

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 7 June 2023 at 6:00pm.

PRESENT

Members

Presiding Member – Councillor J Smedley
Councillor R Snewin
Ms P Davies
Mr D Powell

Staff

Chief Executive Officer – Mr R Bria
A/General Manager Strategy and Corporate – Ms S Wachtel
General Manager Alwyndor – Ms B Davidson-Park
Manager Finance – Mr C Blunt
Manager Strategy and Governance – Ms A Karzek
Chief Financial Officer Alwyndor – Mr R Mirzaev

Guests

Ms Janna Burnham, Manager of Internal Audit, Galpins
Ms Danika Brown, Internal Auditor, Galpins

1. OPENING

The Chairman declared the meeting open at 6.00pm.

2. KAURNA ACKNOWLEDGEMENT

We acknowledge Kaurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kaurna People today.

3. APOLOGIES

- 3.1 Apologies Received – Ms C Garrett
- 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 and Risk Committee held on 3 May 2023 be taken as read and confirmed.

Moved by D Powell, Seconded by Cr Snewin

Carried

6. ACTION ITEMS

The Action Items were tabled and discussed.

7. PRESENTATIONS - Nil**8. REPORTS BY OFFICERS****Leave of meeting**

The Presiding member sought leave of the meeting to propose that Agenda Item 8.3 Internal Audit Program Report (Report No: 178/23) be considered after Item 7.

Leave of the meeting was granted.

8.3 Internal Audit Program – June 2023 (Report No: 178/23)

Of the four risk-based audits scheduled for the Internal Audit Program 2022-23, the first, Flood Mitigation has been completed and was reported to the Audit and Risk Committee in March. The second, Complaints Handling, has now been completed and is detailed within this report.

The remaining audits relate to Fraud Detection, being a full audit and Development Assessment, being a follow up on last year's audit and recommendations.

In addition, the 'Audit Recommendations Outstanding Actions Update' is attached in three parts, highlighting those actions that are either; (i) completed, (ii) in progress or (iii) not yet implemented.

Motion

That the Audit and Risk Committee notes this report.

Moved Cr Snewin, Seconded D Powell

Carried

Ms Burnham and Ms Brown left the meeting at 6.17pm.

8.1 Standing Items (Report No: 176/23)

The Audit and Risk Committee is provided with a report on standing items at each ordinary meeting.

Motion**1. That the Audit and Risk 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 and Risk Committee Meeting Schedule 2023**

Moved P Davies, Seconded D Powell

Carried**8.2 Risk Report – June 2023 (Report No: 180/23)**

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.

Motion**That the Audit and Risk Committee notes this report.**

Moved P Davies, Seconded D Powell

Carried

Item 8.3 Internal Audit Program Report (Report No: 178/23) was considered after Item 7 as per leave of the meeting granted.

8.4 Information Technology Policies (Report No: 177/23)

Following recommendations from an Internal Audit relating to Cyber Security, a number of information technology policies were developed. Due to an oversight, the policies were provided to Council for endorsement without first being referred to the Audit and Risk Committee for consideration.

On 14 February 2023, Council endorsed:

1. Council Acceptable Use Policy
2. Council Information Security Policy
3. Council Mobile Device Policy
4. Council Social Media Policy

The policies apply to both Council and Alwyndor and relate to the acceptable use of technologies, and information security. As they also apply to Elected Members, they were required to be adopted by Council.

Motion

That the Audit and Risk Committee notes the information technology policies adopted by Council on 14 February 2023.

Moved Cr Snewin, Seconded P Davies

Carried

8.5 **Draft 2023-24 Annual Business Plan** (Report No: 179/23)

The draft 2023-24 Annual Business Plan and Budget (ABP&B) was developed on the assumptions and parameters discussed at Council workshops held in February, March and April 2023. The draft budget meets Council's financial sustainability and performance measures.

The Audit and Risk Committee at its meeting on 15 March 2023 received an update on the draft 2023-24 ABP&B and Municipal Long Term Financial Plan (LTFP). Subsequent to this meeting a draft ABP&B document was prepared and presented to the Audit and Risk Committee for their consideration on 3 May 2023.

Council approved the ABP&B for community consultation on 9 May 2023 and will receive a formal report covering the outcomes on 13 June 2023.

The draft 2023-24 ABP&B with summary consultation outcomes and an updated Municipal LTFP, are presented to the Audit and Risk Committee for further comment and support, noting that it satisfies Council's financial sustainability and performance measures.

Motion

That the Audit and Risk Committee notes that the draft 2023-24 Annual Business Plan and Budget satisfies Council's financial sustainability and performance measures and supports its presentation to Council for adoption.

Moved D Powell, Seconded P Davies

Carried

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

10. **CONFIDENTIAL ITEMS**

10.1 **Alwyndor Budget 2023/24 - Draft** (Report No: 193/23)

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

1. **That pursuant to Section 90(2) of the *Local Government Act 1999* the Audit and Risk Committee 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 193/23 Alwyndor Budget 2023/24 - Draft 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: 193/23 Alwyndor Budget 2023/24 - Draft 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 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.

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 Cr Snewin, Seconded P Davies

Carried

The draft 2023/24 budget is presented to the Audit Committee for consideration and discussion prior to final presentation to the City of Holdfast Bay for adoption and integration into its consolidated accounts.

Motion

1. That the Audit and Risk Committee advises Council it has received and noted Alwyndor's draft Budget 2023/24.

RETAIN IN CONFIDENCE - Section 91(7) Order

2. That having considered Agenda Item 10.1 193/23 Alwyndor Budget 2023/24 – Draft 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 be retained in confidence for a period of 12 months and that this order be reviewed every 12 months.

Moved P Davies, Seconded D Powell

Carried

11. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Wednesday 16 August 2023 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.

12. CLOSURE

The Meeting closed at 7.32pm.

CONFIRMED 16 August 2023

PRESIDING MEMBER