



AUDIT AND RISK COMMITTEE

Minutes

for the meeting on

Friday, 14 November 2025

in the Colonel Light Room, Adelaide Town Hall

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Our Adelaide.
Bold.
Aspirational.
Innovative.

Present:

Presiding Member **Nicolle Rantanen Reynolds**

Committee Members **Mark Davies**
 Matthew Fletcher
 John Jovicevic
 Councillor Janet Giles

1 Acknowledgement of Country

The Presiding Member read the Acknowledgement of Country in Kaurna language.

2 Apologies and Leave of Absence

Leave of absence -

The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith (ex-officio)

3 Confirmation of Minutes

Moved by Matthew Fletcher,
Seconded by John Jovicevic -

That the Minutes of the meeting of the Audit and Risk Committee held on 24 September 2025 and the Special meeting held 17 October 2025, be taken as read and be confirmed as an accurate record of proceedings.

Carried

4 Declaration of Conflict of Interest

John Jovicevic declared a general conflict of interest in item 6.1 [Q1 2025/26 BP&B Update], pursuant to Section 74 of the *Local Government Act 1999* (SA) as he is a Director at Dean Newbery who is the auditor for the Brown Hill Keswick Creek Stormwater Board and that he would stay in the room and participate in the discussion.

Councillor Janet Giles entered the Colonel Light Room at 9.02am

5 Presiding Member Reports

Nil

The Presiding Member, Nicolle Rantanen Reynolds, sought leave of the meeting to bring the Confidential Item 11.2 Shortlist of External Audit Proponents forward.

Carried

10 Exclusion of the Public

ORDER TO EXCLUDE FOR ITEM 11.2

Moved by Councillor Janet Giles,
Seconded by Matthew Fletcher –

THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (k) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee dated 14 November 2025 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 11.2 [Shortlist of External Audit Proponents] listed on the Agenda.

Grounds and Basis

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

(k) tenders for the supply of goods, the provision of services or the carrying out of works.

This Item is confidential as the item contains certain information of a confidential nature relating to a tender to provide services to the City of Adelaide.

The disclosure of information may adversely impact on the commercial position of the City of Adelaide, and the professional standing of proponents tendering for the specified goods or services.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Audit and Risk Committee dated 14 November 2025 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 11.2 [Shortlist of External Audit Proponents] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (k) of the Act.

Carried

Members of the public and all Corporation staff not involved in item 11.2 left the Colonel Light Room at 9.04am

11.2 Shortlist of External Audit Proponents [S90(3) (k)]

The meeting re-opened to the public at 9.40am.

Confidentiality Order

Item 11.2 - Shortlist of External Audit Proponents

Resolution & Confidentiality Order

1. Authorises that, in accordance with Section 91(7) and (9) of the *Local Government Act 1999* (SA) and because Item 11.2 [Shortlist of External Audit Proponents] listed on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025 was received, discussed and considered in confidence pursuant to Section 90(3) (k) of the *Local Government Act 1999* (SA), this meeting of the Audit and Risk Committee do order that
 - 1.1. 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 until 31 December 2028.
 - 1.2. The confidentiality of the matter be reviewed in December 2026.
 - 1.3. The Chief Executive Officer be delegated the 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.

6 Reports

6.1 Q1 BP&B Progress Report

Discussion ensued

It was then –

Moved by Mark Davies,
Seconded by Matthew Fletcher –

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Receives the City of Adelaide 2025/26 Business Plan and Budget Quarter 1 update as contained in Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.
2. Approves adjustments for the 2025/26 Business Plan and Budget (BP&B) as identified in this report and reflected in Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held 14 November 2025.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 30 September 2025, which includes:
 - 3.1. An operating surplus of \$9.678m (\$4.407m higher than the budget of \$5.271m, for the period)
 - 3.2. Total operating revenue of \$64.500m (\$2.554m higher than the budget of \$61.946m, for the period)
 - 3.3. Total operating expenses (including depreciation) of \$54.822m (\$1.853m lower than the budget of \$56.675m, for the period)
 - 3.4. Total Capital Expenditure of \$17.321m (\$7.823m higher than the budget of \$9.498m, for the period)
 - 3.5. Net cash surplus position of \$5.185m.
4. Approves budgeted year end Operating Position, which includes:
 - 4.1. An operating surplus of \$8.541m (consistent with the adopted budget of \$8.541m)
 - 4.2. Total operating revenue of \$251.571m (\$2.602m higher than the adopted budget of \$248.969m)
 - 4.3. Total operating expenses (including depreciation) of \$243.030m (\$2.602m higher than the adopted budget of \$240.428m).

5. Approves total capital expenditure of \$122.293m for 2025/26 year (\$7.995m higher than the adopted budget of \$114.298m).
6. Approves total borrowings of \$51.818m projected to 30 June 2026 (\$1.744m higher than the adopted projected borrowings of \$50.074m to 30 June 2026). 7.
7. Receives the Council Subsidiary Quarter 1 updates as contained as Attachments B, C, D and E to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.

Carried

6.2 Internal Audit Progress Report

Discussion ensued

It was then –

Moved by Councillor Janet Giles,
Seconded by Mark Davies -

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress of the Internal Audit Plan as contained in Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.
2. Notes the progress of the completion of Internal Audit Actions as contained in Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.

Carried

6.3 Record Keeping Internal Audit

Discussion ensued

It was then –

Moved by Mark Davies,
Seconded by John Jovicevic –

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Record Keeping Internal Audit report as contained in Attachment A to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.
2. Endorses the responses of the Administration to the Record Keeping Internal Audit report as contained in Attachment A to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.

Carried

6.4 Non-Current Asset Accounting - Operating Guideline Review

Discussion ensued

It was then –

Moved by Matthew Fletcher,
Seconded by John Jovicevic -

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the updated Non-Current Asset Operating Guideline as contained in Attachment A to Item 6.4 on the Agenda for the Audit and Risk Committee held on 14 November 2025 and provides the following feedback:
 - 1.1. Recommends Administration review the Asset Capitalisation threshold value of \$5,000
2. Notes the table summarising changes made to the Non-Current Asset Accounting Operating Guideline as contained in Attachment B to Item 6.4 on the Agenda for the Audit and Risk Committee held on 14 November 2025.
3. Notes the Chief Executive Officer will finalise and approve the updated Non-Current Asset Accounting Operating Guideline as contained in Attachment A to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025.

Carried

7 Emerging Key Risks

Nil

8 Independent Member Discussion

Nil

9 Other Business

Nil

10 Exclusion of the Public

ORDER TO EXCLUDE FOR ITEM 11.1

Moved by Councillor Janet Giles,
Seconded by Matthew Fletcher -

THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (i) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee dated 14 November 2025 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 11.1 [Activity of Strategic Risk and Internal Audit Group] listed on the Agenda.

Grounds and Basis

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

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

This Item is confidential in nature because the report includes information on Council litigation.

The disclosure of information in this report could reasonably be expected to prejudice the outcome of Council's actual litigation.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Audit and Risk Committee dated 14 November 2025 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 11.1 [Activity of Strategic Risk and Internal Audit Group] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (i) of the Act.

Carried

Members of the public and all Corporation staff not involved in item 11.1 left the Colonel Light Room at 10.11am

11 Confidential Item

11.1 Activity of Strategic Risk and Internal Audit Group [S90(3) (i)]

The meeting re-opened to the public at 10.14am.

Confidentiality Order

Item 11.1 - Activity of Strategic Risk and Internal Audit Group

Resolution & Confidentiality Order

1. Notes the report, will be provided to the next meeting of the Council as part of the confidential report of the Audit and Risk Committee.
2. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999* (SA) and on the grounds that Item 11.1 [Strategic Risk and Internal Audit Update] listed on the Agenda for the meeting of the Audit and Risk Committee held on 14 November 2025 was received, discussed and considered in confidence pursuant to Section 90 (3) (i) of the *Local Government Act 1999* (SA) this meeting of the Audit and Risk Committee, do order that:
 - 2.1. The resolution becomes public information and is included in the Minutes of this meeting.
 - 2.2. 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 until 31 December 2031.
 - 2.3. The confidentiality of this matter be reviewed in December 2026.
 - 2.4. The Chief Executive Officer or delegate 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.

Closure

The meeting closed at 10.14 am

Nicolle Rantanen Reynolds
Presiding Member
Audit and Risk Committee

Documents Attached:

Nil