



**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD IN THE  
LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,  
34 CHURCH STREET, SALISBURY ON**

**12 APRIL 2022**

**MEMBERS PRESENT**

Cr G Reynolds (Chair)  
Cr K Grenfell (Deputy Chair)  
Ms P Davies  
Mr N Ediriweera – via video conference  
Mr C Johnson – via phone and then video conference

**OBSERVERS / PRESENTERS**

Mr T Muhlhausler, Partner, Galpins – via video conference

**STAFF**

Chief Executive Officer, Mr J Harry  
General Manager Business Excellence, Mr C Mansueto  
Manager Governance, Mr R Deco  
Team Leader Corporate Governance, Mr B Kahland  
Internal Auditor & Risk Coordinator, Mr H Rafeeu  
Team Leader Council Governance, Ms J O’Keefe-Craig  
General Manager City Infrastructure, Mr J Devine  
Manager Financial Services, Ms K George  
Director Business Transformation, Ms J Emerson

The meeting commenced at 6:35pm.

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

**APOLOGIES**

Nil.

**LEAVE OF ABSENCE**

Nil

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## PRESENTATION OF MINUTES

Moved Cr K Grenfell  
Seconded Ms P Davies

The Minutes of the Audit and Risk Committee Meeting held on 16 February 2022, be taken as read and confirmed.

**CARRIED**

## REPORTS

*With Leave of the Meeting, the Chair changed the order of the Agenda Items to accommodate presenters, with the order set as listed below.*

### *Administration*

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

*(please note there are no forward reports as a result of a Council resolution to be listed at this time)*

#### **7.0.2 Actions List**

Moved Cr K Grenfell  
Seconded Ms P Davies

That Council:

1. Notes the report.

**CARRIED**

#### **A&R-OB1 - Presentation on Business Transformation Project** *(No Report - Verbal Presentation)*

City of Salisbury, Director Business Transformation gave a verbal update on Business Transformation.

#### **Note:**

Tim Muhlhausler, Partner at Galpins, proceeded by expressing his appreciation of the Business Transformation presentation, as part of his pre-amble on the Galpins audit report on Capital Works Project Audit. Mr Muhlhausler stated that he found the Business Transformation project presentation very interesting, and that he considers City of Salisbury to be one of the more entrepreneurial and progressive councils in South Australia, which has been demonstrated in a range of different ways from the Civic Centre to water project and other industry leading activities.

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*For Decision*

**7.1.3 Internal Audit Report on Capital Works Projects Audit**

Moved Ms P Davies  
Seconded Cr K Grenfell

That Council:

1. Notes the final audit report for the Capital Works Projects audit with management comments as set out in Attachment 1 to this report (Audit & Risk Committee, 12 April 2022, Item No.7.1.3), and
2. Notes that Administration will circulate the full audit report to the Audit & Risk Committee Members out of session, covering missing pages in Attachment 1 to this report (Audit & Risk Committee, 12 April 2022, Item No.7.1.3), and seek any further concerns or issues to be noted by Audit & Risk Committee.

**CARRIED**

*Mr. T Muhlhausler left the meeting at 7:48 pm.*

*For Decision*

**7.2.1 Interim Strategic Asset Management Plan - Process Review**

Moved Ms P Davies  
Seconded Mr C Johnson

That Council:

1. Notes that the Audit and Risk Committee has reviewed and endorses for Council's approval the Interim Strategic Asset Management Plan process as included in Attachment 2 – Draft Interim Strategic Asset Management Plan 2022 (Audit and Risk Committee – 12 April 2022 – Item No 7.2.1– Interim Strategic Asset Management Plan – Process Review) and notes the content of the Interim Strategic Asset Management Plan provides alignment between the City Plan and Long Term Financial Plan as part of the City of Salisbury Strategic Management Plans, pursuant section 126(4)ab) of the *Local Government Act 1999*.

**CARRIED**

*Cr K Grenfell left the meeting at 8:24 pm.*

*Cr K Grenfell returned to the meeting at 8:30 pm.*

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**A&R-OB2 - Presentation on Long Term Financial Plan (*Verbal Presentation*)**

City of Salisbury, Manager Financial Services provided a presentation on the Long Term Financial Plan, prior to the Audit and Risk Committee considering item 7.1.7.

**BREAK**

In accordance with the Code of Practice for Meeting Procedures, the Chair provided a break to all present. The meeting was suspended at 9:22 pm.

The meeting reconvened at 9:30 pm.

*For Decision*

**7.1.1 Audit & Risk Committee Annual Work Plan 2022/2023**

Moved Ms P Davies

Seconded Mr C Johnson

That Council:

1. Approves the revised Audit & Risk Committee Annual Work Plan for the next financial year 2022/2023 and changes to the remaining reporting period 2021/2022 as set out in Attachment 1 to this report (Audit & Risk Committee, 12 April 2022, Item No.7.1.1).

**CARRIED**

**7.1.2 3-Year Internal Audit Plan 2022/23-2024/25**

Moved Ms P Davies

Seconded Cr K Grenfell

That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2022/2023 to 2024/2025 as set out in Attachment 1 to this report (Audit and Risk Committee, 12/04/2022, Item No.7.1.2).
2. Approved the accompanying high-level indicative scope for pending audits as set out in Attachment 2 of this report (Audit and Risk Committee, 12/04/2022, Item No.7.1.2).

**CARRIED**

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#### 7.1.4 Outstanding Actions Arising From Internal Audits

Moved Ms P Davies  
Seconded Mr C Johnson

That Council:

1. Notes the update in this report and the full Internal Audit Log Actions Register in Attachment 1 to this report (Audit Committee, 12/04/2022, Item No.7.1.4).

**CARRIED**

#### 7.1.5 Risk Management and Internal Controls Activities

Moved Ms P Davies  
Seconded Cr K Grenfell

That Council:

1. Notes the update on Risk Management and Internal Control Activities for 2021/2022 since the 16<sup>th</sup> February 2022 Audit & Risk Committee meeting, as set out in Attachment 1 to this report (Audit & Risk Committee, 12/04/2022, Item No.7.1.5).
2. Notes the Strategic Risk Register as set out in Attachment 2 to this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.5).

**CARRIED**

#### 7.1.6 Audit & Risk Committee Performance Self-Assessment Survey Outcome

Moved Cr K Grenfell  
Seconded Ms P Davies

That Council:

1. Notes the report.

**CARRIED**

**7.1.7 Draft 2022/23 Long Term Financial Plan and Annual Business Plan**

Moved Ms P Davies

Seconded Mr C Johnson

That Council:

1. Notes that the Audit Committee has reviewed the Council’s Draft 2022/23 Long Term Financial Plan and Annual Business Plan in accordance with S126(4) (ab) of the *Local Government Act 1999*.
2. Adopts the Audit and Risk Committee’s recommendation that Council adopt a 3.9% rate increase for 2022/23, and the long term financial plan be set at CPI+0.6% (consistent with scenario 1 in paragraph 7, of Audit and Risk Committee meeting 12 April 2022, Item 7.1.7).
3. Notes that the rate increase of 3.9% is reflective of the December 2021 Adelaide Actual CPI of 3.3% + 0.6% and that this is consistent with the long term approach taken in our Long Term Financial Plan noting that in the event of a CPI above 4 % for the March quarter, 3.9 % remains an acceptable position, and that:
  - a. further consideration be given to addressing service levels that support the continued financial sustainability of Council, to align to the work being undertaken on the Strategic Asset Management Plan.

**CARRIED**  
UNANIMOUSLY

**QUESTIONS ON NOTICE**

There were no Questions On Notice.

**QUESTIONS WITHOUT NOTICE**

Nil

**MOTIONS ON NOTICE**

There were no Motions On Notice.

**MOTIONS WITHOUT NOTICE**

Nil

**OTHER BUSINESS**

Nil

The meeting closed at 10:02pm.

CHAIRMAN.....

DATE.....