

Minutes

Audit & Risk Management Committee

Date & Time: Friday 22 October 2021 at 1:00pm

Location: City of Victor Harbor, Encounter Room

Meeting Opened: 12.59

1. Present

Peter van der Eijk	Independent Chairperson
Trish Kirkland	Independent Board Member
Claudia Goldsmith	Independent Member
Kellie Knight-Stacey	Group Manager Governance and Finance, City of Victor Harbor
Elizabeth Williams	General Manager Resources, Alexandrina Council

In Attendance

Lauren McKee	Executive Officer, FRACA
Danielle Leckie	Administration Officer, FRACA

2. Apologies

Nil

3. Conflicts of Interest

Nil

4. Minutes of Previous Meeting

4.1. A&RMC Minutes – 17 September 2021

Motion:	ARMC0116
Moved:	Trish Kirkland
Seconded:	Elizabeth Williams

The Audit & Risk Management Committee endorse the minutes of the meeting held 17 September 2021 as reviewed by the Committee on 22 October 2021.

CARRIED

5. Business Arising

5.1. Audit & Risk Management Committee Annual Work Plan 2021

Motion:	ARMC0117
Moved:	Trish Kirkland
Seconded:	Kellie Knight-Stacey

The Audit & Risk Management Committee:

- *Note the A&RMC Annual Work Plan 2021 as presented on 22 October 2021.*
- *Note the requirement for the full legislative compliance review contained within the workplan.*

- *Recommend that a three-year schedule for ongoing policy review be developed by the Executive Officer once all policy reviews have been completed for implementation in April 2022.*
- *Recommend the Executive Officer prepare a summary report of Committee activity to provide to the Authority Board highlighting outcomes for the 2020-2021 financial year.*

CARRIED

6. Verbal Report

6.1. Introduction to new Chairperson and Independent Member

7. Reports

7.1. Budget Review Q1 2021-2022

Motion: ARMC0118
 Moved: Kellie Knight-Stacey
 Seconded: Elizabeth Williams

The Audit & Risk Management Committee recommend:

- *That the Authority Board, for the period ending 30 September 2021, adopt a Budget Review with an operating deficit of \$748,471 and estimated cash at end of reporting period of \$665,395.*
- *That the Authority Board recommend the Budget Review as at 30 September 2021 to Constituent Councils with no amendment to Council contributions at this stage.*
- *That future budget reviews include management commentary on the movements between actual to budget, where variations are greater than or equal to 5% or \$5,000, on a line-by-line basis.*

CARRIED

7.2. Risk Management Framework

Motion: ARMC0119
 Moved: Claudia Goldsmith
 Seconded: Kellie Knight-Stacey

The Audit & Risk Management Committee recommend the Executive Officer seek a revised Risk Management Services proposal from MLS for presentation to the Board to facilitate the development of a fit-for-purpose risk appetite statement, risk management policy, and strategic risk register, including the recording of risk mitigation strategies.

CARRIED

7.3. Public Resolutions Register

Motion: ARMC0120
 Moved: Elizabeth Williams
 Seconded: Claudia Goldsmith

The Audit & Risk Management Committee receive and note the Public Resolutions Register report and attachments.

CARRIED

7.4. Policy Review – Asset Accounting

Motion: ARMC0121
Moved: Kellie Knight-Stacey
Seconded: Claudia Goldsmith

The Audit & Risk Management Committee recommend that the Executive Officer undertake a review the Authority Asset Register to identify asset classes and subcategories to inform the asset revaluation Request for Quote and provide an update in January 2022, to the Committee for review and recommendation to the Board.

CARRIED

7.5. Policy Review - Delegations

Motion: ARMC0122
Moved: Elizabeth Williams
Seconded: Trish Kirkland

The Audit & Risk Management Committee recommend to the Authority Board the adoption of the Delegations policy as reviewed and amended by the Committee on 22 October 2021.

CARRIED

7.6. Policy Review – Internal Financial Controls

Motion: ARMC0123
Moved: Claudia Goldsmith
Seconded: Elizabeth Williams

The Audit & Risk Management Committee:

- *Recommend to the Authority Board the adoption of the Internal Financial Controls policy as reviewed and amended by the Committee on 22 October 2021.*
- *Recommend that the Executive Officer review the Better Practise Model Internal Financial Controls and provides a list of financial internal controls to the Committee for review to facilitate the implementation of an effective internal control system, including a database of the Authority's identified internal financial risks and associated controls. The Committee will be updated regularly to ensure all controls are current and appropriate once implemented.*
- *Request the Executive Officer add Review of Internal Financial Controls to the Authority Work Plan as an annual activity.*

CARRIED

7.7. Policy Review – Treasury Management

Motion: ARMC0124
Moved: Elizabeth Williams
Seconded: Kellie Knight-Stacey

The Audit & Risk Management Committee:

- *Recommend to the Authority Board the adoption of the Treasury Management policy as reviewed and amended by the Committee on 22 October 2021.*
- *Request that the Executive Officer add Treasury Report to the Authority Work Plan as an annual activity.*

CARRIED

8. Confidential Reports

8.1. YMCA Q1 Operational Report

Motion: ARMC0125
Moved: Elizabeth Williams
Seconded: Trish Kirkland

Pursuant to section 90(2) of the Local Government Act 1999, the Committee orders that all members of the public be excluded, with the exception of the Executive Officer and minute taker, on the basis that it will receive and consider item 8.1 YMCA Q1 Operational Report.

The Committee is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

Accordingly, the Committee is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

CARRIED

Motion: ARMC0126
Moved: Kellie Knight-Stacey
Seconded: Elizabeth Williams

The Audit & Risk Management Committee receive and note the YMCA Q1 Operational Report.

CARRIED

8.2. Audit & Risk Management Committee Confidential Minutes – 17 September 2021

Motion: ARMC0127
Moved: Trish Kirkland
Seconded: Elizabeth Williams

The Audit & Risk Management Committee endorse the confidential minutes of the meeting held 17 September 2021.

CARRIED

8.3. Confidential Resolutions Register

Motion: ARMC0128
Moved: Kellie Knight-Stacey
Seconded: Claudia Goldsmith

The Audit & Risk Management Committee receive and note the Confidential Resolutions Register report.

CARRIED

9. Next Meeting: 21 January 2022

10. Meeting Closed: 15:18

It should be noted that in accordance with the legal advice received by the Authority dated 26 August 2020, all reports, minutes, attachments, and associated documents from items deliberated by the Authority in confidence, will automatically remain in confidence in perpetuity, unless a resolution of the Board is made to release such items. Items may also be removed from confidence under delegation. At the conclusion of each agenda item that is considered by the Authority in confidence, the default position is for the return to open / public meeting, until such time as a further resolution is made to return to confidential meeting procedures.