

TOWN OF BASSENDEAN

MINUTES

AUDIT AND GOVERNANCE COMMITTEE

HELD IN THE COUNCIL CHAMBER, 48 OLD PERTH ROAD, BASSENDEAN
ON WEDNESDAY 20 JUNE 2018, AT 5.30PM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting, welcomed all those in attendance and conducted an Acknowledgement of Country.

2.0 ATTENDANCES, APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE

Present

Cr Kathryn Hamilton, Presiding Member
Cr Bob Brown
Ian Walters
Tom Klaassen
Michael Costarella, Director Corporate Services
Ken Lapham, Manager Corporate Services
Amy Holmes, Minute Secretary

Apologies

Cr Melissa Mykytiuk
Cr Jai Wilson
Ron Back, Financial Advisor

3.0 DEPUTATIONS

Nil

4.0 CONFIRMATION OF MINUTES

4.1 Audit and Governance Meeting held on 16 May 2018

COMMITTEE/OFFICER RECOMMENDATION – ITEM 4.1

MOVED Ian Walters, Seconded Tom Klaassen, that the minutes of the Audit and Governance Committee meeting held on 16 May 2018, be confirmed as a true record.

CARRIED UNANIMOUSLY 4/0

5.0 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil

6.0 DECLARATIONS OF INTEREST

Nil

7.0 BUSINESS DEFERRED FROM PREVIOUS MEETING

7.1 2017/18 Interim Audit – Macri & Partners (Ref: FINM/AUD1) Ken Lapham Manager Corporate Services

APPLICATION

The purpose of this report is to provide information on:

- The requirement and necessity of the Fraud and Error Statement to be signed by the Chairperson of the Audit and Governance Committee.
- Leave Entitlements for Staff

The Committee queried what processes are being implemented by management to ensure that annual leave accruals are being dealt with to reduce financial risk.

Town staff will report back on outstanding annual leave and proposed strategies, as soon as possible.

The Director Corporate Services advised that at the May 2018 meeting, the Town has minimal financial risk exposure as the leave entitlements are funded through the “Employee Entitlement Reserve fund.

The following table shows the leave entitlements by Department. The table provides information on Annual Leave and Long Service Leave:

• ASSET SERVICES	\$352,803
• CHILDREN'S SERVICES	\$ 54,313
• COMMUNITY DEVELOPMENT	\$ 28,187
• CORPORATE SERVICES	\$145,391
• DEVELOPMENT SERVICES	\$ 53,270
• ECONOMIC DEVELOPMENT	\$ 20,470
• GOVERNANCE	\$207,411
• LIBRARY SERVICES	\$ 90,983
• RANGER SERVICES	\$ 22,320
• SENIORS AND DISABILITIES	\$108,681
• VOLUNTEER CENTRE	\$ 2,884
• YOUTH SERVICES	<u>\$ 54,385</u>
TOTAL	<u>\$1,141,102</u>

The Leave Entitlement Reserve Fund current balance is \$1,013,653.

OFFICER RECOMMENDATION – ITEM 7.1

That the Audit and Governance Committee recommends that the Statement be signed and forwarded to the Auditors, Macri Partners.

LAPSED FOR WANT OF A MOVER

Cr Hamilton moved an alternative motion.

COMMITTEE RECOMMENDATION – ITEM 7.1

AGC-1/06/18

MOVED Cr Hamilton, Seconded Tom Klaassen, that the Audit and Governance Committee refers the report to Council and notes that it has not been signed by the Presiding Member, given the advice received from Marci Partners that non-signing will not affect the Annual Audit Report.

CARRIED UNANIMOUSLY 4/0

7.2 Notice of Motion – Cr Hamilton: Differential Rates (Ref: RAT&VAL/ENQS/1 – Ken Lapham, Manager Corporate Services)

APPLICATION

The purpose of this report is to provide additional information to Council on the implementation & application of differential based on the resolution from the May 2018 Audit and Governance Committee.

BACKGROUND

The Audit and Governance Committee recommended to Council (and was accepted by Council) that staff provide a report identifying the number of vacant lots, including zonings, and undertake an analysis of differential rating for those properties.

OFFICER RECOMMENDATION — ITEM 7.2

That Council continues to impose a general rate in the dollar for all rateable properties within the Town of Bassendean.

LAPSED FOR WANT OF A MOVER

Tom Klaassen moved an alternative motion.

COMMITTEE RECOMMENDATION – ITEM 7.2

AGC-2/06/18

MOVED Tom Klaassen, Seconded Cr Brown, that the Audit and Governance Committee request that:

1. Council correspond with relevant Ministers to explore solutions in dealing with undeveloped vacant land given the 3.5million Perth to Peel infill targets and lack of available tools to local government through the local government act to incentivise development of vacant lots.
2. This matter be forwarded to WALGA for inclusion in the Local Government Week agenda.
3. The Committee notes the information provided by Town staff and that any further investigation into differential rates will concentrate on the costs associated with illegal dumping and removal.

CARRIED UNANIMOUSLY 4/0

8.0 **REPORTS**

8.1 **Notice of Motion – Cr Hamilton: Monthly Payments Lists**

APPLICATION

The purpose of this report is to address a Notice of Motion from Cr Hamilton to the May OCM which was referred to the Audit and Governance Committee.

OFFICER RECOMMENDATION — ITEM 8.1

That the Audit and Governance Committee receives the information on the List of Accounts and recommends to Council that it adheres to the Auditor's advice of excluding the List of Accounts in the Agenda Attachments.

LAPSED FOR WANT OF A MOVER

Cr Hamilton moved an alternative motion.

COMMITTEE RECOMMENDATION – ITEM 8.1

AGC-3/06/18

MOVED Cr Hamilton, Seconded Ian Walters, that the Audit and Governance Committee:

1. Reaffirms its commitment to transparent and accountable organisational process; and
2. Requests Council re-instate the process of making the List of Accounts for Payment publicly available each month, for a period of 30 days, via the agenda attachments to Ordinary Council Meetings.

CARRIED UNANIMOUSLY 4/0

9.0

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

9.1 Notice of Motion – Cr Hamilton: Contractors

Cr Hamilton has advised that she wishes to move the following motion at this meeting:

“That the Audit and Governance Committee requests staff prepare a report for the next Committee meeting that outlines the following:

1. *The processes utilised to review the quality of goods and services delivered by contractors, service providers and consultants engaged by the Town of Bassendean;*
2. *Provision of a list of contractors, service providers and consultants utilised by the Town of Bassendean for a period in excess of seven years to the current financial year; and*
3. *The process that guides the frequency and manner of reviewing the pricing structure of any such long term supplier in comparison to other suppliers and consultants;*

4. *Identify any cumulative expenditure with a single supplier which, over three financial years exceeds or is expected to exceed \$150,000 (excluding GST) on the purchase of goods and services; and/or \$200,000 (excluding GST) on the carrying out of works."*

This motion was deferred to the next meeting.

10.0 **ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING**

Nil

11.0 **CLOSURE**

The next meeting will be held on Wednesday 8 August 2018, commencing at 5.30pm.

There being no further business, the Presiding Member closed the meeting at 6.35pm.