

**MINUTES OF CITY OF MOUNT GAMBIER
SPECIAL AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT
GAMBIER
ON MONDAY, 11 SEPTEMBER 2023 AT 5.33 P.M.**

PRESENT: Mr Paul Duka, Mayor Lynette Martin (OAM), Cr Paul Jenner, Mr Alexander Brown (virtual), Ms Belinda Johnson (virtual)

OFFICERS IN ATTENDANCE:	Chief Executive Officer	- Mrs S Philpott
	General Manager Corporate and Regulatory Services	- Mrs J Fetherstonhaugh
	Manager Financial Services	- Mrs J Scoggins
	Executive Administrator	- Mrs A Pasquazzi

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGY(IES)

Nil

3 QUESTIONS WITHOUT NOTICE

Nil resolved

Mr Alexander Brown left the meeting at 5:38 pm

Mr Alexander Brown returned to the meeting at 5:38 pm

4 REPORTS

4.1 REVIEW OF COUNCIL POLICIES - UPDATE

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin

Seconded: Cr Paul Jenner

1. That Audit and Risk Committee Report No. AR23/59098 titled 'Review of Council Policies - Update' as presented on 11 September 2023 be noted.
2. That the P415 - Prudential Management Policy as attached to Report No. AR23/59098, having been reviewed by the Audit and Risk Committee on 11 September 2023, be adopted with the following amendments:
 - Add clause 8.4 - section 48 (4) states that the person should be independent with the relevant qualifications. In addition that the person/organisation should be external to Council



- Definitions - Prudential Project noting that the legislation is very broad in section 48(1)(b)
 - Roles and Responsibilities - the role of audit and risk committee is to receive any prudential reports and provide advice to Council
 - Objectives - include an additional objective to inform Council of risks and opportunities the project may bring
 - 8.1 - add operational risks to the financial risk section
 - 8.3 - Benefits - include 'whole of life benefits/revenue'
 - Any associated amendments
3. That the Asset Accounting Policy as attached to Report No. AR23/59098, having been reviewed by the Audit and Risk Committee on 11 September 2023, be adopted with the following amendments:
- Include a definition for componentisation and include an associated additional clause
 - Definition of gift assets should be expanded to include assets purchased by a party other than Council
 - 7.4 - change to reflect useful lives to be reviewed as required
 - 7.5 - Include a comment below in between the frequencies stated above to incorporate changes to unit rates to ensure that the financial impact of valuations is minimized
 - 7.5 - frequency of valuation - change Land to every 4 years and include artworks as an asset category, external valuer and frequency of 4 yearly.
 - 7.5 - include revaluations may occur more frequently as required
4. That the Internal Controls Policy as attached to Report No. AR23/59098, having been reviewed by the Audit and Risk Committee on 11 September 2023, be adopted with the following amendments:
- 5.5 - third dot point - change to raise concerns with management staff and Council
 - 5.6 - liabilities to read 'the incurring of liabilities' and create a new paragraph noting that the external auditor will provide an audit opinion as to whether the controls are sufficient to provide reasonable assurance that the financial transactions of the council have been conducted properly and in accordance with the law
 - The policy be updated to reflect the two year frequency of a full review of the internal controls
 - A rolling program to assess and monitor the internal financial controls be included in the policy
 - To include in the policy a clause which outlines the basis for interim or ad hoc internal financial control reviews
 - To workshop the rolling program of internal financial controls as part of the review of the Audit and Risk committee annual works program
5. That the new External Grant Funding Policy as attached to Report No. AR23/59098, having been reviewed by the Audit and Risk Committee on 11 September 2023, be adopted with the following amendments:
- 3.1 - this policy applies to all grants that require applications to be made, that are not contemplated in Councils adopted budget or where there is a requirement to have a Council resolution
6. That the Chief Executive Officer or Delegate be authorised to make any necessary changes to the policies arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design that do not materially alter the integrity of the document.

CARRIED



4.2 INFRASTRUCTURE VALUATION

COMMITTEE RESOLUTION

Moved: Paul Duka

Seconded: Alexander Brown

1. That Audit and Risk Committee Report No. AR23/60163 titled 'Infrastructure Valuation' as presented on 11 September 2023 be noted.

CARRIED

5 MOTIONS WITHOUT NOTICE

Nil

6 MEETING CLOSE

The Meeting closed at 7:33 pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee held on 30 October 2023.

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PRESIDING MEMBER

