

**MINUTES
OF THE AUDIT & RISK COMMITTEE MEETING OF THE CITY OF TEA TREE
GULLY HELD ON WEDNESDAY 6 DECEMBER 2023 AT 6.31PM IN THE CIVIC
CENTRE, 571 MONTAGUE ROAD, MODBURY**

1. Opening and Welcome

2. Attendance Record:

2.1 Present – Physical Attendance

Crs I Zagladov (*Presiding Member*), R Unger (*entered 6.33pm*), R Haslam, D Edgecombe and D Bear.

2.2 Apologies

Nil

2.3 Record of Officers in Attendance (physical or electronic)

| | |
|------------------|---|
| Ryan McMahon | Chief Executive Officer |
| Justin Robbins | General Manager Strategy & Finance |
| Alex Pukallus | Coordinator, Audit & Risk |
| Marley Marks | Risk Officer |
| Rebecca Baines | Manager Finance & Rating Services |
| Greg Salmon | Manager Project Management Office |
| Erica Vidinis | Strategic Project & Stakeholder Manager |
| Leo Wu | Strategic Buildings Project Lead |
| Ingrid Wilkshire | Manager City Strategy |

2.4 Record of Number of Persons in the Public Gallery – Physical Attendance

5 Attendees

3. Confirmation of Minutes to the Previous Meeting

Moved D Edgecombe, Seconded D Bear

That the Minutes of the Audit & Risk Committee Meeting held on 6 September 2023 and Special Meeting of Audit & Risk Committee held on 11 October 2023 be confirmed as true and accurate records of proceedings.

Carried Unanimously (33)

4. **Public Forum** - Nil
5. **Deputations** - Nil
6. **Presentations** - Nil
7. **Petitions** - Nil
8. **Adjourned Business** - Nil
9. **Motions Lying on the Table** - Nil
10. **Management Reports**

Office of the Chief Executive Officer - Nil

City Operations - Nil

Corporate Services - Nil

Community Services - Nil

Strategy & Finance

10.1 Internal Audit Report - Strategic Environmental Management (D23/65484)

Heather Martens and Luke Heine, KPMG, introduced the item with a presentation.

Moved R Haslam, Seconded D Bear

1. That the Audit & Risk Committee receives the report titled “Internal Audit Report -Strategic Environmental Management” and dated 6 December 2023.
2. That a further report be returned to the next ordinary Audit & Risk Committee meeting that details the:

- a. advantages and disadvantages
- b. direct and indirect costs (including staff resources) associated with implementing each action agreed to by staff as detailed in Attachment 1.

Leave of the meeting was sought with the consent of the mover and seconder to vary the motion to:

- *replace 'receives the report' with 'notes the report' in dot point 1*
- *remove point a and b in dot point 2 and include a report 'detailing the management actions and work required to implement them'.*

Leave was granted.

Motion as varied

1. That the Audit & Risk Committee notes the report titled "Internal Audit Report - Strategic Environmental Management" and dated 6 December 2023.
2. That a further report be returned to the next ordinary Audit & Risk Committee detailing the management actions and work required to implement them.

Carried Unanimously (34)

10.2 Community engagement outcomes on the draft Long Term Financial Plan 2025-2034 (D23/93493)

Moved D Edgecombe, Seconded D Bear

That the Audit & Risk Committee recommends to Council:

That Council having considered the report titled "Community engagement outcomes on the draft Long Term Financial Plan 2025-2034" and dated 6 December 2023:

1. Notes the Community Engagement Outcomes Report in relation to the Draft Long Term Financial Plan 2025-2034 as detailed in Attachment 1.
2. Adopts the revised Long-Term Financial Plan for the Financial years from 2025-2034 as detailed in Attachment 2.

Carried Unanimously (35)

10.3 Tea Tree Gully Gymsports Redevelopment Section 48 Prudential Report (D23/96631)

Mark Booth, BRM Advisory, introduced the item with a short presentation.

Moved D Edgecombe, Seconded R Haslam

That the Audit & Risk Committee recommends to Council:

That having considered the report “Tea Tree Gully Gymsports Redevelopment Section 48 Prudential Report” and dated 6 December 2023, Council resolves:

1. The Prudential Report for the Tea Tree Gully Gymsports Redevelopment (Prudential Report) prepared by BRM Advisory (provided as Attachment 1) meets the criteria of Section 48 of the Local Government Act 1999.
2. To proceed with the Tea Tree Gully Gymsports Redevelopment project at a price consistent with the Prudential Report findings.
3. Notes that the additional \$2m Council contribution to this project will be funded through interest earned on the Grant Funding received and an allocation from the Strategic Buildings Provision within the Long Term Financial Plan. The addition allocation will not impact the current assumptions of the LTFP.

Carried Unanimously (36)

11. Notice(s) of Motions - Nil

12. Motions without Notice - Nil

13. Questions on Notice - Nil

14. Questions without Notice - Nil

15. Information Reports

The following Information reports were received at the meeting:

15.1 Council Incident Management arrangements - Higher Risk Weather Season (Pre-season update) (D23/85215)

15.2 Internal Audit Plan Status Update (D23/91570)

15.3 Strategic Risk Management Report - November 2023 (D23/92343)

15.4 Internal Audit Agreed Actions Update - 'High' and 'Extreme' Risk Rated Actions (D23/93453)

15.5 2023 Local Government Mutual Risk Scheme and Funds Highlights (D23/93754)

15.6 First Quarter Budget Review for Financial Year Ending 30 June 2024 (D23/96958)

16. Status Report on Council and Committee Resolutions

16.1 Status Report on Audit & Risk Committee Resolutions (D23/91572)

The Committee received the Status Report on Audit & Risk Committee Resolutions.

17. Other Business

17.1 Audit & Risk Committee Annual Self-Assessment 2023 (D23/98490)

The Audit & Risk Committee had an informal discussion self-evaluating the Committee's annual performance.

17.2 Key Emerging Risks (D23/98488)

The Audit & Risk Committee had an informal discussion regarding key emerging risks including:

- Inflation
- Staffing cost considerations
- Delivery of Council's major capital works program
- LGA approach to a range of historical matters.

18. Confidential Items

18.1 Recommendation for the Award of Contract – Provision of External Audit Services (D23/93172)

Recommendation for Moving into Camera

Moved D Edgecombe, Seconded D Bear

1. That pursuant to Section 90(2) of the Local Government Act 1999, the Audit & Risk Committee orders that the public (except staff on duty) be excluded from the meeting to enable discussion on the Recommendation for the Award of Contract – Provision of External Audit Services.
2. That the Audit & Risk Committee is satisfied that pursuant to section 90(3) (k) of the Local Government Act 1999, the information be received, discussed or considered in relation to this item is:
 - tenders for the supply of goods, the provision of services or the carrying out of works
 - on the basis that it is inappropriate to discuss awarding of services in a public domain prior to discussions with the preferred supplier.
3. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in the 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. 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 on the basis that it is inappropriate to discuss awarding of services in a public domain prior to discussions with the preferred supplier.

Carried Unanimously (37)

The following staff members on duty remained at the meeting for the following item:

Ryan McMahon, Justin Robbins, Rebecca Baines, Alex Pukallus and Marley Marks.

18.1 Recommendation for the Award of Contract – Provision of External Audit Services (D23/93172)

Moved D Edgecombe, Seconded D Bear

That the that Audit & Risk Committee recommends to Council that:

Having considered the report titled “Recommendation for the Award of Contract – Provision of External Audit Services” dated 6 December 2023, that the contract for the provision of External Audit Services be awarded to Bentleys SA & NT.

Carried Unanimously (38)

Retention of confidential documents:

Moved Cr Unger, Seconded D Edgecombe

1. That having considered the agenda item titled “ Recommendation for the Award of Contract – Provision of External Audit Services” and dated 6 December 2023 in confidence under section 90(2) & (3)(k) and Section 91(7) of the Local Government Act 1999:
 - tenders for the supply of goods, the provision of services or the carrying out of works

the Audit & Risk Committee pursuant to section 91(7) of the Act orders that the report, attachments and minutes relevant to this item be retained in confidence until the contract has been awarded or until the Audit & Risk Committee resolves otherwise, whichever occurs first.

2. That Audit & Risk Committee gives the power pursuant to Section 91 of the Local Government Act 1999 to the Chief Executive Officer to revoke the order made under Section 91 (7) of the Local Government Act 1999 subject to the Chief Executive Officer consulting with the Mayor and reporting to the Elected Members of the revocation.

Carried Unanimously (39)

19. Date of Next Ordinary Meeting

20 March 2024

The Presiding Member declared the meeting closed at 8.18 pm.

Confirmed.....
Presiding Member 20 March 2024