

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held via Electronic Means in a Virtual Waiting Room on Thursday 23 July 2020 at 6:00pm.

Visual and Audio Presence

Members

Presiding Member – Councillor J Smedley

Councillor R Snewin – *via audio only*

Mr S Spadavecchia

Mr S Tu

Ms P Davies

Visual and Audio Presence

Staff

Chief Executive Officer – Mr R Bria

General Manager Strategy and Business Services – Ms P Jackson

General Manager Alwyndor – MS B Davidson-Park

Manager Finance – Mr J Newton

Financial Manager Alwyndor – Ms L Humphrey

Visual and Audio Presence

Guests

Mr Kim Cheater – Chair, Alwyndor Management Committee

Mr Tim Muhlhausler – Partner, Galpins

1. OPENING

The Presiding Member declared the meeting open at 6.01pm.

2. APOLOGIES

2.1 Apologies Received - Nil

2.2 Absent - Nil

3. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on Monday 25 May 2020 be taken as read and confirmed.

Moved by Ms Davies, Seconded by Mr Tu

Carried

5. PRESENTATIONS - Nil**6. ACTION ITEMS**

6.1 Action Item List – 23 July 2020

7. REPORTS BY OFFICERS

7.1 **Standing Items** (Report No: 203/20)

The Audit Committee was provided with a report on standing items.

Motion

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly Financial Statements**
- **Risk Management and Internal control**
- **Audit – External/Internal**
- **Local Government Reform Bill**
- **Public Interest Disclosures – previously Whistle-Blowing**
- **Economy and Efficiency Audits**
- **Audit Committee Meeting Schedule**

Moved Ms Davies, Seconded Mr Tu

Carried

7.2 **Draft 2020-21 Annual Business Plan and Budget** (Report No: 204/20)

The draft 2020/21 Annual Business Plan and Budget was developed on the assumptions and parameters discussed at a Council workshops held in February, March and May 2020. The draft budget satisfies Council's financial sustainability and performance measures.

The Audit Committee at its meeting on 25 May 2020, received, considered and supported the draft 2020/21 Annual Business Plan for public consultation. Subsequent to this meeting on 26 May 2020 Council approved its Draft 2020-21 Annual Business Plan and Budget for public consultation.

A further Council workshop was held on 30 June 2020 to discuss the outcome of the consultation. Council received a report covering the above outcomes on 14 July 2020

(Report 191/20) and resolved that the submissions be noted and answers to specific questions be provided. Additionally Council resolved that the draft Annual Business Plan be reviewed to allow for a reduction in the rate from 2.4% (increase) to 1.9% (increase) with the same \$660,213 operating deficit result.

At its meeting on 14 July 2020 council resolved to include \$69,500 for a beach access safety ramp at Seacliff (Report 170/20) and \$65,000 (subject to grant funding) for Greener Neighbourhood program (Report 177/20) in the 2020/21 capital budget. A further proposed amendment is a \$91,000 reduction in the amount required for the Da Costa play space. Compensating \$2,890 reductions in revenue and expenditure are also proposed for the Jetty Road Main Street levy and budget.

The draft 2020/21 Annual Business Plan and Budget was presented to Audit Committee for their comment and support that it satisfies Council's financial sustainability and performance measures.

Motion

That the Audit Committee note that the draft 2020/21 Annual Business Plan and Budget satisfies Council's financial sustainability and performance measures and support its presentation to Council for adoption.

Moved Mr Spadavecchia, Seconded Ms Davies

Carried

8. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil

9. CONFIDENTIAL ITEMS

9.1 **External Audit Services** (Report No: 205/20)

Motion – Exclusion of the Public – Section 90(3)(k) 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: 205/20 External Audit 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: 205/20 External Audit Services on the following grounds:**
 - k. **pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda Item are tenders for the provision of external audit services.**

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.

Moved Ms Davies, Seconded Mr Tu

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

That having considered Agenda Item 9.1 External Audit Services – Report No 205/20 in confidence under section 90(2) and (3)(k) of the Local Government Act 1999, this order is subject to Section 91(7) of the Act orders that the report, attachments and minutes be retained in confidence until the contract for services has been finalised.

Moved Ms Davies, Seconded Mr Tu

Carried

9.2 **Alwyndor Long Term Financial Plan (Report No: 206/20)**

Motion – Exclusion of the Public – Section 90(3)(b)(c) &(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: 206/20 - Alwyndor Long Term Financial Plan 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: 206/20 - Alwyndor Long Term Financial Plan 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.
 - c. pursuant to Section 90(3)(c) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would reveal a trade secret.
 - 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 or to confer a commercial advantage on a third party.

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.

Moved Ms Davies, Seconded Mr Tu

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

That having considered Agenda Item 9.2 Alwyndor Long Term Financial Plan – Report No 206/20 in confidence under section 90(2) and (3)(b)(c) & (d) 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 24 months and that this order be reviewed every 12 months.

Moved Ms Davies, Seconded Mr Spadavecchia

Carried

9.3 **Review of Investment Options – Alwyndor (Report No: 207/20)**

Motion – Exclusion of the Public – Section 90(3)(b)(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: 207/20 - Review of Investment Options - Alwyndor 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: 207/20- Review of Investment Options - Alwyndor 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.
 - 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.

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.

Moved Ms Davies, Seconded Mr Spadavecchia

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

That having considered Agenda Item 9.3 Review of Investment Options - Alwyndor – Report No 207/20 in confidence under section 90(2) and (3)(b)(d) 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 24 months and that this order be reviewed every 12 months.

Moved Mr Tu, Seconded Mr Spadavecchia

Carried

10. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Thursday 27th August 2020 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.

11. CLOSURE

The Meeting closed at 7.18 pm.

CONFIRMED 26 August 2020

PRESIDING MEMBER