



AUDIT AND RISK COMMITTEE

Minutes

for the meeting on

Friday, 15 August 2025

in the Colonel Light Room, Adelaide Town Hall

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Our Adelaide.
Bold.
Aspirational.
Innovative.

Present:

Presiding Member	Nicolle Rantanen Reynolds
Committee Members	The Right Honourable the (ex officio) Lord Mayor, Dr Jane Lomax-Smith Mark Davies Simon Rodger Deputy Lord Mayor, Councillor Phillip Martin

1 Acknowledgement of Country

The Presiding Member read the Acknowledgement of Country in Kaurna language.
Deputy Lord Mayor, Councillor Martin entered the Colonel Light Room at 8:30am.

2 Apologies and Leave of Absence

Apology:
Councillor Janet Giles

3 Confirmation of Minutes

Moved by Simon Rodger,
Seconded by Mark Davies -

That the Minutes of the meeting of the Audit & Risk Committee held on 13 June 2025 be taken as read and be confirmed as an accurate record of proceedings.

Carried

4 Declaration of Conflict of Interest

Nil

5 Presiding Member Reports

Nil

The Presiding Member sought leave of the meeting to bring forward Item 12.1 due to the attendance of Internal Auditors KPMG.

Leave was granted

11 Exclusion of the Public

Moved by Simon Rodger,
Seconded by Mark Davies -

ORDER TO EXCLUDE FOR ITEM 12.1

THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (b) of the Local Government Act 1999 (SA), this meeting of the Audit and Risk Committee dated 15 August 2025 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 12.1 [Confidential - Paid Parking Review] listed on the Agenda.

Grounds and Basis

The confidential information in this report contains information that could prejudice the commercial position of the Council in respect to current system limitations. Release of the budget information could prejudice Council's position in respect of its tendering activities and commercial negotiations with a supplier. The Audit and Risk Committee is satisfied that the principle that the meeting be

conducted in a place open to the public has been outweighed because the disclosure of the budget figures and system limitations.

2. Pursuant to section 90(2) of the Local Government Act 1999 (SA) (the Act), this meeting of the Audit and Risk Committee dated 15 August 2025 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 12.1 [Confidential - Paid Parking Review] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (b) of the Act.

Carried

Members of the public and corporation staff not involved with Items 12.1 left the Colonel Light Room at 8:34am.

12.1 Confidential - Paid Parking Review [S90(3) (b)]

CONFIDENTIAL

The meeting re-opened to the public at 8:55am.

6 Workshop

6.1 2025/2026 Long Term Financial Plan (LTFP) Roadmap

Discussion Facilitators:

Natalie Johnston, Associate Director, Finance and Procurement

Nicole Van Berkle, Manager, Financial Planning and Reporting

Precis of Topic: To outline the underpinning parameters, assumptions and the levers available to influence financial outcomes, provide the roadmap for updating the 2025/26 Long Term Financial Plan and to seek Committee Members feedback.

During the discussion, Deputy Lord Mayor, Councillor Martin left the Colonel Light Room at 9:03am and re-entered at 9:07am.

7 Reports

7.1 Presiding Member's Annual Report

Discussion ensued,

It was then –

Moved by Mark Davies,

Seconded by Simon Rodger –

THAT THE AUDIT AND RISK COMMITTEE

1. Receives the Presiding Member's Annual Report for the 2024/25 financial year as contained in Attachment A to Item 7.1 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
2. Notes that the Presiding Members Annual Report for 2024/25 financial year as contained in Attachment A to Item 7.1 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025 will be included in the City of Adelaide's Annual Report as per section 126 (9) of the *Local Government Act 1999* (SA).

Carried

7.2 Q4 2024/25 BP&B Update

Discussion ensued,

It was then –

Moved by Simon Rodger,

Seconded by Deputy Lord Mayor, Councillor Martin –

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Receives the City of Adelaide 2024/25 Business Plan and Budget Quarter 4 Update as contained in Attachment A to Item 7.2 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
2. Notes the 2024/25 end of year preliminary financial position, which includes:
 - 2.1. Total operating revenue of \$243.168m (\$240.099m estimated in Q3)
 - 2.2. Total operating expenses (including depreciation) of \$231.033m (\$230.732m estimated in Q3)
 - 2.3. An operating surplus of \$12.135m (\$9.367m estimated in Q3)
 - 2.4. Total Capital Expenditure of \$101.127m (\$112.909m estimated in Q3)
 - 2.5. Net cash borrowings of \$22.043m, made up of borrowings of \$23.820m offset by cash held within the bank accounts of \$1.777m (\$30.739m borrowings estimated in Q3).
3. Notes results presented are estimates only and subject to completion of the external audit.
4. Notes the audited annual financial statements will be presented to the Audit and Risk Committee meeting on 24 September 2025.

5. Notes the audited financial statements will be presented to the City Finance and Governance Committee at its meeting scheduled for 21 October 2025 and the Council at its meeting scheduled for 21 October 2025.

Carried

7.3 Privacy Policy Review

Discussion ensued,

It was then –

Moved by Simon Rodger,
Seconded by Mark Davies -

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the updated Privacy Policy as contained in Attachment A to Item 7.3 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025 and provides the following feedback:
 - 1.1. That Administration includes and responds to the privacy principles as set out under the Privacy Act 1988 (Cth), within the Privacy Policy.
 - 1.2. That Administration ensures the emerging privacy considerations surrounding the use of AI and CCTV is appropriately addressed.
 - 1.3. That Administration develop and implement an updated training module for staff in relation to obligations under the revised Privacy Policy.

Carried

8 Emerging Key Risks

Nil

9 Independent Member Discussion

Nil

10 Other Business

Nil

11 Exclusion of the Public

Moved by Mark Davies,
Seconded by Simon Rodger -

ORDER TO EXCLUDE FOR ITEM 12.2

THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (k) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee dated 15 August 2025 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 12.2 [Confidential - Provision of External Audit Services - Procurement Plan] listed on the Agenda.

Grounds and Basis

This Item is confidential because the report outlines information and the process relating to the provision of external audit services to Council.

The disclosure of information in this report includes the procurement plan with the evaluation criteria and weightings outlined. Council is due to go to market this year for a new contract. Information released prior could compromise the outcome of the process.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Audit and Risk Committee dated 15 August 2025 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 12.2 [Confidential - Provision of External Audit Services - Procurement Plan] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (k) of the Act.

It was then -

Moved by Simon Rodger,
Seconded by Deputy Lord Mayor, Councillor Martin -

ORDER TO EXCLUDE FOR ITEM 12.3

THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (e) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee dated 15 August 2025 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 12.3 [Confidential - Penetration Testing Internal Audit – CyberCX] listed on the Agenda.

Grounds and Basis

This Item is confidential as it affects the security of the council internal network.

The information in this report could reveal potential vulnerabilities in Council's internal network by highlighting areas where cyber security may need improvement and The Audit and Risk Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Audit and Risk Committee dated 15 August 2025 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 12.3 [Confidential - Penetration Testing Internal Audit – CyberCX] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (e) of the Act.

Members of the public and corporation staff not involved with Items 12.2 and 12.3 left the Colonel Light Room at 10:03am.

12 Confidential Items

12.2 Confidential - Provision of External Audit Services - Procurement Plan [S90(3) (k)]

12.3 Confidential - Penetration Testing Internal Audit - CyberCX [S90(3) (e)]

CONFIDENTIAL

The meeting re-opened to the Public at 10:13am.

Item 12.1 Confidential - Paid Parking Review [s 90(3) [(b)]

Resolution and Confidentiality Order

1. Notes the Paid Parking Review Internal Audit report as contained in Attachment A to Item 12.1 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
2. Endorses the responses of the Administration to the Paid Parking Review Internal Audit report as contained in Attachment A to Item 12.1 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
3. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999* (SA) and on the grounds that Item 12.1 [Paid Parking Review Internal Audit] listed on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025 was received, discussed and considered in confidence pursuant to Section 90 (3) (b) of the *Local Government Act 1999* (SA), this meeting of the Audit and risk Committee, do order that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting.
 - 3.2. The report, and discussion of the meeting in relation to the matter remain confidential and not available for public inspection until 31 December 2026.
 - 3.3. The confidentiality of the matter be reviewed in December 2025.
 - 3.4. 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 received.

Item 12.2 Confidential - Provision of External Audit Services - Procurement Plan [S90(3) (k)]

Confidentiality Order

Authorises that, in accordance with section 91(7) and (9) of the *Local Government Act 1999* (SA) and on the grounds that Item 12.2 [Provision of External Audit Services] listed on the Agenda for the meeting of the Audit Committee held on 15 August 2025 was received, discussed and considered in confidence pursuant to Section 90(3) (k) of the *Local Government Act 1999* (SA), this meeting of the Audit and Risk Committee, do order that:

1. The resolution, report, the discussions 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 until 31 December 2032.
2. The confidentiality of the matter be reviewed in December 2026.
3. 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

Item 12.3 Confidential - Penetration Testing Internal Audit - CyberCX [S90(3) (e)]

Resolution and Confidentiality Order

1. Notes the Penetration Testing Internal Audit report contained in Attachment A to Item 12.3 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
2. Endorses the responses of the Administration to the Penetration Testing Internal Audit report as contained in Attachment B to Item 12.3 on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025.
3. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999* (SA) and on the grounds that Item 12.3 [Confidential Penetration Testing Internal Audit] listed on the Agenda for the meeting of the Audit and Risk Committee held on 15 August 2025 was received, discussed and considered in confidence pursuant to Section 90 (3) (e) of the *Local Government Act 1999* (SA), this meeting of the Audit and Risk Committee, do order that:
 - 3.1. The resolution becomes public information and included in the Minutes of the meeting.
 - 3.2. The report, and discussion of the meeting in relation to the matter remain confidential and not available for public inspection until 31 December 2026.
 - 3.3. The confidentiality of the matter be reviewed in December 2025.

- 3.4. 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 received.

Closure

The meeting closed at 10.15 am

Nicolle Rantanen Reynolds

Presiding Member

Audit and Risk Committee

Documents Attached:

Nil