

ITEM NUMBER: 18.1

CONFIDENTIAL REPORT

MINUTES – AUDIT COMMITTEE – 16 DECEMBER 2020 (Report No: 15/21)

Pursuant to Section 90(2) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- e. **matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person.**

Recommendation – Exclusion of the Public – Section 90(3)(e) Order

- 1 That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 15/21 Minutes - Audit Committee – 16 December 2020 in confidence.
 2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 15/21 Minutes – Audit Committee – 16 December 2020 on the following grounds:
 - e. pursuant to Section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of the Council.
 3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
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CONFIDENTIAL

Item No: **18.1**

Subject: **MINUTES - AUDIT COMMITTEE –16 DECEMBER 2021**

Date: 27 January 2021

Written By: Personal Assistant, Strategy and Business Services

General Manager: Strategy and Business Services, Ms P Jackson

SUMMARY

The confidential minutes of the meeting of the Audit Committee held 16 December 2020 are presented to Council for information and endorsement.

RECOMMENDATION

1. **That Council notes the confidential minutes of the Audit Committee meeting on 16 December 2020 and advises Council that:**
 - (a) **it has received and considered an internal report from Galpins on cyber security and found a number of serious issues that need to be addressed with priority and noted that the most immediate threats have already been addressed;**
 - (b) **that a remediation plan has been developed and progress will be monitored at each Audit Committee meeting via the Standing Items Report;**
 - (c) **it has recommended Administration schedule a follow up Cyber Security Internal Audit be undertaken in 12 months;**
 - (d) **it has received and considered the IT Disaster Recovery Plan for Council; and**

RETAIN IN CONFIDENCE - Section 91(7) Order

2. **that having considered Agenda Item 18.1 Minutes – Audit Committee - 16 December 2020 - Report No 15/21 in confidence under Section 90(2) and (3)(e) of the *Local Government Act 1999*, the Council, pursuant to Section 91(7) of that Act orders that the report and attachments, be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.**
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COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999, Sections 41 and 126

BACKGROUND

The Audit Committee is established under Section 41 of the *Local Government Act 1999*, and Section 126 of the *Local Government Act 1999* defines the functions of the Audit Committee to include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council;
- proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan;
- proposing, and reviewing, the exercise of powers under section 130 A;
- if the council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee;
- liaising with the council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

REPORT

Confidential minutes of the meeting of the Audit Committee held on 16 December 2020 are attached for Members' information.

BUDGET

Not Applicable

Attachment 1



Confidential Minutes of the Audit Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton, on Wednesday 16 December 2020.

9. ITEMS IN CONFIDENCE

9.1 Internal Audit – Cyber Security Review (Report No: 420/20)

Motion – Exclusion of the Public – Section 90(3)(e) Order

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* the Audit Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 9.1 Internal Audit – Cyber Security Review in confidence.**
- 2. That in accordance with Section 90(3) of the *Local Government Act 1999* the Audit Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 9.1 Internal Audit – Cyber Security Review on the following grounds:**
 - e. pursuant to Section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of the Council.**
- 3. The Audit Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.**

Moved Mr Tu, Seconded Ms Davies

Carried

In September 2020, Council's internal audit service provider, Galpins, conducted a review of cyber security for Council and Alwyndor. This has now been reviewed by Administration and finalised including agreed actions. The report was tabled for the Committee's consideration.

Motion

That the Audit Committee:

- 1. advise Council it has received and considered an internal audit report from Galpins on cyber security and found a number of serious issues that need to be addressed with priority and noted that the most immediate threats have already been addressed;**
- 2. advise Council that a remediation plan has been developed and progress will be monitored at each Audit Committee meeting via the Standing Items Report;**

3. recommends Administration schedule a follow up Cyber Security Internal Audit to be undertaken in 12 months; and

RETAIN IN CONFIDENCE - Section 91(7) Order

4. having considered Agenda Item 9.1 Internal Audit – Cyber Security Review in confidence under Section 90(2) and (3)(e) of the *Local Government Act 1999*, the Audit Committee, pursuant to Section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of 24 months and that the Chief Executive Officer is authorised to release the documents prior to that time if and when all parties to the contract have provided their consent.

Moved Ms Davies, Seconded Mr Spadavecchia

Carried

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9.2 IT Disaster Recovery Plan (Report No: 421/20)

Motion – Exclusion of the Public – Section 90(3)(e) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Audit Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 421/20 IT Disaster Recovery Plan in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Audit Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 421/20 IT Disaster Recovery Plan on the following grounds:
 - e. pursuant to Section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of the Council.
3. The Audit committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Spadavecchia, Seconded Mr Tu

Carried

An action from the Control Track Assessment in 2019 was for an IT Disaster Recovery Plan to be reviewed and brought back to the Audit Committee. An agreed action from the Cyber Security Review conducted in September 2020 was to update the IT Disaster Recovery Plan for Council. The IT Disaster Recovery Plan was attached for consideration by the Committee.

Motion

That the Audit Committee:

1. advises Council it has received and considered the IT Disaster Recovery Plan for Council; and

RETAIN IN CONFIDENCE - Section 91(7) Order

2. having considered Agenda Item 9.2 IT Disaster Recovery Plan in confidence under Section 90(2) and (3)(e) of the *Local Government Act 1999*, the Audit Committee, pursuant to Section 91(7) of that Act orders that the report, attachments and minutes be retained in confidence for a period of 24 months and that the Chief Executive Officer is authorised to

release the documents prior to that time if and when all parties to the contract have provided their consent.

Moved Councillor Snewin, Seconded Ms Davies

Carried

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CONFIRMED 3 February 2020

PRESIDING MEMBER