

# Audit and Risk Committee Report - 10 November 2023

Tuesday, 28 November 2023  
Council

Strategic Alignment - Enabling Priorities

**Program Contact:**  
Alana Martin, Manager  
Governance

Public

**Approving Officer:**  
Michael Sedgman - Chief  
Operating Officer

## EXECUTIVE SUMMARY

The Audit and Risk Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate informed decision making in relation to discharging its legislative responsibilities and duties.

The Audit and Risk Committee is required to report to Council after every meeting. This report presents the outcomes of the Audit and Risk Committee following their meeting on 10 November 2023 (view the public component of the meeting documents at [Agenda for Audit and Risk Committee on Friday, 10th November, 2023, 1.00 pm - City of Adelaide](#))

The Audit and Risk Committee resolved to present a recommendation on the following matter to Council for Council determination:

Item 5.1 - 2023/24 BP&B Quarter One Progress Report

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## RECOMMENDATION

### THAT COUNCIL

1. Notes that the Audit and Risk Committee met on the 10 November 2023 and discussed the following items:
  - Item 5.1 - 2023/24 BP&B Quarter One Progress Report
  - Item 5.2 - Grants Management Internal Audit
  - Item 5.3 - Review of Confidentiality Orders
  - Item 5.4 - Climate Change Risk Adaptation Action Plan
  - Item 5.5 - Record Keeping Internal Audit
  - Item 5.6 - Cab Charges, Ride Shares & Pool Cars Internal Audit
  - Item 5.7 - Internal Audit Progress Report
  - Item 5.8 - Audit and Risk Committee Workplan
  - Item 5.9 - Draft Strategic Plan 2024-2028
  - Item 10.1 – Voters Roll Review, considered in confidence pursuant to Section 90(3)(h) of the *Local Government Act 1999* (SA)
  - Item 10.2 - Strategic Risk and Internal Audit Update, considered in confidence pursuant to Section 90(3)(i) of the *Local Government Act 1999* (SA)

# DISCUSSION

1. The Audit and Risk Committee met on 10 November 2023 and considered the following items:
  - 1.1. Item 5.1 - 2023/24 BP&B Quarter One Progress Report
  - 1.2. Item 5.2 - Grants Management Internal Audit
  - 1.3. Item 5.3 - Review of Confidentiality Orders
  - 1.4. Item 5.4 - Climate Change Risk Adaptation Action Plan
  - 1.5. Item 5.5 - Record Keeping Internal Audit
  - 1.6. Item 5.6 - Cab Charges, Ride Shares & Pool Cars Internal Audit
  - 1.7. Item 5.7 - Internal Audit Progress Report
  - 1.8. Item 5.8 - Audit and Risk Committee Workplan
  - 1.9. Item 5.9 - Draft Strategic Plan 2024-2028
  - 1.10. Item 10.1 – Voters Roll Review, considered in confidence pursuant to Section 90(3)(h) of the *Local Government Act 1999* (SA)
  - 1.11. Item 10.2 - Strategic Risk and Internal Audit Update, considered in confidence pursuant to Section 90(3)(i) of the *Local Government Act 1999* (SA)
2. Item 5.1 - 2023/24 BP&B Quarter One Progress Report –Presented to Council via at the City Finance and Governance Committee on the 21 November 2023.

## THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

### THAT COUNCIL

1. Receives the quarterly update for the 2023/24 Business Plan and Budget as provided in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023, and notes the highlights of deliverables, status updates and risks and opportunities provided for Projects, Portfolios and Subsidiaries.
2. Approves adjustments for the 2023/24 Business Plan and Budget as identified in this report and reflected in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
3. Approves the budgeted year end Operating Position, which includes:
  - 3.1. Total operating income of \$229.394m
  - 3.2. Total operating expenses (including depreciation) of \$227.442m
  - 3.3. An operating surplus of \$1.952m
4. Approves total capital expenditure of \$110.280m for the 2023/24 year
5. Approved total borrowings of \$40.553m projected to 30 June 2024
6. Notes the year to date Operating Position (Financial Performance) for the quarter as presented in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023, which includes:
  - 6.1. Total operating income of \$56.554m
  - 6.2. Total operating expenses (including depreciation) of \$50.397m
  - 6.3. An operating surplus of \$6.156m
  - 6.4. Total Capital Expenditure of \$24.134m
  - 6.5. Cash positive position of \$3.191m
7. Notes the detailed quarterly updates of Council Subsidiaries as provided as Attachments B, C & D to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

3. Item 5.2 - Grants Management Internal Audit

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 5.2 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Grants Management Internal Audit Report as outlined in Attachment A to Item 5.2 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

4. Item 5.3 - Review of Confidentiality Orders

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 5.3 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Review of Confidentiality Orders as outlined in Attachment A to Item 5.3 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

5. Item 5.4 - Climate Change Risk Adaptation Action Plan

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress in the review of the Climate Change Risk Adaptation Action Plan 2021-2026.

6. Item 5.5 - Record Keeping Internal Audit

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 5.5 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Record Keeping Internal Audit Report as outlined in Attachment A to Item 5.5 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

7. Item 5.6 - Cab Charges, Ride Shares & Pool Cars Internal Audit

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 5.6 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Cab Charges, Ride Shares and Pool Cars Internal Audit Report as outlined in Attachment A to Item 5.6 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

8. Item 5.7 - Internal Audit Progress Report

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress of Internal Audit Plan as outlined in Item 5.7 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Notes the progress of the completion of Internal Audit Actions as outlined in Item 5.7 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

9. Item 5.8 - Audit and Risk Committee Workplan

THAT THE AUDIT AND RISK COMMITTEE

1. Approves the Audit and Risk Committee workplan proposed for 2024 (Attachment A to Item 5.8 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023) to assist Administration in bringing forward reports as required.
2. Notes that precise scheduling of Audit and Risk Committee meetings will be finalised following discussion of a Report to the City Finance and Governance Committee on 21 November 2023.

10. Item 5.9 - Draft Strategic Plan 2024-2028

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the draft Strategic Plan 2024-2028, provided as Attachment A to Item 5.9 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

11. Item 10.1 – Voters Roll Review

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 10.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Voters Roll Review as outlined in Attachment A to Item 10.1 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
3. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999 (SA)* and on the grounds that Item 10.1 listed on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023 was received, discussed and considered in confidence pursuant to Section 90 (3) (h) of the *Local Government Act 1999 (SA)* this meeting of the Audit and Risk Committee, do order that:
  - 3.1. The resolution and report become public information and included in the Minutes of the meeting.
  - 3.2. The discussion and attachment 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 2030.
  - 3.3. The confidentiality of the matter be reviewed in December 2024.
  - 3.4. The Chief Executive Officer be delegated 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.

12. Item 10.2 - Strategic Risk and Internal Audit Update

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report, which 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 10.2 listed on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023 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 become public information and 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 2030.
  - 2.3. The confidentiality of this matter be reviewed in December 2024.
  - 2.4. The Chief Executive Officer be delegated 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

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## DATA AND SUPPORTING INFORMATION

**Link 1** – Public component of the Audit and Risk Committee Agenda – 10 November 2023

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# ATTACHMENTS

Nil

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- END OF REPORT -