

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 19 OCTOBER 2020
63 MT BARKER ROAD STIRLING**

In Attendance**Members:**

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member (from 6.06pm)
David Moffatt	Independent Member
Paula Davies	Independent Member
Councillor Leith Mudge	Council Member

In Attendance:

Andrew Aitken	Chief Executive Officer
Terry Crackett	Director Corporate Services
John McArthur	Acting Director Infrastructure & Operations
David Waters	Director Community Capacity
Lachlan Miller	Executive Manager Governance & Performance
David Collins	Manager Strategic Assets
Mike Carey	Manager Financial Services
James Sinden	Manager Information Services
Sharon Leith	Sustainability Coordinator
Daniel Souter	Team Leader ICT
Steven Watson	Governance and Risk Coordinator Minute Taker

Guests in Attendance:

Tim Muhlhausler	Partner - Galpins
Scott Belcher	Information Security Consultant - Cyber CX

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1. COMMENCEMENT

The meeting commenced at 6.03pm

2. APOLOGIES/LEAVE OF ABSENCE

2.1. Apology

Nil

2.2. Leave of Absence

Nil

2.3. Absent

Nil

3. MINUTES OF PREVIOUS MEETINGS

3.1. Audit Committee Meeting – 17 August 2020

Moved David Moffatt

S/- Cr Leith Mudge

44/AC20

That the minutes of the Ordinary Council meeting held on 17 August 2020, as supplied, be confirmed as an accurate record of the proceedings of that meeting.

Carried Unanimously

4. DELEGATION OF AUTHORITY

- 4.1.** In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers. The Recommendations in Item(s) 6.1, 6.2 and 7.1 are to be submitted to Council for consideration.

5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF AUDIT COMMITTEE

5.1. Nil

Peter Brass joined the meeting at 6.06pm.

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6. OFFICER REPORTS – DECISION ITEMS

6.1. 2019 – 2020 General Purpose Financial Statements

6.28pm - the meeting went in camera with members of the Administration leaving the room.

6.38pm - members of the Administration re-joined the meeting.

Moved Paula Davies

S/- Cr Leith Mudge

45/AC20

The Audit Committee resolves:

- 1. That the report be received and noted.**
- 2. That in accordance with Section 126(4)(a) of the Local Government (Financial Management) Regulations 1999, the Audit Committee advises Council that it has reviewed:**
 - a) the General Purpose Financial Statements of the Council for the financial year ended 30 June 2020 as contained in Appendix 1, and**
 - b) the External Auditor Galpins' Audit Clearance Report as contained in Appendix 2,**
 - c) and is satisfied that the 2019-20 financial statements present fairly the state of affairs of the Council.**
- 3. Considers that the Adelaide Hills Council 2019-20 General Purpose Financial Statements, contained in Appendix 1, may be certified by the Chief Executive Officer and the Mayor.**
- 4. That it notes the confirmation of Galpins Auditor Independence Statement provided as Appendix 3 and considers that the Certification of Auditor Independence statement contained in Appendix 4 can be certified by the Chief Executive Officer and the Presiding Member of the Audit Committee in accordance with the requirements of Regulation 22(3) of the Local Government (Financial Management) Regulations 2011.**

Carried Unanimously

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6.2. Draft Road Footpath and Kerb Asset Management Plans 2020

Moved Peter Brass
S/- Paula Davies

46/AC20

The Audit Committee resolves:

1. That the report be received and noted
2. To recommend to Council that the Draft Road, Footpath and Kerb Asset Management Plan 2020 as contained in (Appendix 1) be released for community consultation.

Carried Unanimously

6.3. Climate Change Adaptation Governance Assessment Update

Moved David Moffatt
S/- Cr Leith Mudge

47/AC20

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

6.4. Report Action Report & Work Plan Update

Moved David Moffatt
S/- Peter Brass

48/AC20

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

6.5. PRESENTATION – Directorate Risk Presentation, Director Community Capacity

Moved Peter Brass
S/- Paula Davies

49/AC20

The Audit Committee thanks the Director Community Capacity for his presentation.

Carried Unanimously

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7. CONFIDENTIAL ITEMS

RELEASED 20 FEBRUARY 2023

7.1. Cyber Security Audit – Exclusion of the Public

Moved Paula Davies
S/- Cr Leith Mudge

50/AC20

Pursuant to section 90(2) of the *Local Government Act 1999* the Audit Committee (the Committee) orders that all members of the public, except:

- CEO, Andrew Aitken
- Director Corporate Services, Terry Crackett
- Director Community Capacity, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Manager Financial Services, Mike Carey
- Manager Information Services, James Sinden
- Team Leader ICT, Daniel Souter
- Governance & Risk Coordinator, Steven Watson
- Information Security Consultant - Cyber CX, Scott Belcher

be excluded from attendance at the meeting for Agenda Item 7.1: Cyber Security Audit in confidence.

The Committee is satisfied that it is necessary that the public, with the exception of the persons in attendance as specified in (a) above, be excluded to enable the Committee to consider the report at the meeting on the following grounds:

Section 90(3)(e) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person, the disclosure of which could reasonably be expected to create an awareness of Council's cyber security vulnerabilities and potentially lead to exploitation of those vulnerabilities resulting in loss/damage to information, breach of confidentiality and service continuity disruption.

Accordingly, on this basis the principle that meetings of the Committee should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

Carried Unanimously

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RELEASED 20 FEBRUARY 2023

7.2. Cyber Security Audit – Confidential Item

**Moved Cr Leith Mudge
S/- Paula Davies**

51/AC20

The Audit Committee resolves:

- 1. That the report be received and noted.**
- 2. To note that the matters identified in the Cyber Security Audit report will be incorporated into the development of a Council Cyber Security Plan which will be brought to the May 2021 meeting of the Audit Committee.**
- 3. Recommends that the Cyber Security Plan be presented to Council for approval no later than June 2021.**
- 4. Recommends to Council that the report contemplated in part 2 will include a response to each of the recommendations in the Cyber Security Audit identifying how the matter will be mitigated.**

Carried Unanimously

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RELEASED 20 FEBRUARY 2023

7.3. Cyber Security Audit – Period of Confidentiality

Moved Peter Brass
S/- Cr Leith Mudge

52/AC20

The Audit Committee resolves:

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing the Committee's decision(s) in this matter in the performance of the duties and responsibilities of office, the Committee, having considered Agenda Item 8.1 in confidence under sections 90(2) and 90(3)(e) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report related attachments and the minutes of the Committee and the discussion and considerations of the subject matter be retained in confidence until the control deficiencies are mitigated.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Committee delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

8. NEXT MEETING

The next ordinary meeting of the Audit Committee will be held on Monday 16 November 2020 from 6.00pm at 63 Mt Barker Road, Stirling.

9. CLOSE MEETING

The meeting closed at 8.24pm