

MINUTES
OF THE AUDIT & RISK COMMITTEE MEETING OF THE CITY OF TEA TREE
GULLY HELD ON WEDNESDAY 6 SEPTEMBER 2023 AT 6.32PM IN THE CIVIC
CENTRE, 571 MONTAGUE ROAD, MODBURY

1. Opening and Welcome

2. Attendance Record:

2.1 Present – Physical Attendance

Cr I Zagladov (*Presiding Member*), Mr R Haslam, Mr D Edgecombe and Ms D Bear

2.2 Apologies

Cr R Unger

2.3 Record of Officers in Attendance (physical or electronic)

Ryan McMahon	Chief Executive Officer
Justin Robbins	General Manager Strategy & Finance
Leisha Bond	General Manager Corporate Services
Felicity Birch	General Manager City Operations
Michael Pereira	General Manager Community Services
Ilona Cooper	Manager Corporate Governance
Alex Pukallus	Coordinator, Risk & Audit
Marley Marks	Risk Officer
Rebecca Baines	Manager Finance & Rating Services

Consultants in Attendance (physical or electronic)

Dave Daines	Institute of Quality Asset Management (electronic)
Tom Carpenter	Institute of Quality Asset Management (electronic)
Jason Cattonar	Future Urban (physical)
Brian Carr	Future Urban (physical)
Andrew Tickle	BDO (electronic)

2.4 Record of Number of Persons in the Public Gallery

Nil

2.5 Record of Media in Physical Attendance

Nil

3. Confirmation of Minutes to the Previous Meeting

Moved Mr Edgecombe, Seconded Ms Bear

That the Minutes of the Audit & Risk Committee Meeting held on 17 May 2023 and Special Meeting of Audit & Risk Committee held on 19 July 2023 be confirmed as true and accurate records of proceedings.

Carried Unanimously (21)

4. Public Forum - Nil

5. Deputations - Nil

6. Presentations - Nil

7. Petitions - Nil

8. Declaration of Conflicts of Interests – Nil

9. Adjourned Business - Nil

10. Motions Lying on the Table - Nil

Leave of the meeting was sought to move the “Risk Management Policy” after the reports titled:

- *“Internal Audit Report – Strategic Asset Management”*
- *“Internal Audit Report – Precinct Planning”*
- *“Audited Financial Statements 2022-2023”*

Leave was granted.

11. Management Reports

Strategy & Finance

11.1 Internal Audit Report - Strategic Asset Management (D23/55140)

Dave Daines and Tom Carpenter, Institute of Quality Asset Management, introduced the item with a short presentation.

Moved Mr Haslam, Seconded Mr Edgecombe

That the Audit & Risk Committee receives the report titled “Internal Audit Report – Strategic Asset Management” and dated 6 September 2023, and develops a project to manage the agreed actions detailed in Attachment 1.

Carried Unanimously (22)

11.2 Internal Audit Report - Precinct Planning (D23/55141)

Jason Cattonar and Brian Carr, Future Urban, introduced the item with a short presentation.

Moved Mr Edgecombe, Seconded Mr Haslam

That the Audit & Risk Committee receives the report titled “Internal Audit Report – Precinct Planning” and dated 6 September 2023, and endorses the agreed actions as detailed in Attachment 1.

Carried Unanimously (23)

11.3 Audited Financial Statements 2022-2023 (D23/64557)

Andrew Tickle, Director BDO, introduced the item to the Presiding Member and Independent Members whilst staff left the room.

Moved Mr Haslam, Seconded Ms Bear

1. That the Audit & Risk Committee receives the audited financial statements for financial year ending 30 June 2023 as detailed in Attachment 1 to the report titled “Audited Financial Statements 2022-2023” and dated 6 September 2023.
2. That the Audit & Risk Committee, having reviewed the Audited Financial Statements for 2022-2023 contained in Attachment 1 considers that the Audited Financial Statements 2022-2023 present fairly the state of affairs of

Council.

3. That the Audit & Risk Committee notes that the asset revaluation resulted in a 20-25% uplift in the value of Council's infrastructure assets and a corresponding increase in the annual depreciation expense. This increase in depreciation will require an uplift in rate income to maintain an appropriate level of funding for the renewal of assets and to maintain the operating surplus within the target range. This uplift should be considered into the next review of Council's Long Term Financial Plan.
4. That the Presiding Member of the Audit Committee be authorised to sign Council's Certificate of Audit Independence Statement that will accompany the Financial Statements for financial year ending 30 June 2023.

Carried Unanimously (24)

Moved Mr Edgecombe, Seconded Ms Bear

That the Audit & Risk Committee recommends to Council:

That Council receives the audited financial statements for financial year ending 30 June 2023 as detailed in Attachment 1 to the Audit Committee report titled "Audited Financial Statements 2022-2023" and dated 6 September 2023.

Carried Unanimously (25)

Office of the Chief Executive Officer

11.4 Risk Management Policy (D23/66832)

Moved Mr Edgecombe, Seconded Ms Bear

That the Audit & Risk Committee Meeting recommends to Council:

That the "Risk Management Policy" as amended by the Audit & Risk Committee Meeting on 6 September 2023 be adopted.

Carried Unanimously (26)

City Operations - Nil

Corporate Services - Nil

Community Services - Nil

12. Notice(s) of Motions - Nil

13. Motions without Notice - Nil

14. Questions on Notice - Nil

15. Questions without Notice - Nil

16. Information Reports

The following Information reports were received at the meeting:

16.1 Internal Audit Agreed Actions Update (D23/48929)

16.2 Council Insurance Policy and Premiums Analysis 2023-2024 (D23/48930)

16.3 Internal Audit Plan Status Update (D23/49005)

17. Status Report on Council and Committee Resolutions

17.1 Status Report on Audit & Risk Committee Resolutions (D23/49003)

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

18. Other Business

Ryan McMahon, Chief Executive Officer provided a brief summary of emerging risks, particularly financial and reputational, including:

- Progression of Capital Works Projects
- SACAT matters

19. Section 90(2) Local Government Act 1999 – Confidential Items - Nil

20. Date of Next Ordinary Meeting

6 December 2023

The Presiding Member declared the meeting closed at 8.04pm.

Confirmed.....
Presiding Member 6 December 2023