are presented to Council.

Moved by Councillor Snewin, Seconded by Mr Tu

Carried

9.2 **Internal Audit Services (Report No: 326/19)**

Motion – Exclusion of the Public – Section 90(3)(b) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 326/19 – Internal Auditor Services in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 326/19 on the following grounds:
 - b. pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is

**conducting business; or
proposing to conduct business; or
would prejudice the commercial position of the Council.**

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

The term of Council's Internal Auditor Bentleys expired on 1 August 2019. A select tender process has been undertaken to provide internal audit services for a further three years. The outcomes of the tender responses are provided for the Audit Committee to review and provide advice to Administration.

Motion

- 1. That Audit Committee note the report.**

Moved by Councillor Smedley, Seconded by Mr Spadavecchia

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

- 2. That having considered Agenda Item 9.2 Internal Audit Services – Report No 326/19 in confidence under section 90(2) and (3)(k) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of 12 months and/or the Chief Executive Officer is authorised to release the documents when the contract for services has been finalised and that this order be reviewed every 12 months.**

Moved by Mr Spadavecchia, Seconded by Ms Davies

Carried

CONFIRMED

Wednesday 9 October 2019

PRESIDING MEMBER