

Audit And Risk Committee Report - 17 June 2022

Tuesday, 12 July 2022
Council

Strategic Alignment - Enabling Priorities

Program Contact:
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Public

Approving Officer:
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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 met on Friday, 17 June 2022 and is required to report to Council after every meeting to identify and present advice and recommendations.

A precis of the matters considered by the Audit and Risk Committee is presented within this report.

RECOMMENDATION

1. Report of the Audit and Risk Committee – 17 June 2022

THAT COUNCIL

1. Notes the report of the Audit and Risk Committee held on 17 June 2022.
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DISCUSSION

1. The Audit and Risk Committee met on Friday, 17 June 2022. The Agenda with reports for the public component of the meeting can be viewed [here](#).
2. The following matters were subject of deliberations:

2.1. 2021/22 Quarterly Business Update Q3

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the third Budget Review for 2021-22 incorporating the Uniform Presentation of Finances as presented in Attachment A to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022, noting that the revised budget consists of:
 - 1.1. Total estimated operating income of \$204.373 million.
 - 1.2. Total estimated operating expenditure (including depreciation) of \$208.737 million.
 - 1.3. An operating deficit of \$4.363 million.
 - 1.4. Capital expenditure of \$60 million.
 - 1.5. Grant funding to support capital expenditure on new/upgraded assets of \$9.2 million.
 - 1.6. Council's borrowings (debt) ceiling of \$24.2 million.
 - 1.7. Offsets across both expenditure and revenue totalling \$4.75 million towards the \$4.75 million savings target.
2. Notes the capitalisation KPIs outlined in Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
3. Notes the balance of approximately \$224,000 within the 2021/22 Events and Festivals Sponsorship program is unspent due to cancellation of events that had previously had funding committed.
4. Notes the funding of \$150,000 to be allocated from the 2021/22 Events and Festivals Sponsorship budget to Illuminate Adelaide Foundation for the Illuminate Adelaide 2022 event to be held 1 to 31 July 2022 inclusive.
5. Notes the Capital Works Quarter 3 Review as presented in Attachment B to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
6. Notes the Commercial Operations Quarter 3 Review as presented in Attachment C to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
7. Notes the Adelaide Economic Development Agency Quarter 3 Review as provided in Attachment D to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
8. Notes the Adelaide Central Market Authority Quarter 3 Review as provided in Attachment E to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
9. Notes the Kadaltilla / Park Lands Authority Quarter 3 Review as provided in Attachment F. to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.
10. Notes the Brown Hill Keswick Creek Quarter 3 Review as provided in Attachment G to Item 5.1 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.

2.2. External Audit Interim Management Letter

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report and the Interim Report on the 2022 External Audit as per Attachment A to Item 5.2 on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022.

2.3. Major Project – Accounting Treatment

Considered in confidence pursuant to Section 90(3)(b) & (d) of the *Local Government Act 1999 (SA)*

In accordance with Section 91(7) and (9) of the *Local Government Act 1999 (SA)* and because Item 10.1 [Major Project – Accounting Treatment] listed on the Agenda for the meeting of the Audit and Risk Committee held on 17 June 2022 was received, discussed and considered in confidence pursuant to Section 90(3) (b) & (d) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee do order that

1. The resolution, 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 2029.
2. The confidentiality of the matter be reviewed in December 2023.
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.

2.4. Activity of Strategic Risk & Internal Audit Group

Considered in confidence pursuant to Section 90(3)(i) of the *Local Government Act 1999 (SA)*

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report is provided to the next meeting of the Council as part of the confidential report of the Audit and Risk Committee meeting.
2. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999 (SA)* and on the grounds that Item 10.2 [Activity of Strategic Risk & Internal Audit Group] listed on the Agenda for the meeting of the Audit and Risk Committee held on 16 June 2022 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 the 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 2029.
 - 2.3. The confidentiality of this matter be reviewed in December 2023.
 - 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.

- END OF REPORT -