

Advice/Recommendation of the Audit Committee – 3/5/2019

ITEM 14.1.2 14/05/2019
Council

Program Contact:

Jacki Done, AD People & Governance 820 56

Approving Officer:

Cee Mockle, Director of Community

2018/04062

Confidential - s 90(3) (i) litigation

EXECUTIVE SUMMARY:

The Audit Committee plays a critical role supporting the Council and Chief Executive Officer in the financial reporting framework of Council, by overseeing and monitoring the participation of management and external auditors in the financial reporting process. It also addresses issues such as the approach being adopted by Council and management to address business risks, corporate and financial governance responsibilities and legal compliance.

The Audit Committee held a meeting on Friday, 3 May 2019 and is required to report to Council after every meeting to identify and present advice and recommendations. A deliberation of the Audit Committee in confidence for the Update on Activities of the Strategic Risk and Internal Audit Group Meetings required the report presented to the Committee also be provided to this meeting of Council in confidence.

The full Agenda for the 3 May 2019 meeting, including the confidential report Update on Activities of the Strategic Risk and Internal Audit Group Meetings - can be viewed [here](#).

Update on Activities of the Strategic Risk and Internal Audit Group Meetings - Grounds and Basis for consideration in Confidence

Consideration in confidence is sought because the report includes information disclosure of which could reasonably be expected to prejudice the outcome of Council's action in litigation.

RECOMMENDATION:

THAT COUNCIL

1. Notes the report of the meeting of the Audit Committee held on 3 May 2019.
2. In accordance with Section 91(7) & (9) of the Local Government Act 1999 (SA) and because Item 14.1.2 [Recommendation/Advice of Audit Committee – 3/5/2019] listed on the Agenda for the meeting of the Council held on 14 May 2019 was received, discussed and considered in confidence pursuant to Section 90(3) (i) of the Local Government Act 1999 (SA), this meeting of the Council do order that:
 - 2.1. the resolution become public information and included in the Minutes of the meeting.
 - 2.2. the report, the discussion and any other associated information submitted to this meeting in relation to the matter remain confidential and not available for public inspection until December 2026.
 - 2.3. the confidentiality of the matter be reviewed in December 2020.
 - 2.4. the Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

Update on Activities of the Strategic Risk and Internal Audit Group Meetings

ITEM 10.1 03/05/2019
Audit Committee

2012/00053

Confidential - s 90(3) (i) litigation

Program Contact:

Jacki Done, AD - People &
Governance 203 7 6

Approving Officer:

Clare Mockler, Director
Community

EXECUTIVE SUMMARY:

This update reports on the activities of the Executive Strategic Risk and Internal Audit Group (SRIA Group) and is intended to provide the Audit Committee with relevant information on Council's risks and other associated matters, as tabled at the monthly SRIA Group meetings.

Consideration in confidence is sought because the report includes information disclosure of which could reasonably be expected to prejudice the outcome of Council's actual litigation.

RECOMMENDATION:

That Audit Committee:

1. Receives and notes the report
2. The report is provided to the next meeting of the Council as part of the confidential report of the Audit Committee meeting.
3. In accordance with Section 91(7) - (9) of the *Local Government Act 1999* and on the grounds that Item 10.1 listed on the Agenda for the meeting of the Audit Committee held on 3 May 2019 was received, discussed and considered in confidence pursuant to section 90(3) (i) of the *Local Government Act 1999*, this meeting of the Audit Committee, decides that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting
 - 3.2. The report, the decision and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection under 31 December 2026
 - 3.3. The confidentiality of the matter be reviewed in December 2019 and
 - 3.4. The Chief Executive Officer be delegated to authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	Strategic Alignment - Corporate Activities The role of the City of Adelaide is diverse and complex. Our core role is to deliver services to the community as a leader, service provider, regulator, advocate, facilitator and owner of assets.
Policy	Alignment with the City of Adelaide Enterprise Risk Management Framework
Consultation	Not in relation to this report.
Resource	Not in relation to this report.
Risk / Legal / Legislative	Sound risk and opportunity management enables will informed decision making and supports the delivery of the Strategic Plan
Opportunities	Sound risk and opportunity management enables well informed decision making and supports the delivery of the Strategic Plan
18/19 Budget Allocation	Not in relation to this report.
Proposed 19/20 Budget Allocation	Not in relation to this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not in relation to this report.
18/19 Budget Reconsideration (if applicable)	Not in relation to this report.
Ongoing Costs (eg maintenance cost)	Not in relation to this report.
Other Sources	Not in relation to this report.

GROUND S AND BASIS FOR CONSIDERATION IN CONFIDENCE

Grounds:

Section 90(3) (i) of the *Local Government Act 1999* [litigation]

- (i) Information relating to the actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.

Basis:

This Item is of a confidential nature because the report includes information on Council litigation.

The disclosure of information in this report could reasonably be expected to prejudice the outcome of Council's actual litigation.

DISCUSSION

1. The Chief Executive Officer's Strategic Risk and Internal Audit Group (the SRIA Group) is responsible for:
 - 1.1. Developing and overseeing Enterprise Risk Management in its practical application with the Corporation
 - 1.2. Ensuring early, quick and clear escalation of strategic risks and emerging issues to key decision makers
 - 1.3. Ensuring appropriate controls are in place to adequately manage and monitor strategic risks and emerging issues
 - 1.4. Ensuring the sufficiently mitigated matters return to routine operations management and
 - 1.5. Identifying and communicating key learnings and ensuring the relevant processes are reviewed for continuous improvement.
2. The Terms of Reference for both SRIA Group and the Audit Committee require regular updates on activities of the SRIA Group to be provided to the Audit Committee.
3. This report provides an update on the activities of the SRIA Group and is intended to provide the Audit Committee with relevant information on Council's risks and other associated matters, as tabled at the monthly SRIA Group meetings.
4. Since the last Audit Committee Report on the activities of the SRIA Group, tabled at the 22 February 2019 Audit Committee meeting, the SRIA Group has met two times on 13 March 2019 and 10 April 2019. At these meetings, the SRIA Group considered the following items:
 - 4.1. Internal Audit:
 - 4.1.1. Internal Audit Scopes approved:
 - 1.1.1. Environmental Health Management
 - 1.2. Customer Focus
 - 4.1.2. Internal Reports:
 - 4.2.1. Confidentiality Orders Review
 - 4.1.2. Records Management Review
 - 4.1.3. Credit Card Compliance
5. The Corporate Strategic Risk and Opportunity Register 2017/2018 (the Register) is a living document, developed following executive consultation and a series of executive workshops. The purpose of the Register is to assist the Executive Leadership Team with the delivery of a successful Strategic Plan, to inform the allocating of resources and to inform the City of Adelaide Internal Audit Plan. The most recent executive workshop was held on 26 March 2018 and the latest update of the register was discussed at the 10 April 2018 SRIA Group meeting. The following items are currently listed on the register:

- 5.1. Relationships
- 5.2. Economic Outlook
- 5.3. Service Deliver
- 5.4. Compliance
- 5.5. Organisational Culture
- 5.6. City Emergency
- 5.7. Reputation and
- 5.8. Financial Sustainability
6. Matters raised by employees and management included:
 - 6.1. Aquatic Centre - assault
 - 6.2. Aquatic Centre risk assessment
 - 6.3. Appeal to Debt Recovery / Bankruptcy Proceedings
 - 6.4. PDI Act and implications on s221 and s222 LG Act permits
7. SRIA Group Watch List Items – refer [REDACTED]
8. SRIA Group Strategic Issues – refer [REDACTED]
9. Significant or High-Risk Projects – refer [REDACTED]
10. Grievances / Investigations: Nil
11. Ombudsman: Nil
12. Section 270 *Local Government Act 1999* reviews:
 - 12.1. Parking expiations
13. Litigation Report – refer [REDACTED].
14. Relevant Legislation Update Report
15. Whistleblowers: new Public Interest Disclosure Act 2018 will replace the Whistleblowers Protection Act. A review of internal policies will be completed and reported to the Audit Committee. We are currently awaiting the new LGA Guidelines.
16. Freedom of Information Report: an overview of all applications received was considered refer to [REDACTED]

ATTACHMENTS

Nil

- END OF REPORT -

Confidential Item

8. Item 10.1 - Update on Activities of the Strategic Risk and Internal Audit Group Meetings [2012/00053] [AC]

Mr Rudi Deco, Manager Governance, City of Adelaide provided an overview of the report.

Discussion ensued.

CEO Undertaking – Letter to Minister Knoll – PDI Act [AC]

In response to the Lord Mayor, the CEO gave an undertaking to write to Minister Knoll to follow up on the recent meeting held with the Lord Mayor, summarising the issues identified and raised at the meeting and to raise the issue of the PDI Act and the associated implications on s221 and s222 LG Act permits and the reduced role of Council.

It was then –

Moved by the Lord Mayor,
Seconded by Councillor Martin –

THAT THE AUDIT COMMITTEE

1. Receives and notes the report.
2. The report is provided to the next meeting of the Council as part of the confidential report of the Audit Committee meeting.
3. In accordance with Section 91(7) & (9) of the *Local Government Act 1999* and on the grounds that Item 10.1 listed on the Agenda for the meeting of the Audit Committee on 3 May 2019 was received, discussed and considered in confidence pursuant to Section 90(3) of the *Local Government Act 1999*, this meeting of the Audit Committee, do order that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting
 - 3.2. The report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection under 31 December 2026
 - 3.3. The confidentiality of the matter be reviewed in December 2019 and
 - 3.4. The Chief Executive Officer be delegated authority to review and revoke all or part of the order herein and directed to present a report containing the manner in which the confidentiality order has been revoked.

Carried.

INTERNAL MEMO

DATE: 1 April 2019

TO: Strategic Risk & Internal Audit Group
CC:

YOUR REF:

FROM: Katharine Finlay
Freedom of Information Officer

OUR REF: 2015/02953

EXT NO: 131

SUBJECT: Freedom of Information Applications – March 2019

Purpose

To report on the monthly status of Freedom of Information (FOI) applications currently being determined by the Risk & Audit Team.

Background

When an FOI application is received, City of Adelaide has 30 days to make an initial determination as to whether the documents should be released. The determination is made by an Accredited Freedom of Information Officer in accordance with the FOI Act after consultation with any affected third parties and internal staff.

There is a period of 30 days following the determination in which the applicant may appeal a determination made. This internal review is conducted by the Chief Executive Officer, Mark Goldstone, and must be completed within 14 days of receiving the appeal. Following the review determination, the applicant can then appeal to the Ombudsman or SACAT within 30 days if they are still aggrieved by the decision.

Summary

Please find attached a report detailing the active Freedom of Information applications for the period 1 to 31 March 2019.

During this period, there have been eleven (11) active applications.

There have been no Internal or External Review applications.

Applications:

- Seven (7) applications are currently being dealt with.
- One (1) application has had full release of documents.

- One (1) application has had partial release of documents.
- One (1) application has had access refused due to copyright.
- One (1) application has been discontinued due to applicant's failure to narrow its scope.

Reviews:

- Nil.

Consultation by other agencies:

- There has been one (1) consultation by an external agency.

FOI Applications - March 2019

Applicant Name	Applicant Type	Category	Status	Summary	Date Received	Due Date	Date Determined	Outcome	Exemption	Source
	Member of Public	Non-personal	Determined	White Lane, CT 2114/143	25/01/2019	25/02/2019	25/02/2019 (Released 6/03/2019)	Full release.	-	Customer Centre
	Member of Public	Non-personal	Determined	Bankruptcy documents	7/02/2019	12/03/2019	12/03/2019	Applicant failed to narrow scope. Discontinued.	-	Customer Centre
	Media	Non-personal	Determined	PIO 'altercations' with members of the public	21/02/2019	25/03/2019	19/03/2019	Partial release.	Clause 6 - Personal affairs; Clause 16 - Management of personnel.	Central Records
	Member of Public	Non-personal	Determined	Plans for 143-144 South Terrace	27/02/2019	29/03/2019	26/03/2019	Refused Access.	Subject to copyright.	Central Records
	MP	Non-personal	Active	E-scooter applications, correspondence	**NEW** 7/03/2019	8/04/19 EoT to 24/04/19				
	Member of Public	Non-personal	Active	Records relating to expiation	**NEW** 1/03/2019	1/04/2019				
	Agent	Non-personal	Active	Unauthorised works at 318 South Terrace	**NEW** 14/03/2019	15/04/2019				
	Member of Public	Non-personal	Active	Meetings audio	**NEW** 28/03/2019	29/04/2019				
	Member of Public	Non-personal	Active	DA/0836/2016 Plans, correspondence, DNFs	**NEW** 28/03/2019	29/04/2019				
	Media	Non-personal	Active	Briefings and reviews of the 10 Gigabit Adelaide Project since October 2018	**NEW** 29/03/2019	29/04/2019				
	Media	Non-personal	Active	Briefings of the Council's Building Fire & Safety committee since 1 January 2018	**NEW** 29/03/2019	29/04/2019				

FOI Consultations

Applicant Name	Applicant Type	Category	Status	Summary	Date Received	Due Date	Date Determined	Outcome	Exemption	Source
	Govt. Dept.	Non-personal	Determined	Tasman Armitage expiation records	28/03/2019	29/03/2019	29/03/2019	Full release.	-	Email