

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF MEETING  
MONDAY 15 NOVEMBER 2021  
63 MT BARKER ROAD STIRLING**

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**In Attendance**

**Members:**

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member
David Moffatt	Independent Member
Natalie Johnston	Independent Member
Councillor Leith Mudge	Council Member

**In Attendance:**

Andrew Aitken	Chief Executive Officer
Peter Bice	Director Infrastructure & Operations
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services
David Collins	Manager Strategic Assets
Kira-marie Laverty	Corporate Planning & Performance Coordinator
Steven Watson	Governance and Risk Coordinator Minute Taker

**Guests in Attendance:**

Nil	
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**1. COMMENCEMENT**

The meeting commenced at 6.30pm.

**1.1. Acknowledgement of Country**

Council acknowledges that we meet on the traditional lands and waters of the Peramangk and Kaurna people. We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land. Together we will care for this country for the generations to come.

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**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 – 18 October 2021**

Moved Peter Brass  
S/- Natalie Johnston

**53/AC21**

**That the minutes of the Audit Committee meeting held on 18 October 2021 as supplied, be confirmed as an accurate record of the proceedings of that meeting.**

<b>Carried Unanimously</b>
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**4. Delegation of Authority**

In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers. The Recommendations in **Item(s) 7.3, 7.4 and 7.9** are to be submitted to Council for consideration.

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

**5.1. Material Conflict of Interest, Cr Malcolm Herrmann, Item 7.1**

Under Section 74 of the *Local Government Act 1999* Cr Malcom Herrmann disclosed a Material Conflict of Interest in Item 7.1, CWMS Expansion, the nature of which is as follows:

- I own property which is connected to the CWMS and as a result of any discussion and or decision I may receive a benefit or suffer a loss.

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Cr Malcolm Herrmann intends to leave the meeting when this item is discussed.

**5.2. Material Conflict of Interest, Cr Malcolm Herrmann, Item 7.2, CWMS Service Charge Fee Adjustment**

Under Section 74 of the *Local Government Act 1999* Cr Malcom Herrmann disclosed a Material Conflict of Interest in Item 7.2, CWMS Service Charge Fee Adjustment, the nature of which is as follows:

- I own property which is connected to the CWMS and as a result of any discussion and or decision I may receive a benefit or suffer a loss.

Cr Malcolm Herrmann intends to leave the meeting when this item is discussed.

**6. PRESENTATIONS, ACTION REPORT & WORKPLAN**

**6.1. Director Infrastructure & Operations Risk Presentation**

The Committee thanked the Director Infrastructure & Operations for his Risk presentation.

**6.2. Action Report and Work Plan Update**

**Moved David Moffatt  
S/- Cr Leith Mudge**

**54/AC21**

**The Audit Committee resolves:**

- 1. That the report be received and noted.**
- 2. That the status of the Action Report and Work Plan be noted.**
- 3. The draft Audit Committee Work Plan 2022, at Appendix 3, be adopted.**

<b>Carried Unanimously</b>
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**7. OFFICER REPORTS – DECISION ITEMS**

7.09pm Cr Malcolm Herrmann declared a Material Conflict of Interest at Agenda Item 5, Declaration of Interest by Members in relation to Items 7.1 and 7.2 and left the meeting and did not participate in the vote for Item 7.1 and Item 7.2.

7.09pm Peter Brass assumed the role of Presiding Member.

**7.1. CWMS Expansion**

Moved Cr Leith Mudge  
S/- Natalie Johnston

**55/AC21**

The Audit Committee resolves:

1. That the report be received and noted
2. That it supports Council's withdrawal from the current LGA CWMS Subsidy Scheme Program

<b>Carried</b>
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**7.2. CWMS Service Charge Fee Adjustment**

Moved Cr Leith Mudge  
S/- David Moffatt

**56/AC21**

The Audit Committee resolves:

1. That the report be received and noted
2. That it endorses the adjustment of the CWMS 21-22 Service Charge Fee and return of the savings to customers.

<b>Carried</b>
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7.29pm Cr Herrmann returned to the meeting and Presiding Member role.

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**7.3. End of Year Financial Report**

Moved Peter Brass  
S/- Natalie Johnston

**57/AC21**

The Audit Committee resolves:

1. That the report be received and noted
2. To recommend to Council that the Audited 2020-21 Financial Results compared to Budget contained within this report have been appropriately considered.

<b>Carried</b>
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**7.4. Draft Annual Report**

Moved Peter Brass  
S/- David Moffatt

**58/AC21**

The Audit Committee resolves:

1. That the report be received and noted
2. To advise Council that the Committee has reviewed the Draft *2020-21 Annual Report*, as contained in *Appendix 1*, in terms of the reports adequacy in meeting its legislative requirements.
3. That, on the basis of the Committee's review, to recommend the Annual Report to Council for adoption.

<b>Carried Unanimously</b>
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**7.5. Audit Committee Self-Assessment 2021**

Moved Natalie Johnston  
S/- Cr Leith Mudge

59/AC21

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

<b>Carried Unanimously</b>
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**7.6. LGRS Risk Evaluation 2019 – Action Plan Review**

Moved Natalie Johnston  
S/- David Moffatt

60/AC21

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

<b>Carried Unanimously</b>
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**7.7. Audit Action Implementation Report**

Moved Peter Brass  
S/- Natalie Johnston

61/AC21

The Audit Committee resolves:

1. That the report be received and noted
2. To note the implementation status of Internal and External Audit actions.

<b>Carried Unanimously</b>
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**7.8. Internal Audit Quarterly Update**

Moved Natalie Johnston  
S/- Cr Leith Mudge

**62/AC21**

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

<b>Carried</b>
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**7.9. Budget Review 1**

Moved Peter Brass  
S/- Cr Leith Mudge

**63/AC21**

The Audit Committee resolves:

1. That the report be received and noted.
2. To recommend to Council the proposed budget adjustments presented in Budget Review 1 which result in:
  - a. An increase in the Operating Surplus from \$957k to \$1.115m for the 2021-22 financial year.
  - b. Changes to Capital Works, reducing capital income by \$259k and increasing capital expenditure by \$757k for the 2021-22 financial year resulting in a revised capital expenditure budget for 2021-22 of \$27.236m.
  - c. An increase in Council's current Net Borrowing Result from \$6.460m to \$7.348m for the 2021-22 financial year as a result of the proposed operating and capital adjustments.

<b>Carried Unanimously</b>
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**7.10. Risk Management Plan Update**

Moved Peter Brass  
S/- Cr Leith Mudge

**64/AC21**

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

<b>Carried Unanimously</b>
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**8. CONFIDENTIAL ITEMS**

Nil

**9. NEXT MEETING**

The next ordinary meeting of the Audit Committee will be held on Monday 14 February 2022 from 6.30pm at 63 Mt Barker Road, Stirling.

**10. CLOSE MEETING**

The meeting closed at 8.17pm