

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 16 March 2022 at 6:00pm.

PRESENT

Members

Presiding Member – 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 J Newton
Management Accountant – Mr C Blunt
Manager, Strategy and Governance – Ms A Karzek

Guests

Ms Janna Burnham, Director of Internal Audit, Galpins
Mr Tim Muhlhausler, Partner, Galpins

1. OPENING

The Chairman declared the meeting open at 6.02pm.

2. APOLOGIES

- 2.1 Apologies Received - Nil
- 2.2 Absent - Ni

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 20 October 2021 be taken as read and confirmed.

Moved by D Powell, Seconded by Cr Snewin

Carried

5. 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 7.4 Internal Audit Program Report (Report No: 72/22) be considered after Item 5.

Leave of the meeting was granted.

7.4 **Internal Audit Program Report** (Report No: 72/22)

Following endorsement of the Council's Internal Audit Plan last year (AC277/21), Internal Auditors, Galpins, have progressed with the 2021-22 scheduled program of reviews.

Of the six risk-based audits outlined for 2021-22, two have been completed, two are currently ongoing and the remaining two are due to be commenced in coming weeks, for completion prior to the financial year end.

Motion

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

Moved P Davies, Seconded S Tu

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

2. **That having considered Attachment 2 to Report No: 72/22 Internal Audit Program Report in confidence under Section 90(2) and (3) (e) of the *Local Government Act 1999*, the Audit Committee, pursuant to Section 91(7) of that Act orders that Attachment 2 be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.**

Moved Cr Snewin, Seconded D Powell

Carried

Ms Burnham and Mr Muhlhausler left the virtual meeting at 6.19pm.

6. PRESENTATIONS

6.1 **2022/2023 Annual Business Plan Update**

General Manager, Strategy and Corporate provided an update to the Committee on the draft 2022/2023 Annual Business Plan.

7. REPORTS BY OFFICERS

7.1 Standing Items – March 2022 (Report No: 69/22)

The Audit Committee were provided with a report on standing items at the meeting.

Motion

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

- **Monthly Financial Statements**
- **Risk Management and Internal control**
- **External Audit**
- **Public Interest Disclosures – previously Whistle-Blowing**
- **Economy and Efficiency Audits**
- **Audit Committee Meeting Schedule 2022**

Moved Cr Snewin, Seconded D Powell

Carried

7.2 Long Term Financial Plan Review (Report No: 70/22)

The Long Term Financial Plan (LTFP) was reviewed and updated to include the 2021/22 Annual Business Plan and 2020/21 audited financial statements and budget updates to 31 December 2021. 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 2022/23 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 noted the revised Long Term Financial Plan.

Moved P Davies, Seconded D Powell

Carried

7.3 Risk Report (Report No: 71/22)

At the last Audit Committee meeting, the Committee was advised that a broader review of the risk function would be undertaken. This work is progressing, under

the direction of the newly appointed Risk and Improvement Officer, who commenced in late December 2021.

The review includes a comprehensive revision of both the policy suite and registers, incorporating internal audit recommendations and best practice. Revised documentation is expected to be ready for the Audit Committee's consideration at the next meeting.

At this time, there is no change to the risk profile or overall risk exposure for Council.

Motion

That the Audit Committee notes this report.

Moved S Tu, Seconded D Powell

Carried

Item 7.4 Internal Audit Program Report (Report No: 72/22) was considered after Item 5 as per leave of the meeting granted.

8. CONFIDENTIAL ITEMS

8.1 Internal Audit Program Report (Report No: 72/22)

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

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* the Audit 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: 72/22 – Internal Audit Program Report in confidence.**
- 2. That in accordance with Section 90(3) of the *Local Government Act 1999* the Audit Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 72/22 – Internal Audit Program Report on the following grounds:**
 - e. matters affecting the security of the Council, members or employees of the Council, or Council property, or the safety of the any person.**

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, in 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 Ms Davies, Seconded Cr Snewin

Carried

A general discussion took place with the Attachment held in confidence as per the Item 7.4 resolution.

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

- 9. DATE AND TIME OF NEXT MEETING**

The next meeting of the Audit Committee will be held on Wednesday 1 June 2022 in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton.

- 9. CLOSURE**

The Meeting closed at 7.16 pm.

CONFIRMED 1 June 2022

PRESIDING MEMBER