

MINUTES OF THE AUDIT COMMITTEE MEETING

HELD ON MONDAY 18 July 2022 AT 11.00AM

PRESENT: Mr A Rushbrook (*Chair*), Mayor C McLaughlin, Cr B Simpson, and Mr P Klobucar

OFFICERS IN ATTENDANCE: Chief Executive Officer (*Mr J Commons*)
Acting Director Corporate Services (*Ms S King*)
Director Infrastructure (*Mr K Clark*)
Manager Finance (*Mr G Jennings*)
Finance Coordinator (*Mrs S Vigar*) (*by telephone*)
Manager Governance (*Mrs I Adair*)
Information Technology Coordinator (*Mr D Poyner*)
Executive Coordinator – Corporate (*Ms L Fisher*)

1. Acknowledgement

The Chair acknowledged that the meeting was being held on Barngarla land and gave thanks for the use of this land.

2. Attendance Record

Apologies – Cr S Stupos
Leave of Absence – Nil

3. Declaration of Members' Conflict of Interests – Nil

4. Minutes of Previous Meetings

4.1 *Confirmation of the Minutes of the previous Audit Committee Meeting held on Monday 9 May 2022.*

Moved Cr B Simpson, Seconded Mr P Klobucar

AC343-2022

That the Minutes of the previous Audit Committee Meeting held on Monday 9 May 2022, as per copies supplied to Members, be adopted as a true and correct record to that meeting.

Carried

4.2 Business Arising

A request was made that as part of the Work Program, a list of relevant finance policies with review dates be included on an annual basis.

With regards to the External Review Workplan it was noted that some actions have passed their due dates and it was requested that revised due dates be provided.

5. Deputations/Presentations – Nil

6. Reports – Council Officers

6.1 Corporate Services – Ordinary Reports

6.1.1 Risk Management Update

Discussions were held on the Annexures with the following recommendations being made:

- Annexure A - timeframes require updating, with revised due dates.
- Annexure B - Item 6.2C - strategic risks be monitored on a bi-annual basis rather than quarterly.
- Annexure C – there was discussion about an Internal Audit Plan.
- Annexure C - Item 5.3.2, Roles and Responsibilities, that consideration be given to the roles with the addition of reviewing Internal Audit reports.
- Annexure C - That the Prudential Management Policy be updated to refer specifically to the Consequence Table for Projects.

Moved Mr P Klobucar, Seconded Cr B Simpson

AC344-2022

The Audit Committee:

1. accepts this report and endorses the proposed risk management engagement process
2. notes the Risk Appetite Statements; and
3. recommends the updated Risk Management Policy (as amended) and Framework to Council for adoption

Carried

6.1.2 Interim Management Report

Moved Cr B Simpson, Seconded Mayor C McLaughlin

AC345-2022

The Audit Committee receive and note the Interim Management Report.

Carried

6.1.3 Review of Finance Policies

Annexure A - Item 5.3: Change the wording to “.....within same business units....” rather than “....within existing business units....”. It was also recommended that a value be added to the clause with a suggestion of a cap of \$50 000. Feedback to be sought from staff.

Moved Cr B Simpson, Seconded Mayor C McLaughlin

AC346-2022

The Audit Committee:

1. recommends the updated Budget Management and Review Policy (as amended) to Council for adoption;
2. recommends the updated Financial Hardship Policy to Council for adoption; and
3. recommends the updated Asset Accounting Policy to Council for adoption.

Carried

6.1.4 Procurement Review Update

There was discussion on whether consideration has been given to the use of updated contract documents available from Local Government Procurement, rather than those from the South Australian Government. Administration is open to this possibility and has commenced discussions with Local Government Risk, who also assisted with these documents.

Moved Mr P Klobucar, Seconded Cr B Simpson

AC347-2022

The Audit Committee receive and note the Procurement Review Update.

Carried

6.1.5 Quarterly Report – Procurement

It was suggested that Part 3. Local Purchases should be included in a report to Council. It was agreed that in the future this section of the report would go to the Ordinary Council Meeting as part of Financial Updates.

Moved Mr P Klobucar, Seconded Mayor C McLaughlin

AC348-2022

The Audit Committee receive and note the Procurement Quarterly report.

Carried

7. Consideration of Confidential Items

7.1 Corporate Services

7.1.1 *Cyber CX Report - Confidential*

Moved Mayor C McLaughlin, Seconded Cr B Simpson

AC349-2022

Pursuant to Section 90(2) of the Local Government Act 1999, the Council orders that the public be excluded from the meeting with the exception of Justin Commons; Chief Executive Officer, Kristen Clark; Director City Infrastructure, Sue King; Acting Director Corporate Services, Jade Ballantine; Director City Growth, Grant Jennings; Manager Finance, Sandra Vigar; Finance Coordinator, Irene Adair; Manager Governance, David Poyner; Information Technology Coordinator and Lisette Fisher; Executive Co-ordinator – Corporate for Agenda Item 7.1.1 – 2022 Cyber Security Assessment.

The Council is satisfied that, pursuant to Section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of the Council, Council property and employees in that details of the process attached to the security of Council's technology services will be discussed.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because of the security risk to Council's information technology services if the abovementioned details are disclosed publicly.

Carried

Moved Mayor C McLaughlin, Seconded Mr P Klobucar

AC350-2022

- 1.
2. That having considered Agenda Item 7.1.1 – 2022 Cyber Security Assessment in confidence under Section 90(2) and (3)(e) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that all documents be retained in confidence and reviewed in the next review of Council's confidential orders.

Carried

8. **Close of meeting** – 12.23pm
9. **Date of Next Meeting** – 4 October 2022