

# Audit and Risk Committee Report - 28 October 2022

Tuesday, 13 December 2022  
Council

Strategic Alignment - Enabling Priorities

**Program Contact:**  
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Governance

Public

**Approving Officer:**  
Amanda McIlroy - Chief  
Operating 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, 28 October 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.

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## RECOMMENDATION

### THAT COUNCIL

1. Notes the report of the Audit and Risk Committee held on 28 October 2022.
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# DISCUSSION

1. The Audit and Risk Committee met on Friday, 28 October 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. Presentation – Update on Service Planning & Performance**

### **2.2. 2022-2023 Q1 Business Update**

#### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the first Budget Review for 2022-23 incorporating the Uniform Presentation of Finances as presented in Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022, noting the revised budget consists of:
  - 1.1. Total estimated operating income of \$213.446 million
  - 1.2. Total estimated operating expenditure (including depreciation) of \$213.359 million
  - 1.3. An operating surplus of \$87,000
  - 1.4. Capital expenditure for:
    - 1.4.1. Major Projects revised expenditure of \$38.9 million
    - 1.4.2. New and Upgrades revised expenditure of \$13.6 million
    - 1.4.3. Renewals revised expenditure of \$44.4 million
    - 1.4.4. Total Carry overs of \$7.54 million
    - 1.4.5. Other adjustments totalling (\$1.39 million)
  - 1.5. Grant funding to support capital expenditure on new/upgraded assets of \$22.6 million
  - 1.6. Council's borrowings (debt) ceiling of \$28 million
  - 1.7. Net offsets across both expenditure and revenue totalling \$0.8 million towards the \$4.83 million savings target set by Council.
2. Notes the capitalisation KPIs outlined in Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
3. Notes that the Long Term Financial Plan assumptions will be included in the update provided to Council as a part of the formal Q1 Budget Review on 13 December 2022.
4. Notes the Capital Works Quarter 1 Review 2022-23 as presented in Attachment B to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
5. Notes the Commercial Operations Quarter 1 Review 2022-23 as provided in Attachment C to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
6. Notes the Adelaide Economic Development Agency Quarter 1 Review 2022-23 as provided in Attachment D to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
7. Notes the Adelaide Central Market Authority Quarter 1 Review 2022-23 as provided in Attachment E to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
8. Notes the Kadaltilla / Park Lands Authority Quarter 1 Review 2022-23 as provided in Attachment F to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
9. Notes the Brown Hill Keswick Creek Quarter 1 Review 2022-23 as provided in Attachment G to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.
10. Notes the recommendation to Council on Bad Debt Write Off included in paragraphs 28 and 29 of Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.

### **2.3. Internal Audit Progress Report**

#### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report.

### **2.4. Audit and Risk Committee Self-Assessment Results**

#### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the results of the Audit and Risk Committee Self-Assessment outlined in Attachment A to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 2022.

### **2.5. 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.
2. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999 (SA)* and on the grounds that Item 11.1 listed on the Agenda for the meeting of the Audit and Risk Committee held on 28 October 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.

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- END OF REPORT -