



**Minutes of the City of Unley  
Audit Committee Meeting  
Tuesday, 14 November 2023, 6.30pm  
Council Chambers  
181 Unley Road Unley**

**PRESENT**

Presiding Member M Davies  
Independent Member A Martin  
Independent Member P Lee  
Councillor M Broniecki  
Councillor J Gaffey

**OFFICERS PRESENT**

Chief Executive Officer, Mr P Tsokas  
General Manager Business Support & Improvement, Ms N Tinning  
Manager Finance and Procurement, Mr A Brown  
Principal Risk Management Officer, Mr J Phillips  
General Manager City Development, Mr C Malak  
Manager Assets and Operations, Mr A Wood  
Senior Assets and Engineering Lead, Mr R King

**GUEST**

Nil

**ACKNOWLEDGEMENT**

The Presiding Member welcomed Members to the meeting and opened the meeting with the Acknowledgement.

## **1. ADMINISTRATIVE MATTERS**

### **1.1 APOLOGIES**

Nil

### **1.2 LEAVE OF ABSENCE**

Nil

### **1.3 CONFLICT OF INTEREST**

Nil

### **1.4 MINUTES**

#### **ITEM 1.4.1**

#### **MINUTES OF THE ORDINARY AUDIT COMMITTEE MEETING HELD TUESDAY, 17 OCTOBER 2023**

MOVED Councillor J Gaffey

SECONDED Independent Member P Lee

That:

1. The minutes of the Ordinary Audit Committee held on Tuesday, 17 October 2023 be taken as read and signed as a correct record.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0125/23***

### **1.5 DEFERRED / ADJORNED ITEMS**

Nil

*The Presiding Member with approval of two-thirds majority of the members present brought forward Items 4.1, 4.2, and 4.3 for consideration.*

**ITEM 4.1**

**CONFIDENTIALITY MOTION FOR 4.2 - RECOMMENDATION TO APPOINT COUNCIL'S EXTERNAL AUDITOR**

MOVED Councillor M Broniecki

SECONDED Councillor J Gaffey

That:

1. Pursuant to section 90(2) and (3)(b)(i)(d)(ii)(k) of the *Local Government Act 1999*, the Council orders that the public be excluded from attendance at the part of the meeting relating to Agenda item, except for the following persons:

- Peter Tsokas, CEO
- Nicola Tinning, General Manager Business Support and Improvement
- Alex Brown, Manager Finance and Procurement
- Jim Phillips, Principal Risk Management Officer

To enable the Council to consider Item 4.2 in confidence on the basis that Council considers it necessary and appropriate to act in a meeting closed to the public (excepting those persons listed above) in order to receive, discuss or consider in confidence the following information or matter relating to Item 4.2.

- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.
- commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.
- tenders for the supply of goods, the provision of services or the carrying out of works.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0126/23***

*The Meeting moved into confidence at 6.35pm.*

Item 4.2, page(s) 4, is confidential and has been removed from the public agenda/minutes

### ITEM 4.3

#### **CONFIDENTIALITY MOTION TO REMAIN IN CONFIDENCE FOR 4.2 - RECOMMENDATION TO APPOINT COUNCIL'S EXTERNAL AUDITOR**

MOVED Councillor M Broniecki

SECONDED Independent Member A Martin

That:

1. Pursuant to section 91(7) of the *Local Government Act 1999* the Council orders that the following document(s) relating to Agenda Item 4.2 Recommendation to appoint Council's External Auditor, shall be kept confidential, being document(s) relating to a matter dealt with by the Council on a confidential basis under sections 90(2) and 90(3) .

- Minutes
- Report
- Attachment

2. This order shall operate:

- remain confidential until the conclusion of any contract awarded and not available for public inspection until the cessation of that period.

and be reviewed every 12 months (if the confidentiality period is longer than 12 months in duration)

3. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Council delegates to the Chief Executive Officer (or insert other officer title) the power to revoke this order in whole or in part.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0128/23***

*The doors to the Council Chambers were opened at 8.05pm.*

## **2. REPORTS**

### **SUSPENSION OF FORMAL MEETING PROCEDURES**

The Presiding Member with approval of two-thirds of the members present suspended meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 at 8.10pm for up to 30 minutes to facilitate a presentation of the proposed Asset Management Plans 2023 to the Committee.

## **EXTENSION TO SUSPENSION OF FORMAL MEETING PROCEDURES**

The Presiding Member with approval of two-thirds of the members present, called for an extension of time for the suspension of formal meeting procedures pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* at 8.40pm for 10 minutes to facilitate additional presentations to the Committee.

Formal meeting procedures resumed at 8.50pm.

### **PREAMBLE**

The purpose of the following report is to present to the Audit Committee for its review and consideration, the draft Asset Management Plans 2023, and inform Council that the documents are supported for community consultation.

*Councillor J Gaffey left the Meeting at 9.00pm and did not return*

#### **ITEM 2.1**

##### **ASSET MANAGEMENT PLANS 2023**

MOVED Councillor M Broniecki

SECONDED Independent Member P Lee

That:

1. The report be received.
2. The Committee notes the following observations regarding the draft Asset Management Plans 2023:
  - The overall improvement to the asset management plans presented.
  - The Kerb and Water Table Asset class value has increased by \$72M.
  - Arterial roads and King William Road revitalisation kerb and water table assets that were not previously included in data have now been added. This has increased the assets from 307km to 363km (+56km).
  - The kerb and water table life increased useful from 60 years to 100 years to reflect new kerb construction approach.
  - Change to useful life for Local Road and Laneway Pavements (100yrs to 150yrs – 84% of network) based on field observations.
  - Useful life of Local Road and Laneways Sub-Base are now considered to be a perpetual asset and treated as a non-depreciating (i.e. underlying formation material is retained upon renewal of asset).
  - Increased unit rates for the Road Assets reflective of current asphalt contracts. Cost of bitumen as a product has increased 17.5% since 2018.

- The number of Open Space assets in the public realm increased. Previously the open space data only included assets that were located within reserves. The new data now includes assets such as seats, bins, lighting, and drinking fountain in streetscapes. This has resulted in an increase of approximately 30% in asset quantity.
  - Increase in unit rates for Open Space assets are based on current industry rates and costs incurred for works undertaken.
  - Despite the increase in unit rates and asset quantity the annual depreciation for Open Space assets has reduced as it is offset by the write back of previous capitalisations for landscaping projects (plants/trees) with short useful lives.
  - The Building assets have increase in value due to construction and upgrade of new facilities since the previous valuation including Unley Oval Grandstand Stage 2, Edmund Ave Cottages, Millswood Croquet Club, and Goodwood Oval Grandstand.
  - The planned annual renewal expenditure to achieve a manageable consistent spend for the next 20 years is \$10.7M p.a.
3. The draft Asset Management Plans 2023, as contained as Attachments 1 to 5 to this report, be recommended to Council for the consideration of community consultation.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0129/23***

### **SUSPENSION OF FORMAL MEETING PROCEDURES**

The Presiding Member with approval of two-thirds of the members present suspended meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 at 9.12pm for up to 30 minutes to facilitate a presentation of the proposed Long Term Financial Plan to the Committee.

Formal meeting procedures resumed at 9.40pm.

### **PREAMBLE**

Council's 10 Year Long-Term Financial Plan (LTFP) forecasts have been reviewed and updated with the 2022-23 financial year results, latest economic forecasts and revenue and expenditure projections, including the proposed capital renewal expenditure from the revised draft Asset Management Plans 2023.

The report was to seek the Audit Committee's views on the suitability of key assumptions contained within the report and the proposed financial targets. The Audit Committee requested to review the LTFP again at its next meeting to further discuss the financial targets over the life of the plan.

**ITEM 2.2**

**PROPOSED FINANCIAL TARGETS FOR THE LONG TERM FINANCIAL PLAN 2024-2034**

MOVED Independent Member P Lee

SECONDED Independent Member A Martin

That:

1. The report be received.
2. The key financial assumptions and key financial targets contained within this report are deemed appropriate for the further refinement of the draft Long Term Financial Plan
3. The draft Long Term Financial Plan be presented to the Audit Committee at its next meeting 20 February 2024, for review prior to community consultation.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0130/23***

**PREAMBLE**

The following report provides the proposed meeting dates for the 2024 calendar year for consideration of the Committee and recommendation to Council for endorsement.

**ITEM 2.3**

**PROPOSED AUDIT COMMITTEE MEETING DATES FOR 2024**

MOVED Independent Member A Martin

SECONDED Independent Member P Lee

That:

1. The report be received.
2. The City of Unley Audit Committee Meeting schedule for the 2024 calendar year be endorsed, with meetings to be held at 181 Unley Road, Unley, or via Zoom, commencing at 6:30pm on the dates set out below:
  - Tuesday, 13 February 2024
  - Tuesday, 14 May 2024
  - Tuesday, 6 August 2024
  - Tuesday, 22 October 2024
  - Tuesday, 12 November 2024
3. The Chief Executive Officer be authorised, after consulting with the Presiding member of the Committee, to:



- 3.1. Reschedule the date and/or time of an Audit Committee Meeting;
- 3.2. Convening the meeting electronically if required; or
- 3.3. Cancel an Audit Committee Meeting, if it is clear that there is no business to transact for that designated meeting.

**CARRIED UNANIMOUSLY**

***Resolution No. AC0131/23***

### **3. OTHER BUSINESS**

### **4. CONFIDENTIAL ITEMS**

The Presiding Member with the consent of two-thirds of members present brought forward Items 4.1, 4.2 and 4.3

### **NEXT MEETING**

Tuesday 20 February 2024 - 6:30pm

### **CLOSURE**

The Presiding Member closed the meeting at 9.50pm.

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**PRESIDING MEMBER**