

CITY OF WEST TORRENS



MINUTES

of the

AUDIT GENERAL COMMITTEE

Members: Councillor J Woodward (Presiding Member),
Councillor D Huggett
Independent Members: E Moran, A Rushbrook

of the

CITY OF WEST TORRENS

held in the Mayor's Reception Room, Civic Centre
165 Sir Donald Bradman Drive, Hilton

on

TUESDAY, 12 OCTOBER 2021
at 6.00pm

Terry Buss PSM
Chief Executive Officer

City of West Torrens Disclaimer

Please note that the contents of this Committee Minutes have yet to be considered by Council and Committee recommendations may be altered or changed by the Council in the process of making the formal Council decision.

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1 MEETING OPENED

The Presiding Member declared the meeting open at 6.00pm.

1.1 Acknowledgement of Country

At the opening of the Audit General Committee Meeting, the Presiding Member stated:

"West Torrens City Council acknowledges that we are meeting on the traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past, present, and emerging.

We recognise and respect their cultural heritage, beliefs and spiritual relationship with the land, sea, waterways and sky.

We acknowledge that they are of continuing importance to the Kurna people living today."

1.2 Evacuation Procedure

The evacuation procedures were taken as read.

1.3 Electronic Platform Meeting

The Presiding Member advised:

"This meeting is being audio livestreamed for the benefit of members of the public who wish to listen to proceedings and the recording of this meeting will be available for playback via a link on Council's website."

2 PRESENT

Committee Members:

Cr J Woodward (Presiding Member)

Councillor: D Huggett

Independent Members: E Moran, A Rushbrook

Officers:

Mr T Buss (Chief Executive Officer)

Ms P Koritsa (General Manager Business and Community Services)

Mr P Della (General Manager Corporate and Regulatory)

Mr A Catinari (General Manager Urban Services)

Ms L Johnson (Management Lead - LG Reform and Integrity)

Ms L Gilmartin (Manager Financial Services)

In Attendance:

Mr Andrew Tickle (BDO)

Ms Janna Burnham (Galpins)

3 APOLOGIES

Nil

4 DISCLOSURE STATEMENTS

Nil

5 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the meeting of the Audit General Committee held on 10 August 2021 be confirmed as a true and correct record.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran

Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

6 COMMUNICATION BY THE CHAIRPERSON

The Presiding Member sought and was granted leave of the meeting to bring forward Committee Items 9.4.1 - BDO Audit Completion Report and 9.4.2 - Annual Financial Statements - Year Ending 30 June 2021, due to the presence of attendees from Galpins and BDO at the meeting.

6.1 Committee Item 9.4.1 - BDO Audit Completion Report brought forward for consideration at this point in the meeting

This report presented the *Audit Completion Report* from Council's external auditors for the financial year ending 30 June 2021.

RECOMMENDATION

It is recommended to the Committee that the report be received.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook

Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

Agreed Action

The Chief Executive Officer agreed to review the treatment and recognition of the local Roads to Recovery grants in next year's financial statements.

6.2 Committee Item 9.4.2 - Annual Financial Statements - Year Ending 30 June 2021 brought forward for consideration at this point in the meeting

This report proposed that the Audit General Committee review the annual financial statements of the Council for the year ended 30 June 2021 to ensure that they present fairly the state of affairs of the Council.

RECOMMENDATION(S)

It is recommended to the Committee that:

1. In accordance with Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011*, it be noted that a draft unsigned statement has been received from Andrew Tickle, Partner of BDO, certifying his independence.
2. In accordance with Section 126(4)(a) of the Local Government Act 1999, the annual financial statements as contained in **Attachment 1** of the agenda report be reviewed, and on being satisfied that they present fairly the state of affairs of the Council, they be referred to BDO for finalisation and the provision of an independent audit opinion.
3. In accordance with Regulation 22(3) of the *Local Government (Financial Management) Regulations 2011*, the Chief Executive Officer and Presiding Member of the Audit General Committee sign the statement contained in **Attachment 1** of the agenda report certifying that the Council has not engaged BDO to provide any services outside of the scope of their function as external auditor.
4. It be recommended to Council that the Chief Executive Officer and Principal Member be authorised to certify the annual financial statements in their final form pursuant to the requirements of Regulation 14(g) of the *Local Government (Financial Management) Regulations 2011*.

General Manager Corporate and Regulatory, Paul Della, tabled additional information in regard to the Notes to the Financial Statements for the year ended 30 June 2021, specifically Note 15. Financial Indicators as found on page 381 of the Committee Agenda, which was updated to provide commentary on the 2020/21 results. It was also advised that the statement found under Note 14. Capital Expenditure and Investment Property Commitments, specifically (b) Other Expenditure Commitments as found on page 380 of the Committee Agenda, would be amended to remove the words 'and investment properties' from the statement.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook

Seconded: Ms Elizabeth Moran

That:

1. In accordance with Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011*, it be noted that a draft unsigned statement has been received from Andrew Tickle, Partner of BDO, certifying his independence.
2. It be confirmed that a review of the financial statements for the year ended 30 June 2021 as contained in **Attachment 1** of the agenda report has been undertaken, in accordance with section 126(4)(a) of the *Local Government Act 1999* and that the financial statements present fairly the state of affairs of the Council at that date and can therefore be referred to BDO for finalisation and the provision of an independent audit opinion.

3. The Chief Executive Officer and the Presiding Member of the Audit General Committee are recommended to sign the statement contained in **Attachment 1** of the agenda report certifying that the Council has not engaged BDO to provide any services outside the scope of their function as external auditor.
4. It be recommended to Council that the Chief Executive Officer and Principal Member certify the annual financial statements in their final form pursuant to the requirements of Regulation 14(g) of the *Local Government (Financial Management) Regulations 2011*.

CARRIED

7 PRESENTATIONS

Nil

8 OUTSTANDING REPORTS/ACTIONS

8.1 Audit General Committee Work Plan Update

This report presented the April 2021 to October 2022 Annual Work Plan Update of the Audit General Committee.

RECOMMENDATION

It is recommended to the Committee that the Audit General Committee Work Plan Update report be received.

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

8.2 Open Actions Update

This report presented an update on the current status of open actions from previous meetings of the Audit General Committee.

RECOMMENDATION

It is recommended to the Committee that it notes the status of the seven (7) actions arising from previous Committee meetings.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9 REPORTS OF THE CHIEF EXECUTIVE OFFICER

9.1 Financial Reporting and Sustainability

9.1.1 Financial Reporting

This report listed those finance related reports which were considered by Council between 22 July 2021 and 21 September 2021.

RECOMMENDATION

It is recommended to the Committee that the Financial Reporting report be received.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook

Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.2 Internal Controls and Risk Management Systems

9.2.1 Annual Strategic Risk Review

This report presented the results of the 2021-2022 Annual Strategic Risk Review.

RECOMMENDATION

The Committee recommends to Council that the 2021-2022 Annual Strategic Risk Review be noted.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook

Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

Agreed Action

The Chief Executive Officer agreed to review the IT Management and Cyber Security framework based on the report published on 8 June 2021 by the Auditor-General entitled *ICT vulnerability management in South Australian public sector entities* to ensure consistency across state government and the local government sector.

9.2.2 Local Government Risk Services Evaluation 2021

This report presented the results of the 2021 Local Government Risk Services Evaluation.

RECOMMENDATION

It is recommended to the Committee that the *Local Government Risk Services Evaluation 2021 Report* be noted.

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.3 Internal Audit**9.3.1 2021 - 2022 Internal Audit Program Update**

This report presented the 2021 - 2022 Internal Audit Program Update.

RECOMMENDATION

It is recommended to the Committee that *2021 - 2022 Internal Audit Program Update* report be noted.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran
Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

9.3.2 Bi-Annual Internal Audit Recommendations and Actions Progress Report

This report presented progress against those internal audit recommendations that have been approved for actioning, as at 20 September 2021.

RECOMMENDATION

It is recommended to the Committee that the *Bi-Annual Internal Audit Recommendations and Actions Progress Report* be noted.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran
Seconded: Mr Alan Rushbrook

That the recommendation be adopted.

CARRIED

Agreed Action

The Chief Executive Officer agreed to amend further iterations of this report to include on track/off track information.

9.3.3 WHS Training and Education Internal Audit

This report presented the results of the *WHS Training and Education Internal Audit*.

RECOMMENDATION

It is recommended to the Committee that the *WHS Training and Education Internal Audit Report* be noted.

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.3.4 Flooding Mitigation - Preventative and Corrective Controls

This report presented the results of the Flooding Mitigation - Preventative and Corrective Controls Internal Audit.

RECOMMENDATION

It is recommended to the Committee that the *Flooding Mitigation - Preventative and Corrective Controls Internal Audit* report be noted.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.3.5 Expiations and Enforcement under the Local Nuisance & Litter Control Act 2016

This report presented the results of the *Expiations and Enforcement under the Local Nuisance & Litter Control Act 2016 Internal Audit*.

RECOMMENDATION

It is recommended to the Committee that the *Expiations and Enforcement under the Local Nuisance & Litter Control Act 2016 Internal Audit Report* be noted.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran
Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

9.4 External Audit

9.4.1 BDO Audit Completion Report

This item was considered following Committee Item 6 - Communication by the Chairperson.

9.4.2 Annual Financial Statements - Year Ending 30 June 2021

This item was considered following Item 6.1 - Committee Item 9.4.1 - BDO Audit Completion Report brought forward for consideration at this point in the meeting.

9.5 Committee Performance and Reporting

Nil

10 OTHER BUSINESS

Nil

11 CONFIDENTIAL

Nil

12 NEXT MEETING

TBA

13 MEETING CLOSE

The Presiding Member declared the meeting closed at 7.14pm.