



AUDIT & RISK MANAGEMENT COMMITTEE MEETING

Friday 9 February 2024 10.30am

Via Zoom

<https://us02web.zoom.us/j/84587047107>

Meeting ID: 845 8704 7107

Passcode: 062665

Notice is hereby given that the next Audit & Risk Management Committee meeting of the Legatus Group will be held on Friday 9 February 2024 commencing at 10.30am

Contents

1	Open	2
	1.1 Meeting attendance and apologies	2
2.	Minutes of previous meeting	3
3.	Business arising not otherwise of the agenda	3
	3.1 Membership	3
	3.2 Financial Services	
4.	Financial Reports	4
	4.1 2023/2024 Financial Report	4
	4.2 2023/2024 Budget Review 3	4
6.	Work Plan	6
7.	Other Business	7
8.	Next meeting	7

Attachments:

- A - Legatus Group Management Report 31 January 2024
- B - Bank Reconciliation Report 31 January 2024
- C – 2023/2024 Budget Review 2

1) MEETING ATTENDANCE AND APOLOGIES

1.1 Opening of meeting Attendance

Present - Committee

Mayor Rodney Reid	Wakefield Regional Council
Mayor Stephen McCarthy	District Council of Mount Remarkable
Mr Stephen Rufus Director Corporate and Community Services	Port Pirie Regional Council (Chairman)
Mr Ian McDonald	Independent

In Attendance

Mr Simon Millcock CEO	Legatus Group
Mr Colin Davies	Finance Officer

2) MINUTES OF PREVIOUS MEETING

Reports for Discussion

From: Simon Millcock Chief Executive Officer

Recommendation:

- 1. That the minutes of the Legatus Group Audit & Risk Management Committee Meeting held on 10 November 2023 be taken as read and confirmed.**

Background

The minutes of the meeting 10 November 2023 were distributed to all members and provided to the 1 December 2023 Legatus Group Meeting. The Legatus Group received and noted the minutes which can be found at: <https://legatus.sa.gov.au/wp-content/uploads/2023/11/Draft-Minutes-101123.pdf>

3 BUSINESS ARISING NOT OTHERWISE ON THE AGENDA

3.1 Membership – Legatus Group Charter

Reports for Discussion

From: Simon Millcock Chief Executive Officer

Recommendation: That the committee notes the report and requests the Legatus Group CEO to seek further expressions of interest for the current vacancy and for the vacancies due in June 2024.

Background

The Legatus Group has been undertaking a review of its Charter and following a special meeting on 15 December 2024 the Draft Variations to the Charter were distributed for consideration by

member councils. Responses to date have indicated that the majority of councils have approved the changes and this will be an agenda item for consideration at the 15 February 2024 Legatus Group meeting.

The only change re the Audit and Risk Management Committee will be the name of the committee proposed is Northern and Yorke Local Government Association (NYLGA).

As such the current conditions of the Charter will remain the same apart from name change:

6.4.1 must establish an Audit and Risk Management Committee to be comprised of five (5) persons nominated by the NYLGA and approved by the Constituent Councils.

6.4.2 The members of the Audit and Risk Management Committee:

6.4.2.1 must include two (2) professionally qualified officers, one of each from the staff of the Constituent Councils;

6.4.2.2 must include at least 1 person who is not a member of the Board and who is determined by the Constituent Councils to have financial experience relevant to the functions of the Audit and Risk Management Committee;

6.4.2.3 may include elected members of the Constituent Councils;

6.4.2.4 must have regard to the Act in performing their duties.

6.4.2.5 The term of appointment of a member of the Audit and Risk Management Committee shall be for a term not exceeding two (2) years at the expiry of which such member will be eligible for reappointment.

Current members are:

- Stephen Rufus Port Pirie Regional Council expires 30 June 2024
- Ian McDonald Independent Member expires 30 June 2024
- Mayor Rodney Reid expires 25 August 2024
- Mayor Stephen McCarthy expires 25 August 2024

The Legatus Group CEO raised this matter at the last Legatus Group CEO's meeting in November 2023 and called for Expressions of Interest on 11 November 2023, 4 December 2023 and 23 January 2024. As of the date of preparation of this agenda there have been no expressions of interest received. There are a number of new CEOs and one still to be appointed.

3.2 Financial Services

Reports for Discussion

From: Simon Millcock Chief Executive Officer

Recommendation: That the committee notes the report and recommends that the Legatus Group subject to the outcome of the review of the charter and strategic plan continues to have financial services provided and that the Legatus Group CEO prepares a report for consideration at the next committees meeting.

Colin Davies contract to deliver financial services has been extended until 31 September 2024 following the Legatus Group accepting the 10 November 2023 Audit and Risk Management Committee recommendations.

4 FINANCIAL REPORTS

4.1 23/24 Financial Report

Reports for Discussion

From: Colin Davies Finance Officer

Recommendation: That the committee notes the report.

Background

The Legatus Group Finance Officer has prepared the attached Legatus Group Management Report (Attachment A) and the Bank Reconciliation (Attachment B) for the 2023/2024 Financial Year until 31 January 2024.

4.3 2023/2024 Budget Review 3

Reports for Discussion

From: Colin Davies Finance Officer and Simon Millcock Legatus Group CEO

Recommendation: That the committee notes the report and recommends that the Legatus Group receives and adopts the revised budget.

Background

The Legatus Group adopted the 2023/2024 Budget Review 2 at the 1 December 2023 Legatus Group Meeting following recommendations for the Audit Committee. The Legatus Group CEO and Finance Officer have developed (Attachment C) the 2023/2024 Budget Review 3 and this shows a slight increase in the deficit by \$7,000. This is likely to be reduced significantly at the next budget review as it is not likely Project 28 – Regional Capacity Building will utilise all of those funds. The Legatus Group 25 February 2024 meeting will be receiving a report on a Community Resilience Grant Opportunity where some of these funds may be used for 2024/2025.

1. Other income increases due to:
 - a. Northern and Yorke Forum \$10,700 made up of \$500 contribution by each of the 3 other Alliance Members and \$9,200 in ticket sales
 - b. \$1,000 refund of deposit for new motor vehicle
2. Expenses increase by \$20,000 due to:
 - a. \$13,000 for the Northern and Yorke Forum
 - b. \$7,000 allocation for the updates to website / emails / logos / graphic design
3. Remove the \$18,000 income for the trade in of the vehicle.
4. Remove the \$38,000 costs for the new motor vehicle.

5 WORK PLAN

Reports for Discussion

From: Simon Millcock Chief Executive Officer

Recommendation: That the committee notes the work plan is up to date.

Legatus Group Work Plan Audit and Risk Committee - Updated January 2024				
Activity	Timeframe	Status / Outcomes / Benefits Achieved	Date for review	Follow-up Action
Meetings at least twice in financial year	August / Nov / Feb / May	August – review annual financial report – Nov – review budget February mid-year review of the budget and May budget for next financial year	May 24	Meetings held 14/8/23, 10/11/23 and 9/2/2024
Membership	March	Review to be held	March 2024	Membership refers agenda item 3.1 of this meeting
Annual report	June/July	Annual report to the board summarising its activities during the previous year	August 2024	
Review of performance	May	Committee required to review its performance on an annual basis and this can occur at May meeting and be contained in the annual report	May 2024	
Strategic Plan and Long term financial plan	August	Expressions for quotes to undertake review distributed	Feb 2024	Review commenced and report distributed to member councils with response to Legatus Group 23 Feb meeting.
3-Year Action Plan review	Feb	To be decided subject to review	Feb 2024	Update in line with Strategic Plan
Annual Business Plan and Budget	April	2023/2024 adopted at the 19 May 2023 Legatus Group meeting.	June 2024	Current plan in place and draft to be prepared Feb – March for 24/25.
Asset Management Plan	Annual	The only asset by Legatus Group is motor vehicle and this is managed through purchase based on board approvals.	Feb 2024	Report to Legatus Group 23 Feb meeting.
Adopted Budget	June/July	Within 5 business days of the Legatus Group adopting the budget must provide to councils	June 24	23/24 Adopted May 2023 and updates adopted review 3 refer todays agenda item 4.1

Quarterly financial reports	Oct/January/ April/July	Prepare and present quarterly reports summarising the financial position with copies to constituent councils.	Feb 24	Monthly financial reports are completed and the reports are provided 4 times a year to the Audit committee and also the Legatus Group Board meetings.
Annual report	September	To be distributed to the councils in time to incorporate in their annual reports	Sept 2024	
Annual financial statements / audit	September	Ensure that the financial statements are audited and that they are submitted to the board and councils by 30 September	Sept 24	
Appointment of auditor	August	Legatus Group must appoint an Auditor in accordance with the Act	AGM 2024	Agenda item for the AGM
Review of charter	Every 4 years	Review completed	Feb 24	Dec 23 report distributed to member councils for decision at 23 Feb meeting
Communications	Annual	Review of the Legatus Group website and ensure charter, strategic plan and reports are easily accessible.	Feb 24	Website update completed. Bi-monthly CEOs report to Councils instigated in 2022.
Review of policies	Bi-annual	Last review - updates 11 Feb 2023	May 25	Subject to Charter variations updates occurring in March 2024 Refer to the Legatus Group Policy and procedures register.
Insurance / motor vehicle registrations / workers compensation	August	Annual review by that all legal obligations are being met and provide value for money	March 24	Current insurances are in place through LGA Mutual Liability Scheme and car is registered - Workers Comp advised of number of employees
Review and update of effectiveness of internal controls operating	Annual	Initial review to be undertaken	Feb 2024	For consideration Legatus Group meeting following Auditor's report
Report on disaster recovery procedures	Bi-annual	Initial review to be undertaken in consultation with Audit Committee	June 24	For inclusion in agenda Audit Committee

6 OTHER BUSINESS

7 NEXT MEETING

Friday 17 May 2024 10.30am – online.