



MINUTES

Audit and Risk Committee Meeting

(Subject to confirmation)

5 September 2023

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER , MINLATON TOWN HALL, 57 MAIN STREET, MINLATON
ON TUESDAY, 5 SEPTEMBER 2023 AT 3:00PM**

1 WELCOME BY CHAIRPERSON

Chair Rob Reiman welcomed everyone to the meeting and declared the meeting open.

2 PRESENT

Chair Rob Reiman, Cr Adam Meyer, Cr Tania Stock, Member Hussain Rafeeu, Cr Alan Headon

In Attendance

Andre Kompler (Acting Chief Executive Officer), Ben Thompson (Director Corporate and Community Services), Amanda Pitt (Business Improvement Officer), Daniel Griffin (Manager Financial Services), Michael McCauley (Asset Manager), Bobbi Pertini (Manager People, Culture and Safety), Chloe Brown (Accountant – Financial Management), Adele Wyatt (Executive Services Support Officer) and Lauren McSkimming (Minute Secretary)

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Mayor Darren Braund and Andrew Cameron (Chief Executive Officer)

5 CONFLICT OF INTEREST

Chair Rob Reiman reminded all Elected Members of the requirement to disclose any conflict of interest in relation to any matters before Council.

Nil

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION**COMMITTEE RESOLUTION**

Moved: Cr Tania Stock

Seconded: Cr Adam Meyer

That the minutes of the Audit and Risk Committee Meeting held on 7 June 2023 be confirmed.

CARRIED 026/2023 (5/09/2023)

7 VISITORS TO THE MEETING

David Papa and Matthew Brunatio from Bentleys spoke to Item 8.6 – External Interim Audit Report 2022/2023 via Microsoft Teams.

4.05pm - Presentation commenced

4.24pm - Presentation concluded

REPORTS

8 NEW BUSINESS

8.1 INTERNAL AUDIT ACTIVITY REPORT

PURPOSE

To provide the Audit and Risk Committee with an update on the recent Internal Audit activity.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 027/2023 (5/09/2023)

Chair Rob Reiman sought clarification on how Council defines 'major' and 'required position' in the recommendation of the Internal Audit Report, Recruitment and Selection. Manager People, Culture and Safety and Business Improvement Officer clarified both definitions for the chair.

For the WHS consultation and communication, Chair Rob Reiman noted that a quorum was not reached for one of the Safety Committee meetings but the meeting was held as normal. He suggested that commentary be added into the recommendation that no major decisions were made at this meeting due to a quorum not being reached.

Discussion ensued around the Employee Expense Reimbursement and Corporate Purchase Card spot check. Member Hussain Rafeeu enquired whether it would be worth issuing additional corporate purchase cards for roles that receive a large number of reimbursements. Manager Financial Services gave explanation that the reimbursements were ad hoc and most relate to training expenses. Manager People, Culture and Safety gave an update to the Committee regarding the outside workforce Enterprise Bargaining Agreement (EBA) and PR126 Travel and Accommodation Procedure which includes employees undertaking training that requires an overnight stay, they can request their meal allowance paid in advance help cover the high costs associated with being a regional Council.

Member Hussain Rafeeu questioned whether the Audit Action Register, Accounts Receivable Debtor Management (3.1) item was completed as the revised due date indicated 31/03/2023 and the status was 'in progress'. Business Improvement Officer advised that was a typo and the revised due date should be 31/03/2024.

8.2 ORGANISATIONAL RISK REGISTER

PURPOSE

To provide the Audit and Risk Committee with the current version of the Organisational Risk Register for consideration.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Cr Adam Meyer

That the report be received.

CARRIED 028/2023 (5/09/2023)

8.3 POLICY REVIEW - PO014 EMPLOYEE BEHAVIOURAL STANDARDS POLICY

PURPOSE

For the Audit and Risk Committee to consider the draft, revised PO014 Employee Behavioural Standards Policy and recommend to Council that it proceed to consultation with employees and registered industrial associations.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Alan Headon

That the Audit and Risk Committee recommend to Council the draft, revised PO014 Employee Behavioural Standards Policy proceeds to consultation with employees and registered industrial associations.

CARRIED 029/2023 (5/09/2023)

Manager People, Culture and Safety advised the Committee that a minor amendment had been made to the policy to include definitions of Integrity, Impartiality, Good Decision Making and Victimisation. Confirmation was given that another report will be presented to the Committee once consultation has occurred, for final approval.

Member Hussain Rafeeu questioned whether Council have a register to record conflict of interests whether that be at Council meeting, recruitment processes or tender evaluations. Staff to take on notice and report back to the Committee.

8.4 AUDIT AND RISK COMMITTEE WORK PLAN 2023

PURPOSE

To consider and endorse an updated work plan for 2023.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Member Hussain Rafeeu

That the Audit and Risk Committee endorse the updated 2023 Work Plan.

CARRIED 030/2023 (5/09/2023)

8.5 BUDGET ROLL OVER - 2022-2023**PURPOSE**

To inform the Independent Committee members about Council's adopted 2022/2023 Budget roll overs for projects not commenced, or completed, as at 30 June 2023.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Alan Headon

That the report be received.

CARRIED 031/2023 (5/09/2023)

Chair Rob Reiman suggested adding an indicative forecast to whether there will be a negative or positive impact on the budget. Manager Financial Services to consider for inclusion into the reporting process.

8.6 EXTERNAL INTERIM AUDIT REPORT - 2022/2023**PURPOSE**

To consider the interim external audit management report for the year ending 30 June 2023 and responses provided by management.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Member Hussain Rafeeu

That the Interim Audit Report for 2022/2023 from Bentleys be received and the Audit and Risk Committee endorse management's responses to the matters raised in the report.

CARRIED 032/2023 (5/09/2023)

8.7 BALANCE DATE EXTERNAL AUDIT ATTENDANCE 2023**PURPOSE**

To inform the Audit and Risk Committee about the balance date external audit attendance and scope for 2022/2023.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 033/2023 (5/09/2023)

Manager Financial Services advised the Committee the external audit of Council's 2022/2023 Annual Financial Statements by Bentleys will be conducted externally via their portal and Microsoft Teams, rather than at Council's principle office, Maitland, as suggested in the report.

8.8 TREASURY MANAGEMENT PERFORMANCE 2022-2023**PURPOSE**

Review of Council's treasury management (investments and borrowings) activity and performance for 2022/2023 in accordance with legislation and PO139 Treasury Management Policy.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the Audit and Risk Committee receive the report and recommend to Council that it be endorsed as presented.

CARRIED 034/2023 (5/09/2023)

8.9 PO166 RELATED PARTY DISCLOSURES POLICY AND PR166 RELATED PARTY DISCLOSURES PROCEDURE**PURPOSE**

To seek Audit and Risk Committee's endorsement of the updated PO166 Related Party Disclosures Policy and new PR166 Related Party Disclosures Procedure.

COMMITTEE RESOLUTION

Moved: Cr Alan Headon

Seconded: Cr Tania Stock

That the Audit and Risk Committee receive the updated PO166 Related Party Disclosures Policy and new PR166 Related Party Disclosure Procedure, as presented, and recommend to Council that both documents be adopted as presented.

CARRIED 035/2023 (5/09/2023)

8.10 POLICY REVIEW - PO184 BUSINESS ENHANCEMENT PROGRAM**PURPOSE**

To seek Audit and Risk Committee endorsement of the updated PO184 Business Enhancement Program.

COMMITTEE RESOLUTION

Moved: Cr Alan Headon

Seconded: Member Hussain Rafeeu

That the Audit and Risk Committee receive the updated PO184 Business Enhancement Program and recommend to Council that it be adopted as presented.

CARRIED 036/2023 (5/09/2023)

Manager People, Culture and Safety advised the Committee there will be an amendment under the delegations section of the Policy before going to Council for endorsement.

Members were in agreement that more publicity is needed to show the support Council provides to local businesses. Suggestions included; Council information report, inclusion in the quarterly YP magazine and annual report. Staff to consider.

Chair Rob Reiman suggested to see if there's scope to separate the Policy into a Procedure and Policy, as some sections of the Policy presented to the Committee reads like a Procedure. Staff to consider and undertake when scheduled reviews are due.

5.05pm – Cr Alan Headon left the meeting.

5.09pm – Cr Alan Headon returned to the meeting.

8.11 LAND, BUILDINGS AND STRUCTURES VALUATION

PURPOSE

To receive and endorse the Land, Buildings and Structures Valuation Report prepared by AssetVal.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the Audit and Risk Committee receive and endorse the Land, Buildings and Structures Valuation Report prepared by AssetVal.

CARRIED 037/2023 (5/09/2023)

Chair Rob Reiman advised the Committee that Clare Council have commenced a process, working with the community, to sell off Council owned buildings which has been affective and a report goes to each Council meeting with an update. Cr Adam Meyer questioned whether there is a list of assets that can be provided to the Elected Body that could be potentially sold. Asset Manager advised Council were waiting for the valuation report to be finalised and have been in communication with Clare Council about their process.

Member Hussain Rafeeu questioned whether the valuation report from AssetVal had been provided to the external auditors before coming to the Committee for endorsement, as it would've been preference that the auditors viewed it in the first instance, Manager Financial Services advised the report wasn't ready at the time of the Interim Audit, however, will be provided to them at the end of year audit. Manager Financial Services to investigate what is best practice and will suggest the best method moving forward.

With approval from Members, Chair Rob Reiman advised that the meeting would move to Agenda Items 10, 11 and 12 before commencing the Confidential Agenda Item 9.1 to allow staff not involved with the confidential matter to leave.

10 NEW AND EMERGING RISKS / ISSUESCyber Security

Director Corporate and Community Services advised the Committee that Cyber Security is always on Council's radar and is currently being reviewed through the organisation.

Rubbish Dumping

Director Corporate and Community Services advised the Committee of an incident of dumping that occurred on a roadside at Berry Bay which is currently under investigation.

11 GENERAL BUSINESS

Nil

12 NEXT MEETING

Tuesday 31 October 2023

CONFIDENTIAL AGENDA**9 CONFIDENTIAL ITEMS****9.1 INDEPENDENT MEMBER APPOINTMENT TO AUDIT AND RISK COMMITTEE****COMMITTEE RESOLUTION**

Moved: Cr Tania Stock

Seconded: Cr Adam Meyer

Section 90 Order

That pursuant to Section 90(2) and (3)(a),(j)(ii) of the Local Government Act 1999, the Council orders, that the public be excluded from the meeting relating to Item 9.1 Independent Member Appointment to Audit and Risk Committee, with the exception of the following persons:

- Acting Chief Executive Officer
- Executive Assistant to Director Corporate and Community Services
- Director Corporate and Community Services
- Manager Financial Services

The Council is satisfied that, pursuant to Section 90(2) and (3)(a),(j)(ii) of the Act, the information to be received, discussed or considered in relation to report Item 9.1 Independent Member Appointment to Audit and Risk Committee, is confidential information relating to:

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- (j)(ii) information the disclosure of which would, on balance, be contrary to the public interest.

Accordingly, on this basis, the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or matter confidential.

CARRIED 038/2023 (5/09/2023)

5.21pm – The public were removed from the meeting and Chamber secured.

RESUMPTION OF PUBLIC MEETING – 5.31PM

Released in camera minute – 5.31pm

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Alan Headon

Section 91 Order

That having considered report 9.1 Independent Member Appointment to Audit and Risk Committee in confidence under Section 90(2) and (3)(a),(j)(ii) of the Local Government Act 1999 (the Act) the Council, pursuant to Section 91(7) and 91(9) of the Act orders that the agenda report, attachments, minutes and supporting documentation relevant to report 9.1 Independent Member Appointment to Audit and Risk Committee be retained in confidence and not available for public inspection for a period of 12 Months.

CARRIED 040/2023 (5/09/2023)

9 CLOSURE

The Meeting closed at 5.32pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee Meeting held on 31 October 2023.

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CHAIRPERSON