

ITEM NUMBER: 18.2

CONFIDENTIAL REPORT

CONFIDENTIAL MINUTES – AUDIT AND RISK COMMITTEE – 16 AUGUST 2023

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the 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 Council will receive, discuss or consider:

- d. 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, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.

CONFIDENTIAL

Recommendation – Exclusion of the Public – Section 90(3)(d) 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: 281/23 Confidential Minutes – Audit and Risk Committee – 16 August 2023 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: 281/23 Confidential Minutes – Audit and Risk Committee – 16 August 2023 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 Council 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.
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Item No: 18.2

Subject: **CONFIDENTIAL MINUTES – AUDIT AND RISK COMMITTEE – 16 AUGUST 2023**

Date: 22 August 2023

Written By: Executive Assistant, Strategy and Corporate

A/General Manager: Strategy and Corporate, Ms S Wachtel

SUMMARY

The confidential minutes of the meeting of the Audit Committee held 16 August 2023 are presented to Council for information and endorsement.

RECOMMENDATION

That the Audit and Risk Committee advises Council that:

1. it has received and considered an assessment of community loans receivable as at 30 June 2023;
2. the current impairment amount of \$517,780 be maintained for impairment of community loans receivable as at 30 June 2023;
3. in accordance with Accounting Standards the impairment amount be reviewed and updated annually; and

RETAIN IN CONFIDENCE - Section 91(7) Order

- 4.. that having considered Agenda Item 18.2 Confidential Minutes – Audit and Risk Committee – 16 August 2023 (Report No: 281/23) in confidence under Section 90(2) and (3)(d) of the *Local Government Act 1999*, the Council, pursuant to Section 91(7) of that Act orders that the report, attachment 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.
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STRATEGIC PLAN

Statutory requirement

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

BACKGROUND

The Audit and Risk Committee is established under Section 41 of the *Local Government Act 1999*, and Section 126 of the *Local Government Act 1999* defines the functions of the Audit and Committee to include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council;
- proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan;
- proposing, and reviewing, the exercise of powers under Section 130 A;
- if the council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee;
- liaising with the council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

REPORT

Confidential minutes of the meeting of the Audit Committee held on 16 August 2023 are attached for Members' information.

Refer Attachment 1

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable

Attachment 1

Confidential Minutes of the Audit and Risk Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton, on Wednesday 16 August 2023 at 6:00pm.

10. CONFIDENTIAL ITEMS

10.1 Loan Receivables (Report No: 267/23)

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

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* Audit and Risk 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: 267/23 Loan Receivables in confidence.**
- 2. That in accordance with Section 90(3) of the *Local Government Act 1999* the Audit and Risk Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 267/23 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 and Risk 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 P Davies, Seconded D Powell

Carried

In order to complete the financial statements for the year ended 30 June 2023 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 and Risk Committee for review.

Motion

That the Audit and Risk Committee advises Council that:

- 1. it has received and considered an assessment of community loans receivable as at 30 June 2023;**
- 2. the current impairment amount of \$517,780 be maintained for impairment of community loans receivable as at 30 June 2023;**
- 3. in accordance with Accounting Standards the impairment amount be reviewed and updated annually; and**

RETAIN IN CONFIDENCE - Section 91(7) Order

- 4. That having considered Agenda Item 10.1 Loan Receivables (Report No: 267/23) in confidence under Section 90(2) and (3)(d) of the *Local Government Act 1999*, the Audit and Risk Committee, pursuant to Section 91(7) of that Act orders that the report, attachment 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 D Powell, Seconded C Garrett

Carried

CONFIRMED

18 October 2023

PRESIDING MEMBER