

Minutes of the meeting 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 15 March 2023 at 6:00pm.

PRESENT

Members

Councillor J Smedley
Councillor R Snewin
Mr D Powell
Mr S Tu
Ms P Davies

Staff

Chief Executive Officer – Mr R Bria
General Manager Strategy and Corporate – Ms P Jackson
Manager Finance – Mr C Blunt
Manager Strategy and Governance – Ms A Karzek

Guest

Ms Janna Burnham, Manager of Internal Audit, Galpins

1. OPENING

The General Manager Strategy and Corporate declared the meeting open at 6.00pm.

2. APPOINTMENT OF PRESIDING MEMBER

The Audit and Risk Committee's Terms of Reference provides that it may nominate any member of the Committee to be its presiding member (other than the Mayor).

Motion

- 1. That the Audit and Risk Committee appoints John Smedley as Presiding Member for this meeting.**
- 2. That the Audit and Risk Committee recommends to Council the appointment of John Smedley as the Presiding Member for the term of Council.**

Conflict of Interest

Councillor Smedley declared a material conflict of interest for Item 2 **Appointment of Presiding Member** (pursuant to section 75 and 75A of the *Local Government Act 1999*) was that he would have a direct financial advantage.

Councillor Smedley dealt with the material conflict of interest by making it known and leaving the meeting at 6.03pm.

Moved by Cr Shewin, Seconded by P Davies

Carried Unanimously

Councillor Smedley re-joined the meeting at 6.05pm.

3. APOLOGIES

- 3.1 Apologies Received
- 3.2 Absent

4. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

5. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 19 October 2022 be taken as read and confirmed.

Moved by D Powell, Seconded by P Davies

Carried

6. ACTION ITEMS

The Action Items were tabled and discussed.

Leave of meeting

The Presiding Member sought leave of the meeting to propose that Agenda Item 8.3 Internal Audit Program Report (Report No: 77/23) be considered after Item 6.

Leave of the meeting was granted.

8.3 Internal Audit Program Report (Report No: 77/23)

Of the four risk-based audits scheduled for the Internal Audit Program 2022/23, the first, Flood Mitigation has been completed and the second, Complaints Handling, is currently underway.

In addition, the 'Audit Recommendations Outstanding Actions Update' is attached, highlighting those actions that are not yet implemented, in progress and partially implemented, and completed.

Motion

1. **That the Audit Committee notes this report.**

RETAIN IN CONFIDENCE - Section 91(7) Order

2. **That having considered Attachment 4 to Agenda Item 8.3 77/23 Internal Audit Program in confidence under section 90(2) and (3)(e) of the *Local Government Act 1999*, the Audit and Risk Committee, pursuant to section 91(7) of that Act orders that the attachment be retained in confidence for a period of 24 months and/or the Chief Executive Officer is authorised to release the documents and that this order be reviewed every 12 months.**

Moved P Davies, Seconded S Tu

Carried

7. PRESENTATIONS

7.1 Draft Annual Business Plan, Budget and Long-Term Financial Plan update

The Manager Finance provided an update to the Committee on the draft 2023/24 Annual Business Plan.

Ms Burnham left the meeting at 6.50pm

8. REPORTS BY OFFICERS

8.1 Standing Items (Report No: 75/23)

The Audit and Risk Committee was provided with a report on standing items at the meeting.

Motion

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

- **Monthly Financial Statements**
- **External Audit**
- **Public Interest Disclosures**
- **Economy and Efficiency Audits**
- **Council Recommendations**
- **Audit Committee Meeting Schedule 2023**

Moved Cr Snewin, Seconded D Powell

Carried

8.2 Quarterly Risk Report (Report No: 76/23)

A review of the Strategic Risk Register and high operational risks was undertaken in line with ISO31000 (2018), to ensure an accurate reflection of the current risk

management position across the business, scoping both business risks and opportunities.

The environmental scan, used to identify new and emerging areas relating to both risk and opportunity, has been updated and two additional reports generated detailing 'New/Emerging Risks' and 'Future/Potential Opportunities'. Both are included in this Risk Report.

Motion

That the Audit Committee notes this report.

Moved D Powell, Seconded P Davies

Carried

Item 8.3 Internal Audit Program Report (Report No: 77/23) was considered after Item 6 as per leave of the meeting granted.

8.4 Business Continuity Report (Report No: 90/23)

This report provides and update on the Business Continuity program.

Motion

That the Audit Committee notes this report.

Moved Cr Snewin, Seconded D Powell

Carried

8.5 Long-Term Financial Plan Review (Report No: 91/23)

The Long Term Financial Plan (LTFP) has been reviewed and updated to include the 2022/23 Annual Business Plan and 2021/22 audited financial statements and budget updates to 31 December 2022. The projections in the LTFP indicate Council remains in a sound financial position.

The LTFP has also been informed by the latest Asset Management Plans (AMP) and direction from Council with regard to Council's commitment to financial sustainability. A number of assumptions have been reviewed in updating the plan and these are detailed in the report.

The LTFP will be enhanced as part of the 2023/24 budget process to include major projects that have been identified to be undertaken over the next 10 years.

Motion

That the Audit Committee advises Council it has received and notes the revised Long Term Financial Plan.

Moved S Tu, Seconded P Davies

Carried

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

10. CONFIDENTIAL ITEMS - Nil

11. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Wednesday 19 April 2023 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.

12. CLOSURE

The Meeting closed at 7.15 pm.

CONFIRMED 19 April 2023

PRESIDING MEMBER