MINUTES

OF THE

AUDIT COMMITTEE

HELD ON

TUESDAY 17 DECEMBER 2019
MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD IN THE MAYOR’S PARLOUR, 131 BELAIR ROAD, TORRENS PARK ON TUESDAY 17 DECEMBER 2019 AT 5:00 PM.

MEMBERSHIP: Mr Tim Muhlhausler (Chair), Ms Paula Davies, Mr Todd Davies, Cr Stephen Fisher and Cr Darren Kruse

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MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD IN THE MAYOR'S PARLOUR, 131 BEALAIR ROAD, TORRENS PARK ON TUESDAY 17 DECEMBER 2019 AT 5:01 PM.

MEMBERSHIP: Mr Tim Muhlhausler (Chair), Ms Paula Davies, Mr Todd Davies, Cr Stephen Fisher and Cr Darren Kruse

PRESENT: Mr T Muhlhausler (Chair), Ms P Davies, Mr T Davies, Cr S Fisher and Cr D Kruse

5:03pm Cr Kruse arrived at the meeting

APOLOGIES: Nil

LEAVE OF ABSENCE: Nil

ABSENT: Nil

STAFF IN ATTENDANCE: General Manager Corporate Services and Innovation (W Reynolds), General Manager Organisational and Community Development (K O'Neill), Manager Finance and Procurement (L Harris), Group Manager Technology and Customer Communications (M Romaine), Business Partner Systems Analyst (N Molloy), Minute Secretary (N Freer-Cooling)

IN ATTENDANCE: Ms Janet Miller, Chief Executive Officer, and Ms Nadia Andjelkovic, Corporate Services Manager, Centennial Park Cemetery Authority

Mr Chris Goldstone, Chief Information Officer, Strategic Directions

WELCOME

The Presiding Member welcomed those present to the meeting.
BUSINESS

1. MEMBERS’ DECLARATIONS OF INTERESTS

   The Presiding Member asked if any Committee Member wished to disclose an interest in relation to any item being considered at the meeting.

   No Declarations of Interest were recorded.

2. CONFIRMATION OF MINUTES

   2.1 AUDIT COMMITTEE MEETING – 14 NOVEMBER 2019

   MOVED Cr Fisher

   That the Minutes of the Audit Committee Meeting held on 14 November 2019 be confirmed.

   SECONDED Ms Davies CARRIED UNANIMOUSLY

   5:03pm Cr Kruse arrived at the meeting

3. PRESENTATIONS

   3.1 CENTENNIAL PARK CEMETERY AUTHORITY

   Attending: Ms Janet Miller, Chief Executive Officer and Ms Nadia Andjelkovic, Corporate Services Manager

   DECISION 1 – GO INTO CONFIDENCE

   MOVED Mr Davies

   That pursuant to Section 90(2) of the Local Government Act 1999, the Audit Committee orders the public be excluded with the exception of staff present along with Ms Janet Miller, Chief Executive Officer and Ms Nadia Andjelkovic, Corporate Services Manager, Centennial Park Cemetery Authority for Agenda Item 3.1 Centennial Park Cemetery Authority Presentation as it relates to commercial aspects of their business and operations.

   The Audit Committee is satisfied that, pursuant to Section 90(3)(d) of the Act, the information to be discussed and considered in relation to the Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party.
In addition, the disclosure of this information would, on balance be contrary to the public interest. The Audit Committee is satisfied that the principle the meeting be conducted in a place open to the public has been outweighed in the circumstances because this matter is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party.

SECONDED Ms Davies CARRIED UNANIMOUSLY

THE DOORS WERE CLOSED TO THE PUBLIC SO CONFIDENTIAL MATTERS COULD BE DISCUSSED.

DECISION 2 – OUT OF CONFIDENCE / ITEMS REMAIN IN CONFIDENCE

MOVED Ms Davies

That having considered Item 3.1 Centennial Park Cemetery Authority Presentation pursuant to Section 90(2) and 90(3)(d) under Part 3 of Chapter 6 of the Local Government Act 1999, the Audit Committee orders pursuant to Section 91(7) of the Local Government Act 1999 that:

(1) The discussion be kept confidential until such time the disclosure could not reasonably be expected to confer a commercial advantage on a third party.

(2) That the Chief Executive Officer be authorised to review the confidentiality order annually.

(3) That pursuant to Section 91(9)(c) of the Local Government Act 1999 the Chief Executive Officer be authorised to revoke this order.

SECONDED Cr Fisher CARRIED UNANIMOUSLY

FOLLOWING DISCUSSION OF CONFIDENTIAL MATTERS, THE MEETING MOVED OUT OF CONFIDENCE AND THE DOORS RE-OPENED TO THE PUBLIC.

DECISION 3 – SUBSTANTIVE DECISION

MOVED Cr Kruse

That the Council requests a report from Administration that:

- provides a copy of the accounting standards position paper as provided by Centennial Park Cemetery Authority; and
- includes a response from Centennial Park Cemetery Authority’s Board regarding the following questions:
  a) pricing and sustainability of leases being let in perpetuity and the competitive necessity to do so; and
  c) advice regarding the sustainability and size of the guarantee liability payment.

SECONDED Cr Fisher CARRIED
4. CONFIDENTIAL ITEMS

Nil

CHANGE TO ORDER OF BUSINESS

MOVED Ms Davies

That **Item 6.1 Cyber Security Update and Data Breach Response Plan** be dealt with at this point.

SECONDED Mr Davies CARRIED UNANIMOUSLY

6. INFORMATION ONLY REPORTS

6.1 CYBER SECURITY UPDATE AND DATA BREACH RESPONSE PLAN

Report Author/Manager: Naomi Molloy / Matthew Romaine
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

DECISION 1 – GO INTO CONFIDENCE

MOVED Ms Davies

That pursuant to Section 90(2) of the *Local Government Act 1999*, the Audit Committee orders the public be excluded with the exception of staff present along with Mr Chris Goldstone, Chief Information Officer, Strategic Directions for Agenda **Item 6.1 Cyber Security Update and Data Breach Response Plan** on the basis that the Audit Committee considers it necessary and appropriate to act in a meeting closed to the public in order to receive, discuss or consider in confidence **Attachment A** to this report and that the Audit Committee is satisfied with the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to the matter under consideration because the information is of the nature specified in Subsection 90(3)(e) of the *Local Government Act 1999*, being matters affecting the security of the Council, members or employees of the Council, or Council property; or the safety of any person and the discussion involves areas where Council may be at risk of cyber security attacks.

SECONDED Cr Kruse CARRIED UNANIMOUSLY

THE DOORS WERE CLOSED TO THE PUBLIC SO CONFIDENTIAL MATTERS COULD BE DISCUSSED.
DECISION 2 – SUBSTANTIVE DECISION

MOVED Ms Davies

That the report be received for information only.

SECONDED Mr Davies CARRIED UNANIMOUSLY

DECISION 3 – OUT OF CONFIDENCE / ITEMS REMAIN IN CONFIDENCE

MOVED Ms Davies

(1) That having considered the said information or matter pursuant to Section 90(2) and (3)(e) under Part 3 of Chapter 6 of the Local Government Act 1999, the Audit Committee orders pursuant to Section 91(7) of the Local Government Act 1999 that the discussion and Attachment A in relation to Agenda Item No 6.1 Cyber Security Update and Data Breach Response Plan be kept confidential until such time that the Audit Committee is satisfied that cyber security will not be compromised by the release of the report contained in Attachment A.

(2) That the Chief Executive Officer be authorised to review the confidentiality order annually.

(3) That pursuant to Section 91(9)(c) of the Local Government Act 1999 the Chief Executive Officer be authorised to revoke this order.

SECONDED Mr Davies CARRIED UNANIMOUSLY

FOLLOWING DISCUSSION OF CONFIDENTIAL MATTERS, THE MEETING MOVED OUT OF CONFIDENCE AND THE DOORS RE-OPENED TO THE PUBLIC.

5. DECISION REPORTS

5.1 APPOINTMENT OF A PRESIDING MEMBER

Report Author/Manager: Nita Freer-Cooling
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Cr Fisher

That the Audit Committee appoints Mr Tim Muhlhausler as the Presiding Member of the Audit Committee for the period 1 January 2020 to 31 December 2020.

SECONDED Ms Davies CARRIED UNANIMOUSLY
5.2 AUDIT COMMITTEE TERMS OF REFERENCE REVIEW

Report Author/Manager: Nita Freer-Cooling
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Ms Davies

That Council endorses the Audit Committee Terms of Reference as provided at Attachment A of this report as the Terms of Reference for the Committee through to the next General Council Election or until a review is called by either the Council, the Audit Committee or the Chief Executive Officer, whichever is the earlier, with the following minor amendments:

- Include the endorsement date and version number at the front;
- Include Public Interest Disclosure and reference as ‘formerly known as Whistleblower’;
- Remove the reference to Section 5.4.3 under Section 2.6.4;
- Remove the first dot point under Section 2.6.6 Policy Development to Section 2.6.5 Public Interest Disclosure;
- Delete the word “If” at the start of Section 6 Meeting Cancellation; and
- Section 9.1 Reporting Requirements include Public Interest Disclosure and reference as ‘formerly known as Whistleblower’.

SECONDED Mr Davies CARRIED UNANIMOUSLY

5.3 AUDIT COMMITTEE FUTURE MEETING DATES

Report Author/Manager: Nita Freer-Cooling
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Ms Davies

That the Audit Committee notes the following ordinary meeting dates for 2020:

- Thursday, 13 February 2020, commencing at 5pm
- Thursday, 14 May 2020, commencing at 5pm
- Thursday, 13 August 2020, commencing at 5pm
- Thursday, 29 October 2020 (Annual Financial Statements), commencing at 5pm
- Thursday, 10 December 2020, commencing at 5pm

SECONDED Cr Kruse CARRIED UNANIMOUSLY
5.4 INTERNAL CONTROLS POLICY
Report Author/Manager: Kate O'Neil
General Manager: Kate O'Neil
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Ms Davies

That the Audit Committee recommends Council endorse the revised Internal Controls Policy (incorporating feedback from the Audit Committee) as provided at Attachment A of this report with minor amendments delegated to the Chief Executive Officer.

SECONDED Mr Davies  CARRIED UNANIMOUSLY

6. INFORMATION ONLY REPORTS

6.1 CYBER SECURITY UPDATE AND DATA BREACH RESPONSE PLAN
Report Author/Manager: Naomi Molloy / Matthew Romaine
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

This item was dealt with after Item 4 Confidential Items.

6.2 ANNUAL RISK ASSESSMENT - ADDITIONAL SUPPORTING INFORMATION
Report Author/Manager: Lynda Macphail / Deb Horton
General Manager: Kate O'Neil
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Cr Fisher

That the report be received for information only.

SECONDED Mr Davies  CARRIED UNANIMOUSLY

6.3 INTERNAL AUDIT PROGRESS REPORT
Report Author/Manager: Kate O'Neil
General Manager: Kate O'Neil
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Cr Fisher

That the report be received for information only.

SECONDED Cr Kruse  CARRIED UNANIMOUSLY
6.4 2018/19 EXTERNAL AUDIT REPORT ACTION PLAN
Report Author/Manager: Leta Northcott / Luke Harris
Acting General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Within existing recurrent budget)

6:55pm Cr Fisher left the meeting and returned 6.56pm

MOVED Cr Fisher
That the report be received for information.

SECONDED Ms Davies CARRIED UNANIMOUSLY

6.5 CORPORATE CREDIT CARD POLICY AND CEO TRANSACTIONS UPDATE
Report Author/Manager: Luke Harris
General Manager: Dan Jellings
(Meeting Date: 17 December 2019)
(Location: Council Wide)
(Consultant Used: $Nil)

MOVED Cr Fisher
That the report be received for information only.

SECONDED Ms Davies CARRIED UNANIMOUSLY

6.6 AUDIT COMMITTEE WORK PLAN

OUTCOME

The Audit Committee’s forward agenda and work plan was discussed and updated.

7. DISCUSSION ITEMS

Nil

8. NEXT MEETING

The next meeting of the Audit Committee is Thursday 13 February 2020 at 5:00pm unless otherwise advised in consultation with the Chair.

CLOSE:

There being no further business the meeting closed at 7:06pm.