



MINUTES

of

The Audit Committee meeting of the District Council of Mallala

Pursuant to the provisions of section 88 (1) of the
Local Government Act 1999

HELD IN

**Council Chambers
Redbanks Road
Mallala**

on

Monday, 30 May 2016

The meeting commenced at 4.30 pm

1. ATTENDANCE

1.1 Present

Chairman John Comrie

Mr Peter Fairlie-Jones

Cr Steve Jones

Mayor A J (Tony) Flaherty OAM

Cr Melville Lawrence

Also in attendance for the meeting:

Chief Executive Officer

General Manager – Corporate and Community Services

Finance Coordinator

Governance Officer

External Auditor – Bentley's

Minute Secretary

Mr James Miller

Ms Jo-Ann Tanti

Mr Gary Graham

Ms Sheree Schenk

Mr David Papa (left 5.26 pm)

Ms Andrea Humphrys

1.2 **Apologies**

Nil

1.3 **Not Present / Leave of Absence**

Nil

2. **CONFIRMATION OF MINUTES**

2.1 **Recommendation**

“that the minutes of meeting held on Monday 18 April 2016 (MB Folios 18 to 22, inclusive), be accepted as read and confirmed.”

2.1 **Committee Resolution**

2016/ 007

Moved Cr Lawrence Seconded Mr Fairlie-Jones

“that the minutes of meeting held on Monday 18 April 2016 (MB Folios 18 to 22, inclusive), be accepted as read and confirmed.”

CARRIED

3. **BUSINESS ARISING**

3.1 No Business Arising

4. **REPORTS**

The Chairman sought, and was granted, leave of the meeting to move Items 4.4 – Draft Annual Business Plan & Budget 2016/2017 (CON16/22) and 4.5 – Internal Financial Controls (CON15/38) (**SUPPLEMENTARY ITEM**) forward.

4.4 Draft Annual Business Plan & Budget 2016/2017 (CON16/22)

Recommendation

“that the Committee, having considered Item 4.4 - *Draft Annual Business Plan & Budget 2016-2017*, dated 30 May 2016, receives and notes the report.”

- 4.4 **Committee Resolution** **2016/ 008**
- Moved Mayor Flaherty Seconded Cr Lawrence
- “that the Committee, having considered Item 4.4 - *Draft Annual Business Plan & Budget 2016-2017*, dated 30 May 2016:
- receives and notes the report;
 - recommends to Council that the Draft Annual Business Plan & Budget 2016-2017, go out for Community Consultation, subject to the minor adjustments as identified by the Committee; and
 - acknowledges that further information on plant and machinery expenditure needs be provided by management and considered by Council prior to finalisation of the 2016-2017 budget.”
- CARRIED**

- 4.5 Internal Financial Controls (CON15/38) (**SUPPLEMENTARY ITEM**)
- Recommendation**
- “that the Committee, having considered Item 4.5 - *Internal Financial Controls*, dated 30 May 2016, receives and notes the report.”

- 4.5 **Committee Resolution** **2016/ 009**
- Moved Mr Fairlie-Jones Seconded Cr Lawrence
- “that having considered Item 4.5 - *Internal Financial Controls*, dated 30 May 2016, the Committee;
- acknowledges that Council’s Auditor attended to give the Committee an overview, and indicated that there were no urgent matters that needed to be outlined to the Committee. The Committee was advised that in regard to internal controls, work is needed to document various existing controls, and that a detailed written report will be provided and considered by the Committee at its next meeting, and
 - receives and notes the written and verbal reports.”

- 4.1 Committee Resolutions (CON12/522)
- Recommendation**
- “that the Committee, having considered Item 4.1 - *Committee Resolutions*, dated 30 May 2016, receives and notes the report.”



Committee Resolution**2016/ 010**

Moved Mr Fairlie-Jones Seconded Cr Lawrence

“that the Committee, having considered Item 4.1 - *Committee Resolutions*, dated 30 May 2016, receives and notes the report.”

CARRIED

4.2

Policy Review – Procurement Policy (CON12/473)

Recommendation

“that the Committee, having considered Item 4.2 – *Policy Review – Procurement Policy* dated 30 May 2016, receive and note the report.”

4.2

Committee Resolution**2016/ 011**

Moved Mr Fairlie-Jones Seconded Cr Lawrence

“that the Committee, having considered Item 4.2 – *Policy Review – Procurement Policy* dated 30 May 2016, receive and note the report.”

CARRIED

4.2

Recommendation

“that the Committee recommends to Council that the Procurement Policy as presented as Attachment 2 to this report replace the Tenders & Purchasing Policy (as attached).”

OR

“that the Committee recommends to Council that the Procurement Policy as presented as Attachment 2 to this report replace the Tenders & Purchasing Policy (as attached), subject to the following amendments:

- [Details to be inserted at meeting of Committee].”

At this juncture, 5.42 pm Mayor Flaherty left the chamber

At this juncture, 5.44 pm Mayor Flaherty returned to the chamber

4.2

Committee Resolution**2016/ 012**

Moved Mayor Flaherty Seconded Mr Fairlie-Jones

“that the Committee recommends to Council that the Procurement Policy as presented as Attachment 2 to this report replace the Tenders & Purchasing Policy subject to the following amendments:

- removal of clause 5.2.1.3 - *The payment options available to the Council for direct purchasing are petty cash (with limit \$100) and credit cards*
- Clause 5.6.2 – change the word *potentially* to *possibly* and include ‘or speciality’ to read *‘large or speciality market;*
- Insert new Clause - 5.9.1.7 – *Council Solutions (Regional Authority);*
- Clause 5.10.1 – change the word *reference* to *preference;*
- Clause 6.1 – insert reference ‘standard terms and conditions’ for purchase values less than \$10,000 and ‘specific terms and conditions’ for purchase values above \$10,000;
- Clause 6.1 – insert options ‘request for quotation’ and ‘request for tender’ for purchase values between \$50,000 to \$100,000;
- Clause 9 paragraph two, remove – *‘The Chief Executive Officer has sub delegated to General Managers, Coordinators and Team Leaders the power in Section 137 of the Act to expend the funds of the Council;*
- Clause 11 – *change the word biannual to biennial.’*

CARRIED

4.3

Draft Long Term Financial Plan (CON12/434)

Recommendation

“that the Committee, having considered Item 4.3 – *Draft Long Term Financial Plan*, dated 30 May 2016, receives and notes the report.”

4.3

Committee Resolution**2016/ 013**

Moved Cr Lawrence Seconded Mr Fairlie-Jones

“that the Committee, having considered Item 4.3 – *Draft Long Term Financial Plan*, dated 30 May 2016, receives and notes the report and request that an updated draft be considered by the Committee at its next meeting that takes into account 2016-2017 budget decisions and informal



feedback from Audit Committee Members on this draft.”

CARRIED

Committee Resolution

2016/ 014

Moved Cr Jones

Seconded Cr Lawrence

“that the Committee requests a report outlining information regarding the relationship between rate revenue and employee numbers for all South Australian Councils.”

CARRIED

Committee Resolution

2016/ 015

Moved Cr Jones

Seconded Cr Lawrence

“that the Committee requests a report outlining information regarding Council’s Polices and Practices regarding the determining of the useful life and ownership prior to replacement, for plant and machinery, and if this is cost effective, including whether the Council has appropriately skilled and qualified workforce available to operate its existing plant and machinery.”

CARRIED

Committee Resolution

2016/ 016

Moved Cr Lawrence

Seconded Mayor Flaherty

“that the Committee requests a report outlining the savings to date, and expected in the future, from Council’s participation in the Barossa Regional Procurement Group.”

CARRIED

5 CONFIDENTIAL ITEMS

No Confidential Items

6 GENERAL BUSINESS

No General Business

Next meeting – August 2016 (date to be confirmed)

7 CLOSURE

There being no further business, the Chairman declared the meeting closed at 6.09 pm.

Confirmed as a true record.

Chairman: 

Date: 25 / 10 / 16