

Appointment of Council Members to Audit and Risk Committee

Tuesday, 26 November 2024
Council

Strategic Alignment - Our Corporation

Program Contact:
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Public

Approving Officer:
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EXECUTIVE SUMMARY

At the Council Meeting on 13 December 2022, Council resolved that Councillor Li be appointed to the Audit and Risk Committee (the Committee) for a two-year period, which concludes on 14 December 2024.

This report seeks the appointment of a Council Member and a proxy member to the Committee from 15 December 2024 until the conclusion of the 2022-2026 Council Term.

RECOMMENDATION

THAT COUNCIL

1. Approves Councillor _____ to be appointed to the Audit and Risk Committee for the period of 15 December 2024 until the conclusion of the 2022-2026 Council Term.
 2. Approves Councillor _____ to be appointed as a proxy member to the Audit and Risk Committee for the period of 15 December 2024 until the conclusion of the 2022-2026 Council Term.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation Enable effective governance, risk management, accountability and transparency at all times in decision making.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Council is required to have an Audit and Risk Committee under section 126 of the <i>Local Government Act 1999</i> (SA). The role of the Audit and Risk Committee is to provide independent assurance and advice to the Council on accounting, financial management, internal controls, risk management and governance matters.
Opportunities	Not as a result of this report.
24/25 Budget Allocation	Sitting fees for independent members of the Audit and Risk Committee have been included as part of the 2024/25 budget. A Council Member appointed to the Audit and Risk Committee does not receive a sitting fee for attendance at meetings.
Proposed 25/26 Budget Allocation	Sitting fees for independent members of the Audit and Risk Committee will be considered as part of the 2025/26 budget.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
24/25 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

DISCUSSION

1. The Audit and Risk Committee (the Committee) has been established under section 126 of the *Local Government Act 1999* (SA) (the Act).
2. The Act outlines the functions of the Committee which include:
 - 2.1. Reviewing annual financial statements to ensure that they present fairly the state of affairs of the council.
 - 2.2. Proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan.
 - 2.3. Monitoring the responsiveness of the council to recommendations for improvement based on previous audits and risk assessments, including those raised by a council auditor.
 - 2.4. Proposing, and reviewing, the exercise of powers under section 130A.
 - 2.5. Liaising with the council's auditor in accordance with any requirements prescribed by the regulations.
 - 2.6. Reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.
 - 2.7. Providing oversight of planning and scoping of the internal audit work plan.
 - 2.8. Reviewing and evaluating the effectiveness of policies, systems and procedures, established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.
 - 2.9. Reviewing any report obtained by the council under section 48 (1).
 - 2.10. Performing any other function determined by the council or prescribed by the regulations.
3. The Committee meets at least six times per year with a membership of six comprising the Lord Mayor (ex-officio), one Councillor, and four external independent members in addition to a proxy member (Council Member).
4. To facilitate continuity of membership, two independent members (Mark Davies and Simon Rodger) have been appointed until 30 September 2025 and the Presiding Member (Nicolle Rantanen) and independent member (Paula Davies) have been appointed until 5 November 2027.
5. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference to facilitate informed decision making.
6. The Committee will continue to provide oversight on the approach taken by the Council and management to address risk, financial governance and legal compliance responsibilities in the areas of:
 - 6.1. Financial reporting
 - 6.2. Internal Controls and Risk Management Systems
 - 6.3. Management Plans and Business Plans
 - 6.4. Internal Audit
 - 6.5. External Audit
 - 6.6. Other functions as required.
7. The Committee's Terms of Reference are currently being reviewed by Administration and will be put before the Committee at their upcoming meeting for their consideration. The Committee will make a separate recommendation to Council on adopting the Terms of Reference.

ATTACHMENTS

Nil

- END OF REPORT -