

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, 11 OCTOBER 2022
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 Meeting Livestream

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)
Mr A Catinari	(Deputy Chief Executive Officer)
Ms P Koritsa	(General Manager Business and Community Services)
Mr P Della	(General Manager Corporate and Regulatory Services)
Ms L Gilmartin	(Manager Financial Services)
Ms L Johnson	(Management Lead - LG Reform and Integrity)
Mr C James	(Manager Information Services)

In Attendance:

Ms Chelsea Aplin (BDO)

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 9 August 2022 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

Nil

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: Mr Alan Rushbrook

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 six (6) actions arising from previous Committee meetings, as detailed in this report.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran

Seconded: Mr Alan Rushbrook

That the recommendation be adopted.

CARRIED

8.3 Bi-Annual Internal Audit Recommendations and Actions Progress Report

This report presented the progress status of internal audit recommendations that have been approved for actioning, as at 26 September 2022.

RECOMMENDATION

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

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett

Seconded: Mr Alan Rushbrook

That the recommendation be adopted.

CARRIED

8.4 Kerbside Waste Management Services

This report presented the findings of the Auditor General's Kerbside Waste Management Services examination report.

RECOMMENDATION

The Committee recommends to Council that the *Kerbside Waste Management Services* report be noted.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran

Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

Agreed Action

Following a suggestion from the Presiding Member, Cr John Woodward, the Chief Executive Officer agreed to present the findings of the Auditor-General's audit report to the newly elected Council in 2023.

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 2 August and 1 October 2022.

RECOMMENDATION

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

COMMITTEE RESOLUTION

That the recommendation be adopted.

As Council's external auditor from BDO, Ms Chelsea Aplin, was in attendance at the meeting, Independent Member, Mr Alan Rushbrook, suggested that matters relating to the BDO Audit Completion Report be brought forward for consideration at this point in the meeting.

MOTION

Moved: Cr Daniel Huggett
Seconded: Mr Alan Rushbrook

That consideration of Committee Item 9.4.1 - BDO Audit Completion Report and 9.4.2 - Annual Financial Statements - Year Ending 30 June 2022, found under External Audit Reports, be brought forward at this point in the meeting given that Council's external auditor from BDO was in attendance.

CARRIED

9.1.2 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 2022.

RECOMMENDATION

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

Questions were asked of BDO with regard to the BDO Audit Completion Report and responses were provided to the satisfaction of the Committee.

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook
Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

9.1.3 Committee Item 9.4.2 - Annual Financial Statements - Year Ending 30 June 2022 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 2022 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 to ensure that they fairly present the state of affairs of the council;
3. In accordance with Regulation 22(1) of the *Local Government (Financial Management) Regulations 2011*, it be noted that the Council has not engaged BDO to provide any services outside of the scope of their function as external auditor.
4. 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 auditor is independent of council; and
5. 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*.

Questions were asked of BDO and the Administration by Committee Members with regard to the report and responses were provided to the satisfaction of the Committee.

COMMITTEE RESOLUTION

Moved: Ms Elizabeth Moran

Seconded: Cr Daniel Huggett

That the recommendation be adopted.

CARRIED

The Manager Financial Services provided an overview of the treatment of the Local Roads and Community Infrastructure Program (LRCIP) grant income in the Financial Statements.

Agreed Actions

1. The Administration agreed to review and correct the minor typographical errors that were identified by the Committee.
2. The Administration agreed to review the Asset Re-evaluation Policy to ensure consistency with the relevant notes in the Financial Statements.
3. The Administration agreed to treat the LRCIP grant income as deferred income.
4. The Administration agreed to discuss the treatment of the LRCIP grant income at a future Audit General Committee.

The Committee thanked BDO for the work it has undertaken on behalf of Council over the past 10 years.

6.35pm BDO External Auditor Ms Chelsea Aplin left the meeting.

9.2 Internal Controls and Risk Management Systems

9.2.1 Annual Strategic Risk Review

This report presented the results of the 2022-2023 Annual Strategic Risk Review.

RECOMMENDATION

It is recommended to the Committee that the 2022-2023 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 Administration agreed that the Annual Strategic Risk Review report be presented to the new Council following the conclusion of the 2022 Council Elections.

The Committee congratulated the Administration on the content and breadth of the report.

9.3 Internal Audit

9.3.1 Final 2021 - 2022 Internal Audit Program Update

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

RECOMMENDATION

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

COMMITTEE RESOLUTION

Moved: Mr Alan Rushbrook

Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.4 External Audit

9.4.1 BDO Audit Completion Report

This item was considered prior to Item 9.2.1 - Annual Strategic Risk Review.

9.4.2 Annual Financial Statements - Year Ending 30 June 2022

This item was considered following Item 9.1.3 - Committee Item 9.4.2 - Annual Financial Statements - Year Ending 30 June 2022 Brought Forward for Consideration at this Point in the Meeting.

The Committee resumed the consideration of Item 9.1.1 - Financial Reporting at this point in the meeting.

9.4.3 Resumption of Committee Item 9.1.1 - Financial Reporting

This report listed those finance related reports which were considered by Council between 2 August and 1 October 2022.

RECOMMENDATION

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

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett

Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

9.5 Committee Performance and Reporting

Nil

10 OTHER BUSINESS

Nil

11 CONFIDENTIAL

11.1 Information and Cyber Security - Action Plan

Reason for Confidentiality

The Committee is satisfied that, pursuant to Section 90(3)(e) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

- (e) matters affecting the security of the council, members or employees of the council, or council property; or the safety of any person.

RECOMMENDATION

It is recommended to Audit General Committee that:

1. Pursuant to Section 90(2) of the *Local Government Act 1999*, the Committee orders, that the public, with the exception of the Chief Executive Officer and the members of the Executive and Management Teams in attendance at the meeting, and meeting secretariat staff,, be excluded from attendance at so much of the meeting as is necessary to receive, discuss and consider in confidence, information contained within the confidential report Item 11.1 - Information and Cyber Security - Action Plan, attachments and any associated documentation submitted by the Chief Executive Officer, specifically on the basis of the provisions of Section 90(3)(e) because the information relates to information and cyber security and it is for internal use only.
2. At the completion of the confidential session the meeting be re-opened to the public.

COMMITTEE RESOLUTION

Moved: Cr Daniel Huggett
Seconded: Ms Elizabeth Moran

That the recommendation be adopted.

CARRIED

6.58pm the meeting moved into Confidence and the confidential session commenced.

Committee also resolved that:

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999*, the Audit General Committee orders that the Item 11.1 - Information and Cyber Security - Action Plan, the Minutes arising, attachments and any associated documentation, having been considered by the Audit General Committee in confidence under Section 90(3)(e), be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting, on the basis that the information relates to information and cyber security and it is for internal use only.
2. Council delegates the power of review, but not the extension, of the confidential order to the Chief Executive Officer on a monthly basis in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

7.17pm the Confidential session closed and the meeting reopened to the public.

Note: The Confidential Minutes are kept separately from this document.

12 NEXT MEETING

To be advised.

Independent Members Mr Alan Rushbrook and Ms Elizabeth Moran thanked the Presiding Member and Cr Daniel Huggett for their contribution to the Audit General Committee and for Cr John Woodward's chairing of the Committee.

13 MEETING CLOSE

The Presiding Member declared the meeting closed at 7.18pm.