



AUDIT AND RISK COMMITTEE

MINUTES

for the meeting

Wednesday, 14 June 2023

in the Colonel Light Room, Adelaide Town Hall

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Present:

Presiding Member	David Powell
Committee Members	The Right Honourable the Lord Mayor Lord Mayor, Dr Jane Lomax-Smith Paula Davies Simon Rodger

Apologies -	John Oliver Councillor Jing Li
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1 Acknowledgement of Country

The 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 recognize 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.’

2 Apologies and Leave of Absence

Apologies:

John Oliver
Councillor Li

3 Item 3 - Confirmation of Minutes

Moved by Simon Rodger,
Seconded by Paula Davies -

That the Minutes of the meeting of the Audit and Risk Committee held on 10 May 2023, be taken as read and be confirmed as an accurate record of proceedings.

Carried

4 Presiding Member Reports

Nil

5 Reports

6 Item 5.1 - Strategic Internal Audit Plan 23/24

Janet Crook, Advisor Legal Governance and Acting Team Leader Corporate Governance, provided an overview of the report.

Discussion ensued during which Clare Mockler, Chief Executive Officer and Michael Sedgman, Chief Operating Officer responded to questions.

It was then –

Moved by Paula Davies,
Seconded by Simon Rodger -

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

That Council

1. Approves the City of Adelaide one-year Internal Audit Plan, contained in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2023, with the inclusion of an audit review by the external provider to review the decisions of Council to approve the Strategic Property Action Plan and the subsequent activities undertaken to deliver these actions.

Carried

7 COO Undertaking - Item 5.1 - Strategic Internal Audit Plan 23/24 - Grants Management Audit

In response to the meeting an undertaking was given that the scope of the grants management audit will include consideration as to whether the intention of a grant is met.

8 Item 5.2 - Interim Report on the 2023 External Audit

Anthony Spartalis, Manager Finance & Procurement provided an overview of the report.

Lihn Dao, Partner, Audit & Assurance, BDO, provided an overview of the Interim Report on the 2023 External Audit.

Discussion ensued during which Michael Sedgman, Chief Operating Officer and Linh Dao responded to questions.

It was then –

Moved by Simon Rodger,
Seconded by the Lord Mayor -

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report and the Interim Report on the 2023 External Audit as per Attachment A to Item 5.2 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2023.

Carried

9 Emerging Key Risks

Nil

10 Independent Member Discussion

Nil

11 Other Business

12 Item 8.1 - Other Business - Presentation - Draft 2023-24 Annual Business Plan and Budget

Michael Sedgman, Chief Operating Officer, introduced a presentation on the Draft 2023-24 Annual Business Plan and Budget.

Anthony Spartalis, Manager Finance and Procurement, utilising a PowerPoint presentation, addressed the meeting to provide an update on the Draft 2023-24 Annual Business Plan and Budget process.

During the presentation, Michael Sedgman, Anthony Spartalis and Clare Mockler, Chief Executive Officer, responded to questions.

It was then –

Moved by Paula Davies,
Seconded by Simon Rodger –

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Draft 2023-24 Annual Business Plan and Budget presentation.
2. Notes the high level feedback from the community consultation.

Carried

Closure

The meeting closed at 9.55 am

Mr David Powell
Presiding Member
City of Adelaide Audit and Risk Committee

Document attached for reference:

Minute 12 - Item 8.1 – Other Business – Presentation – Draft 2023-24 Annual Business Plan and Budget –
PowerPoint Slides

Draft

2023/24 Business Plan & Budget

Investing in streets, parks
and the community

Post-COVID-19 budget repair and upgrades to City infrastructure are the focus of **\$268 million in expenditure to support future sustainability and City pride**

2023/24 Draft Business Plan and Budget

Council has built a Draft 2023/24 Business Plan and Budget after several months of induction, training, workshops, discussions and reports. We've looked at our operating environment, including financial sustainability of Council and what we've heard from the community through our ongoing engagements.

Page 7

The Draft 2023/24 Business Plan and Budget has been developed within the context of our current Strategic Framework, requiring consideration of ...

Strategic Plan

**Long Term
Financial Plan**

**Asset Management
Plan**

**Business Plan and
Budget**

Priorities

Our Focus areas for the year ahead

Capital City Leadership

Ensure our finances are sustainable for current and future generations and work with our partners on shared opportunities to the benefit of the City.

Community

Government partnerships to deliver opportunities for affordable housing and to create accessible and safe streets.

Culture and Activation

Enhancing the City's cultural and creative fabric, activating main streets and neighbourhoods and conserving and celebrating our shared history.

Economy

Residential, visitor, business and employment growth to provide economic benefit to the City, increased investment and the City's role as a State hub for economic activity.

Environment

Protect and enhance the Park Lands and plan to manage the challenges of climate change for the benefit of our community and all South Australians.

Infrastructure

Improve city streets and public infrastructure by investing in core services and maintenance of the public realm.

Highlights – what is being delivered

Infrastructure and community services

Our budgeted expenditure for 2023/24 of \$268m across operating and capital budgets focuses on the strategic projects, services and activities that support the city's infrastructure, community, economy, culture and environment.

Page 9

City wide highlights:

- Increasing greenery in City Streets and Parks
- Protecting the City's heritage
- Events and activations across the East and West End, Gouger Street and North Adelaide
- Improvements to on-street parking technology
- Revitalisation and improvements to Main Streets

COMMUNITY INVESTMENT INCLUDES

\$100.3m

ON CAPITAL WORKS INCLUDING

\$50m

PUBLIC INFRASTRUCTURE RENEWALS

\$12m+

CLIMATE CHANGE INITIATIVES AND PARK LANDS GREENING AND BIODIVERSITY

\$8m+

project construction and improvements on City streets including Currie, Field, Hutt, Melbourne, Pitt, Sturt, Ward and West Pallant Streets and James Place, Kingston Terrace, North Terrace and Whitmore Square

\$6m+

project construction and improvements to the Park Lands including Victoria Park / Pakapakanthi, Bonython Park / Tulya Wardli, Rymill Park / Murlawirrapurka and Mary Lee Park

\$43m +

STREETS AND PARKS MAINTENANCE

\$7m +

CLEANING CITY STREETS AND PARKS

\$15m +

COMMUNITY CENTRES AND PROGRAMS, LIBRARIES AND EVENTS

\$5.9m

CUSTOMER EXPERIENCE AND MARKETING SERVICES

\$2m+

CITY SAFETY AND NOISE MANAGEMENT

\$1.6m +

HERITAGE EVENTS, PROMOTION, GRANTS AND MANAGEMENT

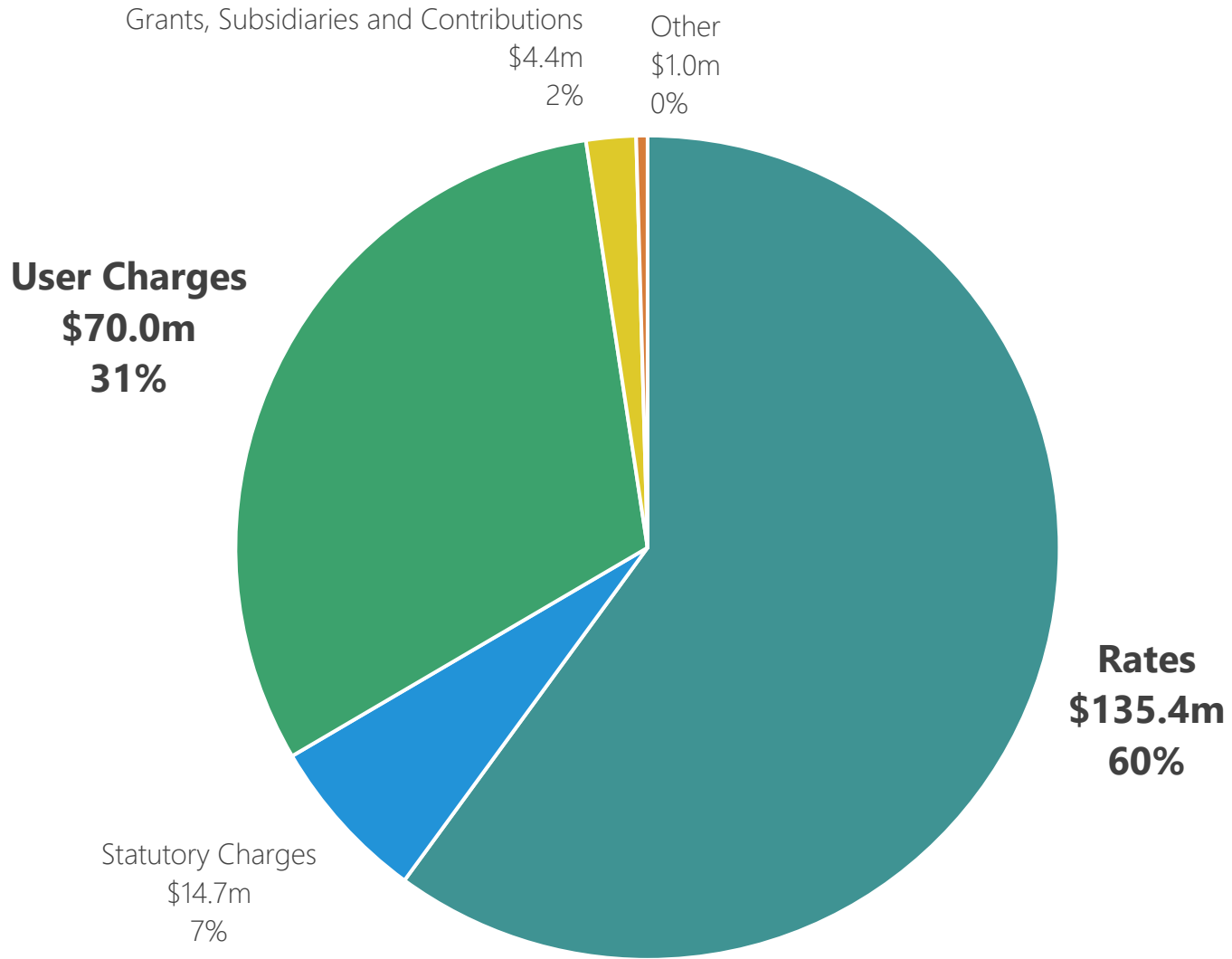
Highlights – what is changing

Rates, Fees and Services

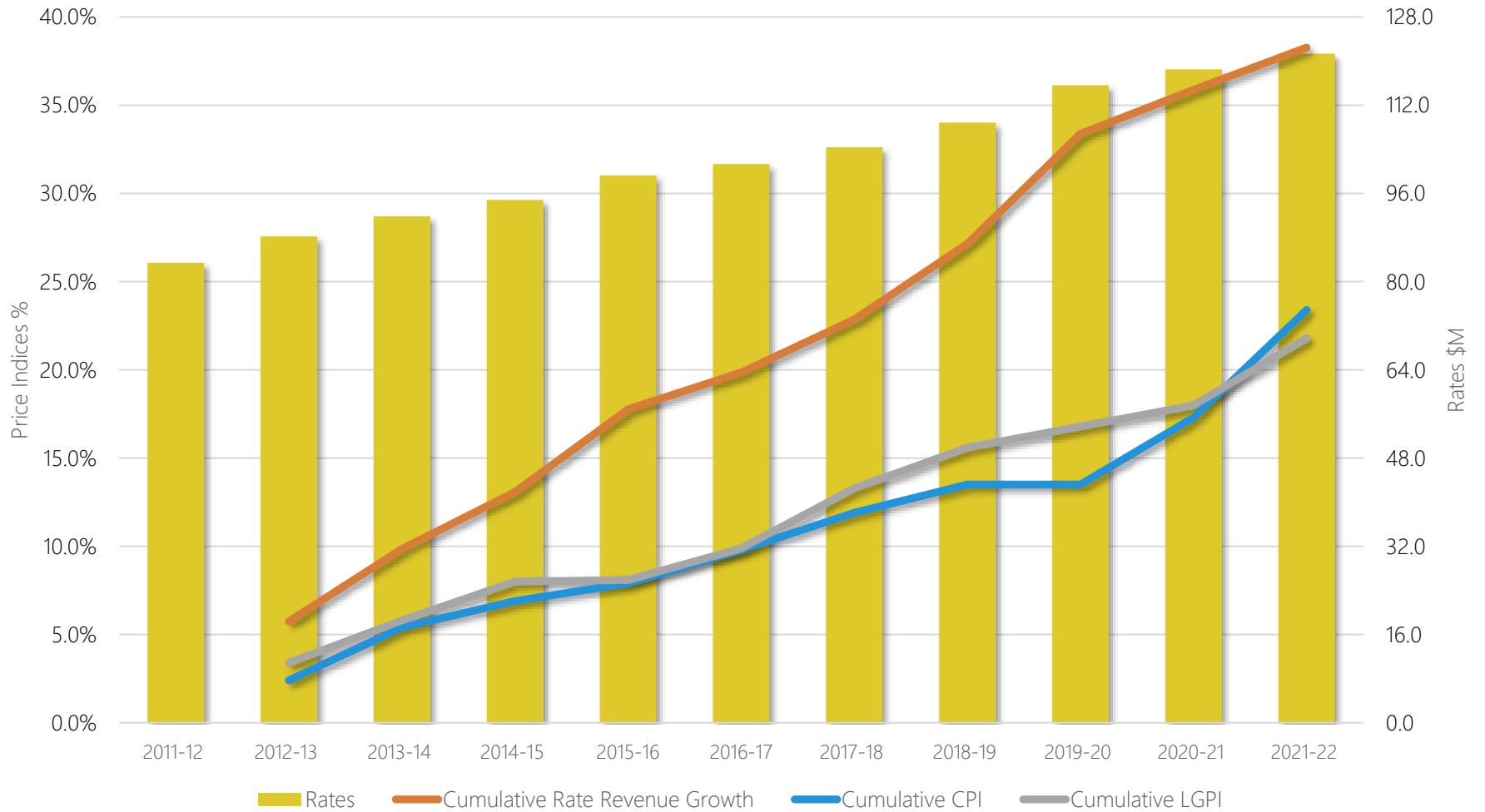
- After supporting ratepayers through the COVID-19 pandemic with a raft of waived fees and charges, on top of nine years of freezing the rate in the dollar, Council recognises the importance of focusing on budget repair.
- Council has made tough financial decisions so revenue can be redirected to urgent upgrades of our basic city infrastructure, including footpaths and other crucial assets.
- Council has decided on a conservative increase in rates based on valuations; and has maintained a freeze in the rate in the dollar.
- Existing Fees and Charges increasing in the order of 5%.
- Reinstatement/revision of other fees through service changes.
- Focus of services in Public Realm.



Revenue Sources

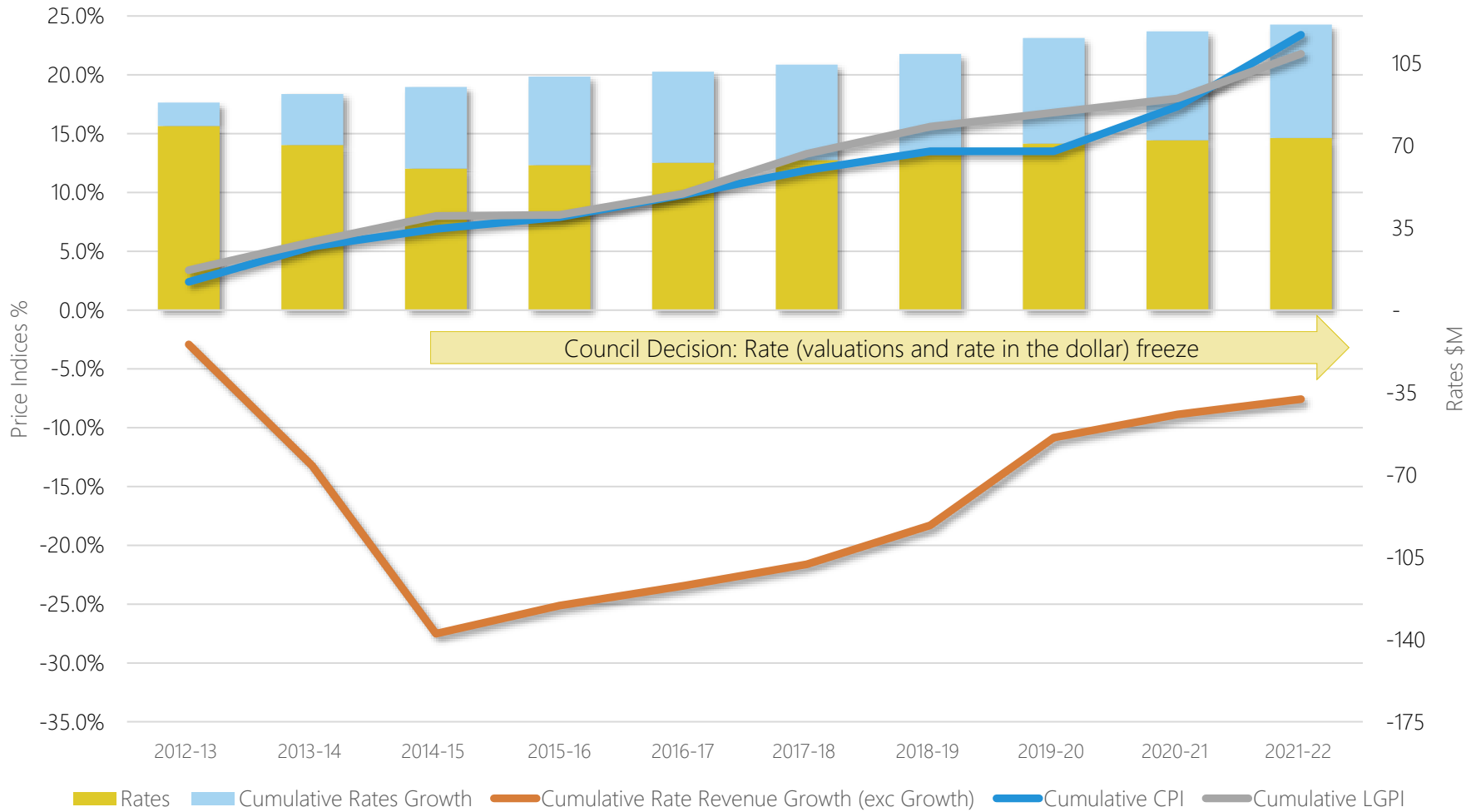


Rate Revenue Historic



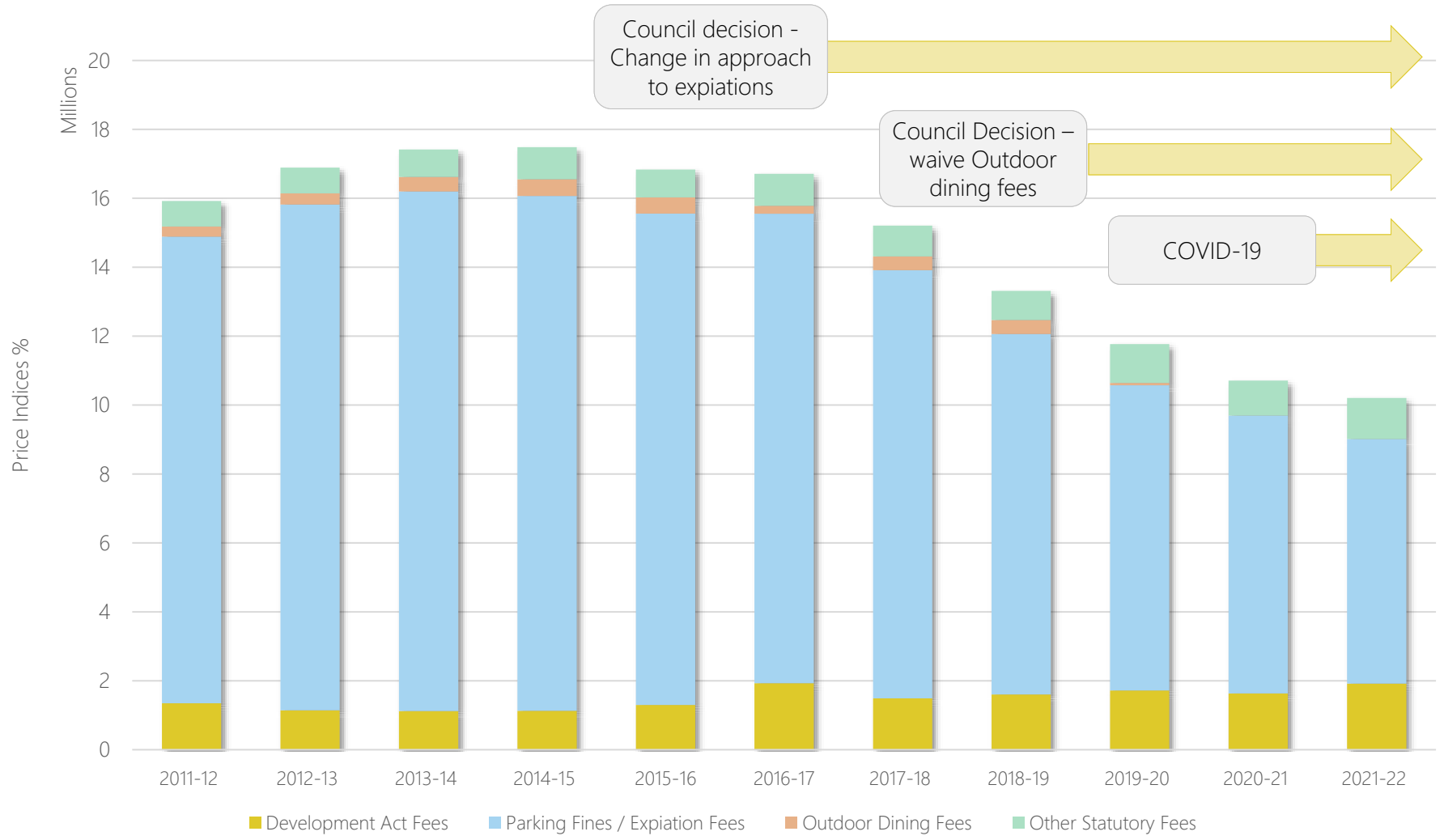
Rate Revenue Historic

Page 13



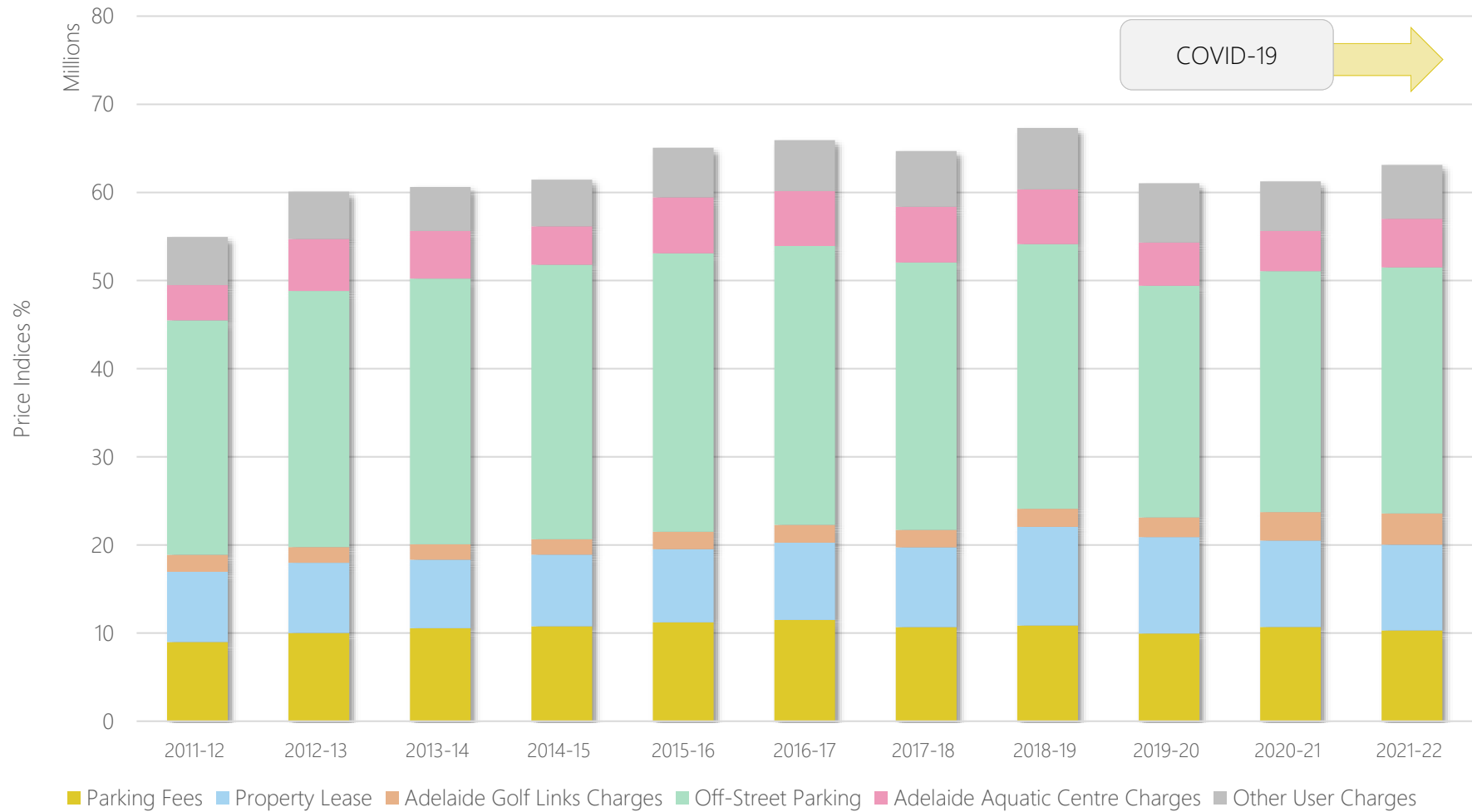
Statutory (State set)

Historic



User Charges (Council set)

Historic



Highlights – what is changing

Key highlights

Rates:

- Increase in rates income linked to valuations and growth
- 10% cap continuing

Fees and Charges:

- General increase of 5%
- Reinstatement of Outdoor Dining Fees – waived since before COVID and continued since. Other fees such as Parklets, and Events in the Park Lands waived during COVID to support the community. Between 1 July 2021 – 31 December 2022 waiving these fees equated to almost \$3m.
- Benchmarking shows that our fees are lower or competitive with other capital city and metro councils



Highlights – what is changing

Key highlights

Parking:

- Simplified structure being introduced.
- Average cost for 1 hour of on-street parking to go up 50 cents an hour and will be \$5.10.
- The weekend parking flat rate (up to 3 hours) is proposed to rise in October from \$2.60 to \$5.00.
- CoA provides approximately 13,000 on-street car parks. **Approx 10,000 are free** - 2800 are paid parking. Over 60% of all of on-street bays that are paid during the week do not have any fees after noon on Saturday and all day Sunday.



Consultation Responses and Interaction

Formal submissions received

13 email submissions / feedback:

- 4x Parking Fees
- 4x Park 21W sporting club infrastructure
- 1x Park Land Event fees
- 1x Infrastructure in Angas Street
- 1x Business Events Adelaide funding
- 1x Light Square infrastructure funding
- 1x EV Charging Stations

Summary of participation:

- 2,170 YourSay Adelaide website visits (1,849 unique)
- 178 Surveys Completed
- 110 in relation to Park 21W sporting club infrastructure
- 36 in relation to Park 27 sporting club infrastructure

Summary of themes:

Safety, transport, Park Lands infrastructure, climate change initiatives (for and against), cleaning of City streets, Council's finances, spending money on technology, AEDA projects, disability and accessibility, community facilities, and events in the Park Lands fees and charges.

Reports and Representations to Council

3 representations were made to Council at its meeting on 13 June 2023. The image to the right was provided as an attachment to Council's report at this meeting.



178 SURVEYS COMPLETED **31%** RATEPAYERS

What postcode do you live in?

5000 15
5006 5
 156 people - other

How do you participate in City life?

93% play
61% shop
59% work
13% own a business

110 surveys are seeking funding for sport infrastructure in Parks 21 and 36 surveys are seeking funding for lighting in Park 27

Other key feedback includes: safety, transport, Park Lands infrastructure, climate change initiatives (for and against), cleaning of City streets, Council's finances, AEDA projects, disability and accessibility, community facilities, and events in the Park Lands fees and charges

8.6% Under 25
61.7% 25-49
21% 50-64
8.6% 65+

Thank you Questions and Answers

Have Your Say Participate in our consultation



yoursay.cityofadelaide.com.au



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Talk to a staff member today!