



AUDIT COMMITTEE

MINUTES

for the meeting

Friday 3 May 2019

in the Colonel Light Room,
Adelaide Town Hall



Present -**Acting Presiding Member**

Mr Ross Haslam

Members

The Right Honourable the Lord Mayor [Sandy Verschoor]
Councillor Martin

Apologies –**Presiding Member**

Mr David Powell

Member

Mr Sean Tu

Proxy Members

*Councillor Hyde [proxy for the Lord Mayor]
Councillor Knoll [proxy for Councillor Martin].*

In Attendance

Mr Mark Goldstone, Chief Executive Officer, City of Adelaide
Ms Jacki Done, Associate Director People & Governance, City of Adelaide
Ms Tracie Dawber, Associate Director Finance, City of Adelaide
Ms Michelle English, Associate Director Sustainability, City of Adelaide
Ms Kerry Loughhead, Executive Manager CEO's Office, City of Adelaide
Mr Rudi Deco, Manager Governance, City of Adelaide
Ms Jess Dillon, Senior Consultant Risk & Audit, City of Adelaide
Ms Annette Pianezzola, Risk & Audit Analyst, City of Adelaide
Mr Matt Hulmes, Manager Business Improvement, City of Adelaide
Ms Claire Oswald, Business Improvement Partner, City of Adelaide
Mr Alex Brown, Manager Financial Planning & Analysis, City of Adelaide
Mr Sean Mullins, Corporate Accountant, City of Adelaide
Ms Danielle Pedler, Financial Accountant, City of Adelaide
Mr Steve Zaluski, Manager Customer Experience, City of Adelaide
Mr Justin Jamieson, Partner, KPMG
Ms Heather Martens, Manager, KPMG

Confirmation of Minutes**1. Item 1 - Confirmation of Minutes – 22/2/2019 [AC]**

Moved by the Lord Mayor,
Seconded by Councillor Martin–

That the Minutes of the meeting of the Audit Committee held on 22 February 2019 be taken as read and be confirmed as an accurate record of proceedings.

Carried

Acknowledgement of Country

The Acting Presiding Member stated:

'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

Presiding Member Reports

Nil

Presentation

2. Item 4.1 – Value and Efficiency Update [AC]

Mr Matt Hulmes, Manager Business Improvement, City of Adelaide who utilising the PowerPoint presentation within the Agenda provided Committee members with a value and efficiency update. Mr Matt Hulmes and Mr Mark Goldstone, Chief Executive Officer, City of Adelaide responded to questions from Committee members.

Reports

3. Item 5.1 - Corporate Climate Change Risks [2016/03243] [AC]

Ms Michelle English, Associate Director Sustainability, City of Adelaide addressed the meeting to provide an overview of the report. Ms Michelle English and Mr Mark Goldstone responded to questions from Committee members.

It was then –

Moved by the Lord Mayor,
Seconded by Councillor Martin –

THAT THE AUDIT COMMITTEE

1. Notes the report.
2. Requests that the Presiding Member of the Audit Committee presents a workshop to Council in relation climate change risks

Carried

4. Item 5.2 - Internal Audit Progress Update [2018/02550] [AC]

Ms Jess Dillon, Senior Consultant Risk & Audit, City of Adelaide provided an overview of the report.

The Acting Presiding Member invited Mr Justin Jamieson, Partner and Ms Heather Martens, Manager of KPMG to address the meeting.

Mr Justin Jamieson and Ms Heather Martens addressed the meeting to provide a summary of the Records Management Review and Credit Card Compliance Internal Audit Reports and responded to questions from Committee members.

Discussion ensued.

It was then –

Moved by Councillor Martin
Seconded by the Lord Mayor –

THAT THE AUDIT COMMITTEE

1. Receives and notes the report.

Carried

The Acting Presiding Member thanked Mr Justin Jamieson and Ms Heather Martens for their address and response to questions.

5. Item 5.3 - Audit Committee Terms of Reference [2014/05026] [AC]

Ms Jess Dillon provided an overview of the report.

Discussion ensued.

It was then –

Moved by Councillor Martin,
Seconded by the Lord Mayor –

THAT AUDIT COMMITTEE RECOMMENDS TO COUNCIL THAT COUNCIL:

1. Adopts the Terms of Reference as included in Attachment A to Item 5.3 on the Agenda for the meeting of the Audit Committee held on 3 May 2019.

Carried

6. Item 5.4 - 2019-20 Draft Integrated Business Plan [2018/03947] [AC]

Ms Tracie Dawber, Associate Director Finance, City of Adelaide provided an overview of the report. Mr Mark Goldstone and Mr Alex Brown, Manager Financial Planning & Analysis, City of Adelaide responded questions from Committee members.

It was then –

Moved by Councillor Martin,
Seconded by the Lord Mayor –

THAT THE AUDIT COMMITTEE

1. Receives and notes the report.
2. Requests the Administration schedule the 2019-20 Draft Integrated Business Plan for discussion with the Audit Committee post consultation prior to presentation to Council.

Carried

Whistleblowing

Discussion ensued.

Emerging Key Risks

Discussion ensued.

CEO Undertaking – Letter to Minister Knoll – Bikeways Funding [AC]

In response to Councillor Martin, the Chief Executive Officer gave an undertaking to formally write to Minister Knoll requesting an extension of funding for the bikeways project.

Other Business**Exclusion of the Public****7. Item 9.1 - Exclusion of the Public to Consider [2018/04291] [AC]:**

For the following items seeking consideration in confidence:

- 10.1 Update on Activities of the Strategic Risk and Internal Audit Group Meetings [s 90(3) (i)]

ORDER TO EXCLUDE FOR ITEM 10.1:

Moved by the Lord Mayor,
Seconded by Councillor Martin –

THAT THE AUDIT COMMITTEE:

1. Having taken into account the relevant consideration contained in s 90(3) (i) and s 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of the Audit Committee dated 3/5/2019 resolves that it is necessary

and appropriate to act in a meeting closed to the public for the consideration of Item 10.1 Update on Activities of the Strategic Risk and Internal Audit Group Meetings] listed on the Agenda.

Grounds and Basis

Section 90 (3) (i) of the *Local Government Act 1999* [litigation]:

Information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.

The Item is of a confidential nature because the report includes information disclosure of which could reasonably be expected to prejudice the outcome of Council's actual litigation.

2. Pursuant to s 90(2) of the *Local Government Act 1999 (SA)* this meeting of The Committee dated 3/5/2019 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 10.1 [Update on Activities of the Strategic Risk and Internal Audit Group Meetings] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in s 90(3) (i) of the Act.

Carried

There were no members of the public present. Members of Corporation staff not directly involved with Item 10.1 left the Colonel Light Room at 9.56 am.

Confidential Item 10.1

Update on Activities of the Strategic Risk and Internal Audit Group Meetings

Section 90 (3) (i) of the *Local Government Act 1999 (SA)*

Page 5

The Colonel Light Room re-opened to the public at 10.04 am.

Confidentiality Order

Minute 8 - Item 10.1 - Update on Activities of the Strategic Risk and Internal Audit Group Meetings [AC]

Resolution and Confidentiality Order

THAT THE AUDIT COMMITTEE

1. Receives and notes the report.
2. The report is provided to the next meeting of the Council as part of the confidential report of the Audit Committee meeting.
3. In accordance with Section 91(7) & (9) of the *Local Government Act 1999* and on the grounds that Item 10.1 listed on the Agenda for the meeting of the Audit Committee held on 3 May 2019 was received, discussed and considered in confidence pursuant to Section 90(3) (i) of the *Local Government Act 1999*, this meeting of the Audit Committee, do order that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting
 - 3.2. The report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection under 31 December 2026
 - 3.3. The confidentiality of the matter be reviewed in December 2019 and
 - 3.4. The Chief Executive Officer be delegated to authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

Discussion ensued.

Closure

The meeting closed at 10.05 am.

Mr Ross Haslam
Acting Presiding Member
City of Adelaide Audit Committee