



MINUTES

Audit Committee Meeting

(Subject to confirmation)

27 August 2019

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS , MINLATON TOWN HALL, 57 MAIN STREET,
MINLATON
ON TUESDAY, 27 AUGUST 2019 AT 3:00PM**

1 WELCOME BY CHAIRPERSON

Chair Peter Brass welcomed everyone to the meeting and declared the meeting open.

2 PRESENT

Chair Peter Brass, Member Rob Reiman, Cr Leanne O'Brien, Cr Adam Meyer, Cr Tania Stock

In Attendance

David Harding (Director Corporate and Community Services), Renee Edwards (Minute Taker), Sid Jain (Manager, Financial Services), Michael McCauley (Asset Manager), Mary Hermmann (Governance Officer), Amanda Pitt (Business Improvement Officer), Daniel Griffin (Financial Accountant).

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Mayor Darren Braund, Andrew Cameron (CEO), Trevor Graham (Director, Assets and Infrastructure), Bobbi Pertini (Manager People, Culture and Safety).

5 CONFLICT OF INTEREST

Chair Peter Brass reminded all Elected Members of the requirement to disclose any conflict of interest in relation to any matters before Council. No conflicts were disclosed.

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the minutes of the Audit Committee Meeting held on 28 May 2019 be confirmed.

CARRIED 031/2019 (27/08/2019)

David Harding addressed the action items from the previous meeting minutes and advised of the outcomes.

7 VISITORS TO THE MEETING

Nil

REPORTS**8 NEW BUSINESS****8.1 AUDIT COMMITTEE WORK PLAN 2019****PURPOSE**

To consider and endorse an updated work plan for 2019.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Adam Meyer

That the Audit Committee endorse the updated 2019 Work Plan.

CARRIED 032/2019 (27/08/2019)

8.2 EXTERNAL AUDIT MANAGEMENT REPORT 2018/2019**PURPOSE**

To consider the interim external audit management report for the year ending 30 June 2019 and responses provided by management.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Leanne O'Brien

That the External Audit Management report for 2018/2019 from Dean Newbery and Partners, Chartered Accountants be received and the Audit Committee endorse management's response to the issues identified in the report.

CARRIED 033/2019 (27/08/2019)

Chair Peter Brass requested that additional information be added to the External Audit Management Report table when reporting to the external Auditor and presented to the Audit Committee in future. The additional information should highlight an expected completion date of the recommendation/management comment and the position of the person responding to the issue. The question was taken on notice by Mr David Harding to discuss with the Manager, Financial Services and implement in future reports. It was noted that this information is captured in the Internal Action Report.

8.3 BALANCE DATE EXTERNAL AUDIT ATTENDANCE 2018/2019**PURPOSE**

To bring to the Audit Committee's attention the balance date external audit attendance and information requirements for 2018/2019.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Member Rob Reiman

That the report be received.

CARRIED 034/2019 (27/08/2019)

8.4 PO156 INTERNAL FINANCIAL CONTROL POLICY REVIEW**PURPOSE**

To seek endorsement for the updated PO156 Internal Financial Control Policy.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Tania Stock

That the Committee endorse the updated PO156 Internal Financial Control Policy and recommend to Council that it be adopted as presented.

CARRIED 035/2019 (27/08/2019)

Chair Peter Brass advised of an update required in section 4.5 and 9 of the Policy. *Australian/New Zealand Standard AS/NZS ISO 3100:2009* should be updated to *Australian/New Zealand Standard AS/NZS ISO 3100:2018*. Noted by Mr Sid Jain to update.

The following wording is required to be added to Section 6 (Review) of the policy.

This policy will be reviewed every four (4) year and as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines. Elected Members and employees will have the opportunity to participate in the review process.

8.5 PO058 PURCHASING AND PROCUREMENT POLICY REVIEW**PURPOSE**

To seek endorsement for the updated PO058 Purchasing and Procurement Policy.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Leanne O'Brien

That the Audit Committee endorse the updated PO058 Purchasing and Procurement Policy and recommend to Council that it be adopted as presented.

CARRIED 036/2019 (27/08/2019)

Chair Peter Brass advised that reference to *Trade Practices Act 1974* can be removed from section 17 (References and Legislation) of the Policy as the Act is replaced with the Competition and Consumer Act 2010 already referenced.

8.6 PRUDENTIAL REVIEW – WASTE AND RECYCLING TENDER**PURPOSE**

To seek endorsement of a Prudential Review Report for Council's recently completed waste collection and recycling (including green organics) tender.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Member Rob Reiman

That the Audit Committee

1. Endorse the Prudential Review Report as presented;
2. Recommend to Council that the Report be endorsed.

CARRIED 037/2019 (27/08/2019)

Chair Peter Brass recommended that management should give consideration for key financial projects to be reviewed by the Audit Committee for endorsement before presentation to Council for approval.

8.7 INTERNAL AUDIT ACTIVITY REPORT**PURPOSE**

The Business Improvement Officer presents an update on recent Internal Audit Activity.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Leanne O'Brien

That the report be received.

CARRIED 038/2019 (27/08/2019)

Cr Adam Meyer requested that the status of item 1 *Historical Building Fees Charged* be changed to 'In Progress' due to Council still awaiting a response from Department of Planning, Transport and Infrastructure. Noted by Amanda Pitt to update.

8.8 CQR - WEB APPLICATION PENETRATION TESTING**PURPOSE**

To inform the Audit Committee of outcomes and actions relating to a recent Web application penetration test.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received.

CARRIED 039/2019 (27/08/2019)

8.9 TRANSPORT ASSET VALUATION AND DEPRECIATION REPORT**PURPOSE**

To receive and endorse the Transport Asset Valuation and Depreciation Report prepared by Tonkin Consulting Pty Ltd.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Leanne O'Brien

That the Audit Committee receive and endorse the Transport Asset Valuation and Depreciation Report prepared by Tonkin Consulting Pty Ltd.

CARRIED 040/2019 (27/08/2019)

8.10 DRAFT BUILDINGS AND OTHER STRUCTURES ASSET MANAGEMENT PLAN**PURPOSE**

This report requests the Audit Committee endorsement to undertake public consultation of the draft Buildings and Other Structures Asset Management Plan (provided under separate cover).

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Leanne O'Brien

That the Audit Committee endorse the draft Buildings and Other Structures Asset Management Plan as presented for public consultation.

CARRIED 041/2019 (27/08/2019)

Chair Peter Brass thanked and congratulated the Assets and Infrastructure team on their good work in completing the draft Asset Management Plan.

8.11 LAND BUILDINGS AND STRUCTURES VALUATION**PURPOSE**

To receive and endorse the Land, Buildings and Structures Valuation Report prepared by Jones Lang Lasalle (JLL).

COMMITTEE RESOLUTION

Moved: Member Rob Reiman
Seconded: Cr Adam Meyer

That the Audit Committee receive and endorse the Land, Buildings and Structures Valuation Report prepared by Jones Lang Lasalle (JLL).

CARRIED 042/2019 (27/08/2019)

8.12 RISK MANAGEMENT ACTIVITY REPORT**PURPOSE**

To provide the Audit Committee with an update in respect of Council's Risk Management systems.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the report be received.

CARRIED 043/2019 (27/08/2019)

The Governance Officer presented the Risk Management system available on the Council Intranet.

9 GENERAL BUSINESS

Cr Adam Meyer raised that he considered the CEO Performance Appraisal was overdue and asked when it would be undertaken. Mr David Harding advised that inquiries in this regard should be directed to the Mayor.

10 NEXT MEETING

Tuesday 29 October 2019

11 CLOSURE

The Meeting closed at 5:06pm

The minutes of this meeting were confirmed at the Audit Committee Meeting held on 29 October 2019.

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CHAIRPERSON