



## **AGENDA**

**FOR AUDIT COMMITTEE MEETING TO BE HELD ON**

**9 JUNE 2021 AT 6.30 PM**

**IN WITTBER AND DR RUBY DAVY MEETING ROOMS, 34 CHURCH STREET,  
SALISBURY**

### **MEMBERS**

Cr G Reynolds (Chairman)  
Ms P Davies  
Mr N Ediriweera  
Cr K Grenfell (Deputy Chairman)  
Mr C Johnson

### **REQUIRED STAFF**

Chief Executive Officer, Mr J Harry  
General Manager Business Excellence, Mr C Mansueto  
Manager Governance, Mr M Petrovski  
Risk and Governance Program Manager, Ms J Crook  
Internal Auditor & Risk Coordinator, Mr H Rafeeu

### **APOLOGIES**

### **LEAVE OF ABSENCE**

### **PRESENTATION OF MINUTES**

Presentation of the Minutes of the Audit Committee Meeting held on 21 April 2021.

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**REPORTS**

**OTHER BUSINESS**

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## CONFIDENTIAL ITEMS

### 7.4.1 11426 External Audit Services - Tender Recommendation Recommendation

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (k) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
  - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
  - *information the disclosure of which would, on balance, be contrary to the public interest; and*
  - *tenders for the supply of goods, the provision of services or the carrying out of works.*
2. *In weighing up the factors related to disclosure,*
  - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
  - *Non-disclosure of the matter and discussion of this item in confidence would protect council's commercial position regarding confidential information provided to council in relation to the acquisition of external audit services.*

*On that basis the public's interest is best served by not disclosing the **11426 External Audit Services - Tender Recommendation** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE





**MINUTES OF AUDIT COMMITTEE MEETING HELD IN WITTBER & DR RUBY DAVY  
ROOMS, SALISBURY COMMUNITY HUB, 34 CHURCH STREET, SALISBURY ON**

**21 APRIL 2021**

**MEMBERS PRESENT**

Cr G Reynolds (Chairman)  
Ms P Davies  
Mr N Ediriweera  
Cr K Grenfell (Deputy Chairman)  
Mr C Johnson (*via video conference*)

**OBSERVERS**

Nil

**STAFF**

Chief Executive Officer, Mr J Harry  
General Manager Business Excellence, Mr C Mansueto  
Manager Governance, Mr M Petrovski  
Risk and Governance Program Manager, Ms J Crook  
Internal Auditor & Risk Coordinator, Mr H Rafeeu  
Manager Financial Services, Ms K George

The meeting commenced at 6:37pm

The Chairman welcomed the members, staff and the gallery to the meeting.

**APOLOGIES**

Apologies were received from Ms P Davies.

**LEAVE OF ABSENCE**

Nil

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## PRESENTATION OF MINUTES

Moved Cr K Grenfell  
Seconded Mr C Johnson

The Minutes of the Audit Committee Meeting held on 09 February 2021, be taken as read and confirmed.

**CARRIED**

Moved Cr K Grenfell  
Seconded Mr N Ediriweera

The Minutes of the Confidential Audit Committee Meeting held on 09 February 2021, be taken as read and confirmed.

**CARRIED**

## REPORTS

### *Administration*

#### **7.0.1 Actions List**

Moved Cr K Grenfell  
Seconded Mr N Ediriweera

1. The information is noted.

**CARRIED**

#### **7.0.2 Future Reports for the Audit Committee**

Moved Mr N Ediriweera  
Seconded Cr K Grenfell

1. The information is received.

**CARRIED**

#### **7.0.3 Audit Committee training - Meeting Procedures**

Moved Cr G Reynolds  
Seconded Cr K Grenfell

1. That the City of Salisbury engage Kelledy Jones Lawyers to deliver training in meeting procedures to the Audit Committee at 6:30pm on a date suitable for the Audit Committee Members.

**CARRIED**

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For Decision

### 7.1.1 Draft 2021/22 Annual Plan and Budget

Moved Cr K Grenfell

Seconded Mr C Johnson

1. The information be received
2. Council notes that the Audit Committee have reviewed the Council's Annual Plan and Long Term Financial Plan in accordance with S126(4)(ab) Local Government Act 1999 and has provided part 3 for consideration.
3. Recognising Council's response to Covid-19 in 2020/21, the expanded capital program of 2020/21 and 2021/22, and expansion in service delivery of \$1.6M for 2021/22, the rate scenario that provides some ability to respond to emerging needs and external impacts, and provides ongoing financial sustainability is:
  - Rate increases of at least CPI+0.6% from 2022/23 onwards, with a one off higher increase in 2021/22 of 2.8% (dependent on what further increase in service levels are determined)

and that this is the basis of the Draft Annual Plan and Long Term Financial Plan for consultation, noting that in years 1 and 2 financial sustainability targets are not met and reflect Councils response to Covid-19.

**CARRIED**

### 7.1.2 Risk Management and Internal Controls Activities

Moved Mr N Ediriweera

Seconded Cr K Grenfell

1. The information is received.
2. The Update on Risk Management and Internal Controls Activities for 2020/2021, as set out in Attachment 1 to this report (Audit Committee, 21/04/2021, Item No. 7.1.2) is endorsed, noting the action items identified.

**CARRIED**

Cr K Grenfell left the meeting at 7:35 pm.

*Cr K Grenfell returned to the meeting at 7:37 pm.*

### 7.1.3 3 Year Rolling Internal Audit Plan 2021 - 2023

Moved Cr K Grenfell

Seconded Mr N Ediriweera

1. That the updates made to the 2021 - 2023 Internal Audit Plan as set out in Attachment 2 to this report (Audit Committee, 21/04/2021, Item No. 7.1.3) and the accompanying high level

indicative scope for pending audits, as set out in Attachment 1 of this report (Audit Committee, 21/04/2021, Item No. 7.1.3) are endorsed, subject to:

- review and redefinition of Strategic Risk 10;
- reconsideration of the inherent and residual risks ratings for Strategic Risk 5;
- include a new audit on controls relating to the rate setting process; and
- revise the internal audit plan spreadsheet so as to better articulate how internal audits are derived from Council's strategic risks.

**CARRIED**

#### **7.1.4 Outstanding Actions Arising From Internal Audits**

Moved Mr N Ediriweera

Seconded Mr C Johnson

1. Council endorses the update on outstanding actions from completed Internal Audits, as set out in the Dashboard Report on Outstanding Actions from Internal Audits in Attachment 1 and the full Internal Audit Log Actions Register in Attachment 2 to this report (Audit Committee, 21/04/2021, Item No.7.1.4) for Council approval.

**CARRIED**

*Cr K Grenfell left the meeting at 8:14 pm.*

*Cr K Grenfell returned to the meeting at 8:18 pm.*

#### **7.1.5 Internal Audit Report on Complaints Handling Process Audit**

Moved Mr N Ediriweera

Seconded Cr K Grenfell

1. That the final audit report for the Complaints Handling Process audit with management comments as set out in Attachment 1 to this report (Audit Committee, 21/04/2021, Item No.7.1.5) is noted and that the responses of the Administration to the Complaints Handling Process Audit Report contained therein is endorsed.

**CARRIED**

*Cr N Ediriweera left the meeting at 8:23 pm.*

*Cr N Ediriweera returned to the meeting at 8:25 pm.*

#### **7.1.6 Emergency Management Plan**

Moved Cr K Grenfell

Seconded Mr N Ediriweera

1. That the Emergency Management Plan as drafted and set out in Attachment 1 to this report (Audit Committee, 21 April 2021, Item



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No. 7.1.6) be approved.

**CARRIED**

**7.1.7 Audit Committee Performance Self-Assessment**

Moved Cr K Grenfell  
Seconded Mr N Ediriweera

1. That the outcomes of the City of Salisbury Audit Committee performance self-assessment, including management responses to respondent comments, are accepted and noted.
2. No further action is required in relation to the performance self-assessment.

**CARRIED**

**OTHER BUSINESS**

The Chairman informed Committee Members that Mr M Petrovski, Manager Governance had recently resigned his position with the City of Salisbury and that this will be his final Audit Committee meeting. On behalf of members of the Committee, the Chairman thanked him for his support to the Audit Committee, and wished him all the best for his future endeavours.

The meeting closed at 8:51pm.

CHAIRMAN.....

DATE.....