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Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Wednesday 18th May 2016,
in the Council Chambers
57 Main Street Minlaton commencing at 3:00pm
(Subject to confirmation)

ITEM 1 WELCOME

Mr Peter Brass welcomed everyone to the meeting and declared the meeting open at 3.02pm.

PRESENT

Independent Members Peter Brass and David Hurley, Councillors Scott Hoyle and Tania Stock.

APOLOGIES/LEAVE OF ABSENCE

Cr John Rich – 08/04/2016 – 22/06/2016

IN ATTENDANCE

Andrew Cameron	Chief Executive Officer
David Harding	Director Corporate and Community Services
Trevor Graham	Director Assets and Infrastructure
Sid Jain	Manager Financial Services
Michael McCauley	Asset Manager
Chelly Litster	Business Improvement Officer
Roxanne White	Risk Management Officer
Chloe Brown	Financial Accountant
Daniel Griffin	Financial Accountant
Ashlee Chadwick	Finance Officer
Rachel Rich	Minute Secretary

MINUTES OF THE PREVIOUS MEETING

Cr Hoyle moved **Cr Stock seconded**

That the minutes of the Audit Committee meeting held on 24th February 2016 as circulated, be confirmed as a true record.

CARRIED 013/2016 (18/05/2016)

CONFLICT OF INTEREST

The Chairperson reminded all members of the requirement to disclose any conflict of interest and provide full and accurate details of the relevant interest to the Audit Committee prior to consideration of that item on the Agenda. No conflicts were disclosed by the Committee members.

ITEM 2 REPORTS

1. REVIEW AUDIT COMMITTEE WORK PLAN 2016

Mr David Harding spoke to the report and answered questions from the Committee. Dates of future meetings can be reviewed if necessary. Updated changes advised accordingly. Next meeting scheduled for 22nd June will be moved to Wednesday 29th June. External Audit visit update to be added to next agenda.

Cr Hoyle moved **David Hurley seconded**

That Audit Committee endorses the updated 2016 Audit Committee Work plan.

CARRIED 014/2016 (18/05/2016)

2. 2016/2017 ANNUAL BUSINESS PLAN/BUDGET

Mr David Harding spoke to the report and answered questions from the Committee. Peter Brass queried the use of signage depicting risk and governance and not a photo for consistency on annual report page 17. Feedback noted.

Cr Hoyle moved **Cr Stock seconded**

That Audit Committee receive the 2016/2017 Draft Annual Business Plan including the budget report.

CARRIED 015/2016 (18/05/2016)

3. THIRD QUARTER 15/16 BUDGET REVIEW

Mr David Harding spoke to the report and answered questions from the Committee. Observation from David Hurley regarding the lack of reporting of actuals in the budget review process. David Harding gave an explanation of the current process. The Manager Financial Services will evaluate a method for reporting actual expenditure to the Audit Committee – possibly exception reporting and bring back to a future meeting for consideration.

David Hurley moved **Cr Stock seconded**

That the Audit Committee receives and notes the report as endorsed by Council.

CARRIED 016/2016 (18/05/2016)

4. LONG TERM FINANCIAL PLAN

Mr David Harding spoke to the report and answered questions from the Committee. Discussions centred on the Long Term Financial Plan and possible scenario modelling that will include effect of rate capping legislation and service level reviews.

Cr Stock moved **David Hurley seconded**

That Audit Committee receives and notes the Long Term Financial Plan as endorsed by Council.

CARRIED 017/2016 (18/05/2016)

5. FEES AND CHARGES REGISTER AMENDMENTS 2016/17

Mr David Harding spoke to the report and answered questions from the Committee.

Cr Hoyle moved Cr Stock seconded

That Audit Committee receives the report.

CARRIED 018/2016 (18/05/2016)

6. INTERNAL AUDIT ACTIVITY REPORT

Ms Chelly Litster spoke to the report and answered questions from the Committee. Ms Litster advised she will be on Maternity Leave as of next month and will return in October. Discussions centred on agreed actions, risk management framework and risk mitigation. Mr Peter Brass commented on long outstanding actions and the need to prioritise and complete these according to a risk level assigned to each action.

Cr Stock moved Cr Hoyle seconded

That Audit Committee receives the report.

CARRIED 019/2016 (18/05/2016)

7. ASSET MANAGEMENT UPDATE

Mr Michael McCauley spoke to the report and answered questions from the Committee.

David Hurley moved Cr Stock seconded

That Audit Committee receives the report.

CARRIED 020/2016 (18/05/2016)

8. RISK MANAGEMENT UPDATE

Ms Roxanne White spoke to the report and answered questions from the Committee.

Cr Stock moved David Hurley seconded

That Audit Committee receives the report.

CARRIED 021/2016 (18/05/2016)

ITEM 3 GENERAL BUSINESS

3.1. Upcoming External Audit visit, 16th & 17th June 2016.

ITEM 4 CONFIDENTIAL AGENDA

EXECUTIVE SERVICES

1. INTERNAL CONTROLS REPORT

Cr Hoyle moved Cr Stock seconded

Section 90(3)(f) Order

1. That pursuant to Section 90(2) of the Local Government Act 1999, the Audit Committee orders that the public be excluded from the meeting with the exception of the Mayor, Chief Executive Officer, Director Corporate and Community Services, Manager Financial Services, Director Assets and Infrastructure Services and Business Improvement Officer.

The Audit Committee is satisfied that, pursuant to section 90(3)(g) of the Act, the information to be received, discussed or considered in relation to agenda item 4 Internal Controls Report is confidential information relating to –

“Matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;”

Accordingly, the Audit Committee is satisfied that the principle which states the meeting be conducted in a place open to the public has been outweighed in the circumstances.

Section 91(7) Order

2. That having considered agenda item 4 Internal Controls Report in confidence under section 90(2) and (3)(g) of the Local Government Act 1999, the Audit Committee, pursuant to section 91(7) of that Act orders that the verbal report relevant to agenda item 4 titled Internal Controls Report be retained in confidence for a period of 12 months

CARRIED 022/2016 (18/05/2016)

4.10pm The public were asked to leave and the Chamber secured.

Internal Controls verbal update provided.

4.35 The public meeting resumed.

Cr Hoyle moved Cr Stock seconded

That the confidential session closed and the public meeting resumed.

CARRIED 023/2016 (18/05/2016)

ITEM 5 NEXT MEETING

Wednesday 29th June 2016 3.00pm

ITEM 5 CLOSURE

The Meeting Closed at 4.36.pm

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Mr Peter Brass