

TOWN OF BASSENDEAN

MINUTES

AUDIT AND GOVERNANCE COMMITTEE

HELD IN THE COUNCIL CHAMBER, 48 OLD PERTH ROAD, BASSENDEAN

ON WEDNESDAY 16 MAY 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 Jai Wilson
Ian Walters
Tom Klaassen
Ron Back, Financial Advisor (left at 7.50pm)

Staff

Michael Costarella, Director Corporate Services
Ken Lapham, Manager Corporate Services
Tim Dayman, Recreation Development Officer
Amy Holmes, Minute Secretary

Apologies

Cr Melissa Mykytiuk
Cr Bob Brown
Salvatore Siciliano, A/Director Community Development

3.0 DEPUTATIONS

Ms Anne Cheng from Moore Stephens was in attendance to discuss the Internal Audit and answer questions from the Committee.

Mr Tony Macri and Mr Suren Herathmudalige from Macri Partners were in attendance to discuss the Interim Audit Report and answer questions from the Committee.

4.0 CONFIRMATION OF MINUTES

4.1 Audit and Governance Meeting held on 14 March 2018

COMMITTEE/OFFICER RECOMMENDATION – ITEM 4.1

MOVED Ian Walters, Seconded Tom Klaassen, that the minutes of the Audit and Governance Committee meeting held 14 March 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

Nil

8.0 REPORTS

8.1 Internal Audit – Moore Stephens (Ref: FINM/AUD/1, Ken Lapham, Manager Corporate Services)

APPLICATION

The purpose of this report is to provide Council, through the Audit and Governance Committee, with the Internal Audit Report and provide management comments and information on the remedial action taken.

ATTACHMENT

2018 Internal Audit Report – Moore Stephens WA Pty Ltd

BACKGROUND

Under the Financial Management Regulations of the Local Government Act (Section 6.10), efficient systems and procedures are to be established by the Chief Executive Officer (CEO) of a local government.

Furthermore, the CEO is required to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 4 financial years) and report to the local government the results of those reviews.

In September 2016, Moore Stephens were appointed to undertake an internal audit for the ensuing 4-year period.

COMMENT

Prior to the commencement of the 2018 Internal Audit, Moore Stephens requested that Management of the Town provide a scope of the 2018 objective of what areas were required to be reviewed.

The items listed for review:

Revenue:

- Leases & agreements for the use of Council Buildings, Council reserves & other Council facilities
- Fines imposed by Council Rangers
- Town Planning Fees
- Fees from Childcare Services

In each of the areas covered, the Internal Auditors consider the controls and procedures in place are adequate, however, they have raised a number of issues that require improvement.

Officers have reviewed the initial report findings, prepared by the Internal Auditors and provided Management actions (listed in the Internal Audit – Revenue report) to ensure that these actions are administratively acted upon.

STRATEGIC IMPLICATIONS

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
5.1 Enhance organisational accountability	5.1.1 Enhance the capability of our people	Community / Stakeholder Satisfaction Survey (Governance)
	5.1.2 Ensure financial sustainability	
	5.1.3 Strengthen governance, risk management and compliance	Compliance Audit
	5.1.4 Improve efficiency and effectiveness of planning and services	Risk Management Profile
	5.1.5 Ensure optimal management of assets	Financial Ratio Benchmarked. Asset Ratio Benchmarked

STATUTORY REQUIREMENTS

The Local Government Act 1995
Local Government (Financial Management) regulations 5(2)
(c)

FINANCIAL CONSIDERATION

The 2017/18 Budget includes an amount for the internal audit contract.

COMMITTEE/OFFICER RECOMMENDATION – ITEM 8.1

AGC-1/05/18

MOVED Cr Jai Wilson, Seconded Tom Klaassen, that the Audit and Governance Committee recommends to Council that it receives the 2018 Internal Audit Report from Moore Stephens, and notes the managements' comments.

CARRIED UNANIMOUSLY 4/0

8.2 2017/18 Interim Audit – Macri Partners (Ref: FINM/AUD1) Ken Lapham, Manager Corporate Services

APPLICATION

The purpose of this report is to provide Council, through the Audit and Governance Committee, with details of the 2017/18 Interim External Audit Report and provide management comments and information on the remedial action taken.

ATTACHMENTS

Confidential - 2017/18 Interim Audit Report
2017/18 Fraud and Error Assessment

BACKGROUND

In March 2018, Macri Partners Auditors reviewed the following functions:

- Bank Reconciliations
- Investment of Surplus Funds
- Purchases, Payments and Creditors
- Rate Receipts and Rate Debtors
- Receipts and Sundry Debtors
- Payroll
- General Accounting (Journals, etc.)
- IT Controls
- Registers (Tenders Register, etc.)
- Compliance
- Review of Council Minutes

STRATEGIC IMPLICATIONS

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
5.1 Enhance organisational accountability	5.1.1 Enhance the capability of our people	Community / Stakeholder Satisfaction Survey (Governance)
	5.1.2 Ensure financial sustainability	
	5.1.3 Strengthen governance, risk management and compliance	Compliance Audit
	5.1.4 Improve efficiency and effectiveness of planning and services	Risk Management Profile
	5.1.5 Ensure optimal management of assets	Financial Ratio Benchmarked. Asset Ratio Benchmarked

FINANCIAL CONSIDERATIONS

Funding to meet costs associated with the 2018 External Audit exists in the 2017/18 Budget.

COMMENT

The Interim Audit of systems and processes provides a level of assurance to auditors, the CEO, the Committee and Council in relation to the level of controls that are in place and staff adherence to those controls.

In each of the areas covered, the Auditors consider the controls and procedures in place are adequate, however, have raised a number of issues that require improvement.

A summary of the issues identified by the Auditor is included as an attachment to the agenda. Management comments in response to the issues raised by Macri Partners have been submitted to Macri, and are included in the report. Appropriate action to have the various recommendations implemented will be undertaken.

Fraud & Error Assessment – Under the Australian Auditing Standards, Auditors have specific responsibilities to communicate with the Audit Committee.

Australian Auditing standard ASA240, *The auditors responsibilities relating to fraud in an audit of a financial report* and ASA 260 – *Communication with those charged with Governance* now makes it mandatory for Auditors to make enquiries of management and those charged with Governance (Audit Committee) regarding matters that are indicated on the template form.

The enquiries with those charged with Governance (Audit Committee) are made in part to corroborate the responses to the enquiries of Management.

The standard requires the Auditor to consider the risk that fraud could occur within the Council. This was undertaken during the Interim Audit risk assessment in relation to the audit for the year ending 30 June 2018. A copy of the statement is included as an attachment to this report. The Statement will then be signed by the Audit and Governance Committee Chairperson and on forwarded to the Auditor.

The Audit and Risk Management Committee can recommend that Council receive the Interim Audit Report and note management's comments.

The relatively small number of issues raised reflects that the procedures in force at the Town are very sound.

The Manager Corporate Services recommends that the Interim Audit Report prepared by Macri Partners be received and that the management's comments be noted.

OFFICER RECOMMENDATION – ITEM 8.2

That the Audit and Governance Committee recommends to Council that it receives:

1. Interim Audit Report for the 2017/18 financial period, from Macri Partners; and
2. Statement on the Fraud and Error Assessment, and authorises the Chairperson of the Audit and Governance Committee to sign the Statement and on forward it to the Auditors – Macri Partners.

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.

COMMITTEE RECOMMENDATION – ITEM 8.2

AGC-2/05/18

MOVED Ian Walters, Seconded Cr Jai Wilson, that the Audit and Governance Committee recommends that:

1. Council receives the Interim Audit Report for the 2017/18 financial period, from Macri Partners;
2. Signing of the Statement on the Fraud and Error Assessment be deferred to allow Town staff to ascertain the necessity of this document.
3. An analysis on all outstanding leave entitlements be undertaken and forwarded to the Audit and Governance Committee, including proposed strategies to reduce financial liability.

CARRIED UNANIMOUSLY 4/0

8.3 **Annual Closed Circuit Television (CCTV) Report (Ref: INFT/ACQ/1 - Sharna Merritt, Senior Ranger)**

APPLICATION

The purpose of this report is to present the annual reportable statistics for the Towns' installed CCTV systems as required in the Closed Circuit Television (CCTV) Management & Operational Manual.

BACKGROUND

In April 2012 (OCM 10/04/2012) Council adopted the Closed Circuit Television (CCTV) Management & Operational Manual. This document provides for the annual reporting of listed items to keep the Town updated on the effectiveness of CCTV installations throughout Council owned facilities.

The Manual states that '*CCTV Management Practices establish the operational objectives and reporting indicators for CCTV Operations, with a focus on nominated outcomes relevant to camera locations and other defined target areas*'.

Key indicators include the number of requests for footage, the time taken in responding to requests for footage, the number of requests for maintenance and the time taken to repair systems.

This data allows for the Town to quickly identify trends concerning fundamental operations, which may require early intervention or closer monitoring.

This information can then be used to determine if the installation is still necessary or if it has served its purpose in reducing reportable incidents in the area and can be re-installed elsewhere if needed.

COMMENT

Customer Service Centre CCTV

This system is running effectively and provides security for front of counter staff when dealing with customers to the Town.

The CCTV System installed at the Customer Service Centre located at 35 Old Perth Road, Bassendean has received one Police request for footage which was provided to the requesting officer at a later date and has not had any maintenance or repair issues during this reporting period.

Library CCTV

This system is currently operational and captures external footage under the library as well as internal footage inside the Library.

The CCTV System installed in the Library located at 46 Old Perth Road, Bassendean has received three Police requests for footage with the data provided to the requesting officer at a later date. There have been no maintenance or repair issues during this reporting period.

Youth Services CCTV

The system at Youth Services continues to be used to deter and as necessary, record evidence, of any anti-social or criminal behaviour located in and around the site.

The CCTV system installed at the Bassendean Youth Services located at the corner of West Road and Guildford Road, Bassendean has received one Police request for footage and the data was collected by the requesting officer at a later date. The CCTV system had one maintenance issue due to a power outage at the facility that resulted in 72 hours of non-operation in the reporting period.

Seniors & Disabilities CCTV

The system at this location is running effectively and provides security for the staff at this location and also provides a deterrent against break-ins.

The CCTV System installed at the Seniors and Disabilities Office located at 2 Colstoun Road, Ashfield has not received any Police requests for footage nor had any system repair issues during this reporting period.

Depot CCTV

The system in this location is running effectively and provides coverage of areas inside the Depot Compound.

The CCTV system installed at the Depot Compound located at 69 Scaddan Street, Bassendean has received one Police request for footage which was provided to the requesting officer at a later date and has not had any maintenance or repair issues in the reporting period.

Mobile CCTV Trailer

The trailer is designed to be deployed at random locations throughout the Town where it can be secured and monitored to prevent and deter anti-social and criminal behaviour. The Town has a schedule for deployment that can be adjusted to include any new hotspot locations as necessary and as per the Closed Circuit Television (CCTV) Management & Operational Manual guidelines.

The Trailer has received several requests from the WA Police at the Kiara Police Station to be stationed around the Town to assist with evidence gathering activities and Rangers continue to liaise with Kiara Police to prioritise the requested locations and deploy the trailer in line with Management Policies and Practices.

The CCTV trailer has also been used during the last twelve months to monitor Town of Bassendean Assets and Events to deter and prevent damage, theft and gather evidence as required.

There have been several maintenance and repair issues with the trailer over the reporting period which resulted in the trailer being unavailable for several months throughout the year.

In December 2017, a Stronger Communities Programme grant to upgrade the software and hardware on the Mobile CCTV trailer, totalling \$8,500 inc GST, of which 50% is grant funded and 50% Council funded was received. At the April 2018 Ordinary Council Meeting, the 2017/2018 budget was amended to permit the works to proceed. This CCTV trailer upgrade has been scheduled to be completed by the end of May 2018.

Administration Building – 48 Old Perth Road

This installation captures images to the rear of the building, along the Public Access Way between the Library carpark and James Street, and out into the BIC Reserve / War Memorial area.

The system has been operating effectively for the reporting period with no Police requests for footage, and no maintenance or repair issues in the reporting period.

Mary Crescent Reserve and Jubilee Reserve CCTV

The Town received the Safer Communities Programme grant funding to install CCTV systems at Mary Crescent Reserve around Alf Faulkner Hall and at Jubilee Reserve around the community buildings. In July 2017, Council (SCM – 6/7/17) allocated the funds in the adopted 2017/18 Budget.

Cameras at Alf Faulkner Hall cover the immediate area around the building and the cameras at Jubilee Reserve cover the immediate area around Stan Moses Pavilion, a second installation covers the immediate area around the Kiosk and the third covers the area immediately outside the Caledonians Soccer Club facility.

The installation of the new systems was completed in February 2018 and they have been operating effectively with no Police requests for footage and no maintenance or repair issues in this reporting period.

STRATEGIC IMPLICATIONS

The Bassendean Strategic Community Plan 2017-2027 states under Priority 1 : Social:

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
1.3 Plan for a healthy and safe community	1.3.1 Facilitate safer neighbourhood environments	Community / Stakeholder Satisfaction Survey (Safety, Health and Well-being)
	1.3.2 Promote and advocate community health and well-being	

One strategy used to do this is that Council continue to deploy Close Circuit Television (CCTV) in accordance to legislative requirements and Council's Management and Operational Manual.

In order to meet this objective the Town needs to continually re-evaluate its current CCTV installations to ensure they are still performing correctly and in accordance with guidelines and accepted practices.

STATUTORY REQUIREMENTS

Closed Circuit Television (CCTV) Management & Operational Manual

FINANCIAL CONSIDERATIONS

There are no financial considerations for this report.

COMMITTEE/OFFICER RECOMMENDATION – ITEM 8.3

AGC-3/05/18

MOVED Ian Walters, Seconded Tom Klaassen, that the Audit & Governance Committee recommends to Council that it receives the CCTV Management and Operation Annual report.

CARRIED UNANIMOUSLY 4/0

8.4 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 information to Council on the implementation & application of differential rates under the following:

- Vacant land to encourage development
- On contaminated sites to encourage remediation
- On certain categories of industry to offset higher costs
- On properties that are subject to revitalisation.

COUNCIL RESOLUTION – ITEM 11.3 OCM 28/3/2018

MOVED Cr Hamilton, Seconded Cr Quinton, that Council requests staff to provide a report on Differential Rates for Council's consideration at the April OCM, in particular addressing issues specific to the Town of Bassendean and the potential for differential rates to address the following:

- a) Any long term vacant land zoned for commercial or industrial purposes where the application of higher differential rates may encourage development of vacant land especially within the Activity Centre's of the Town of Bassendean;

- b) Any long term identified contaminated industrial/commercial land where application of higher differential rates may encourage remediation;
- c) Any noxious industry such as concrete batching plants where there is a need to offset the higher level of costs incurred by the Town in servicing properties in this category including transport infrastructure by the application of higher differential rates;
- d) Possible exemption from a higher differential rate where a property is undergoing significant approved revitalisation within a specific timeframe.

STRATEGIC IMPLICATIONS

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
5.1 Enhance organisational accountability	5.1.1 Enhance the capability of our people	Community / Stakeholder Satisfaction Survey (Governance)
	5.1.2 Ensure financial sustainability	
	5.1.3 Strengthen governance, risk management and compliance	Compliance Audit
	5.1.4 Improve efficiency and effectiveness of planning and services	Risk Management Profile
	5.1.5 Ensure optimal management of assets	Financial Ratio Benchmarked. Asset Ratio Benchmarked

COMMENT

The overall objective of imposing rates & charges in the town is to provide for the funding requirement to meet the councils operational & capital requirements. The Towns Rates database is based on gross rental valuation (GRV) provided by Landgate. The GRV is determined by rental evidence collected and is used to determine the fair rental value for each property. Vacant land valuations are based on market sales in the applicable area. A statutory valuation of three per cent of the unimproved value is applied to residential properties and five per cent for commercial and industrial properties.

These values are reassessed every three years. The most recent revaluation was undertaken by Langate valuers and was applied in the current financial period (17/18).

In order to address the points raised in Councils resolution, the following details are provided:

- a) *Any long term vacant land zoned for commercial or industrial purposes where the application of higher differential rates may encourage development of vacant land especially within the Activity Centres of the Town of Bassendean;*

The purpose and reasoning of imposing a differential general rate between improved and vacant properties in the commercial & industrial areas (all rated on GRV valuations) is to obtain a fair income from unimproved land within that particular category.

Statistics on the commercial, industrial and Bassendean activity areas are:

Category	Total # of property's	Number of Vacant Property's
Commercial Zone	92	2
Industrial Zone	231	9
Vacant residential (activity area)	5	5

The numbers of vacant property's for commercial, industrial & the Bassendean Activity area are very low, therefore the reasons on creating a differential rate for vacant land based on the statistics would be difficult to support.

A Specified Area Rate (SAR) may be imposed under Section

6.37 of the *Local Government Act 1995* for the purpose of meeting the cost of providing a higher standard of landscaping, capital infrastructure, specific work or facility that the Council considers has benefited or will benefit the ratepayers or residents within the specified area.

The Department of Local Government Rating policy on Differential rates identifies that if there are fewer than thirty ratepayers who will be subject to the differential general rate, each affected ratepayer has to be informed in writing by the Local government.

- b) *Any long term identified contaminated industrial/commercial land where application of higher differential rates may encourage remediation*

In regard to contaminated industrial/commercial land, only a single property meets this criteria. Ratable value on this property is \$3,200.

Based on this fact that this is an isolated property the expectation that this requires a differential rate would not be supported.

- c) *Any noxious industry such as concrete batching plants where there is a need to offset the higher level of costs incurred by the Town in servicing properties in this category including transport infrastructure by the application of higher differential rates*

It can be argued that commercial & industrial areas generate high traffic volumes with heavy loads and therefore should contribute at a higher level than residential for road construction, maintenance & drainage systems. This is the case in more dense & larger commercial & industrial areas of larger councils, such as Joondalup, Swan, and Cockburn where heavy traffic volumes can be factors in contributing to Infrastructure deterioration.

However, the Bassendean commercial/ industrial areas are small compared to the previous examples mentioned.

From a financial perspective, the variance in asset depreciation on roads and other infrastructure located in a commercial/industrial area compared to a residential area is minimal.

There is not sufficient statistical data to support a differential rate being imposed on Industry. The Town does not have a Zoning for noxious industry, the batching plant is zoned General industry.

- d) *Possible exemption from a higher differential rate where a property is undergoing significant approved revitalisation within a specific timeframe.*

In this particular category if a property was undergoing “revitalization”, for example if a shopping Centre was demolished and was left vacant for a period of time, there would be a drop in the GRV, which would mean a drop in the Rateable value. A specific example of this is with the recently refurbished Bassendean Shopping centre, during the renovation period Landgate reassessed the property by decreasing the GRV during renovations. After the renovations were completed, the GRV was increased, reflecting the increased capacity of the facility.

In considering the levying of the differential rate, Council would need to consider the level of service provided to substantiate the additional differential levy that can be no more than twice the lowest general rate. Council would also need to consider whether the characteristics of the land (held or use) would be such that the Town would incur additional costs to justify the differential rates.

Again, it would also be incumbent on Council to justify the additional services that it provides to each of the properties to warrant a differential rate, and seek the Minister’s approval for a differential rate.

Council would also be required to provide information that would substantiate the budget deficiency that occurred and the requirement to levy a differential rate to recover the additional costs associated with the properties.

STATUTORY REQUIREMENTS

Section 6.33 of the Local Government Act 1995 sets out the provisions in relation to differential rating. The Town is able to apply separate rates in the \$ for different categories of property based on:

- (a) the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the *Planning and Development Act 2005*; or
- (b) a purpose for which the land is held or used as determined by the local government; or
- (c) whether or not the land is vacant land; or

- (d) any other characteristic or combination of characteristics prescribed.
- (2) Regulations may —
 - (a) specify the characteristics under subsection (1) which a local government is to use; or
 - (b) limit the characteristics under subsection (1) which a local government is permitted to use.
- (3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.
- (4) If during a financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.

Section 6.36 of the Local government Act requires that if the Town is going to apply differential rating it must advertise the differentials it intends to apply with local public notice for a period of 21 days and invite submissions in relation to the proposed differentials.

A document is required to be made available for inspection by electors and ratepayers that describes the objects of, and reasons for each proposed rate and minimum payment.

The advertising may be published within a period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency.

The Town is then required to consider any applications received and may make a final resolution in relation to the setting of the rates in the \$ and the adoption of the budget.

FINANCIAL CONSIDERATIONS

The Town currently levies a general rate to all properties of \$0.07165 cents and a minimum rate of \$1,085. The general rates levied for the 2017/18 consists of the following categories of properties:

General Rate 5,769 properties that will raise \$11,329,482

Minimum rate 1,368 properties that will raise \$ 1,484,280

OFFICER RECOMMENDATION — ITEM 8.4

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

COMMITTEE/OFFICER RECOMMENDATION — ITEM 8.4

AGC-4/05/18

MOVED Cr Jai Wilson, Seconded Ian Walters, that staff provide a report identifying the number of vacant lots, including zonings, and undertake an analysis of differential rating for those properties.

CARRIED UNANIMOUSLY 4/0

8.5 Review of the Instrument of Appointment for the Audit and Governance Committee- (Ref GOVN/CCLMEET/18-Mike Costarella, Director Corporate Governance)

APPLICATION

The purpose of this report is to address the Committee recommendation of the 14 February 2018 relating to the review of the Instrument of Appointment and Delegation and consideration of a recommendation to Council of a new Instrument of Appointment and Delegation.

ATTACHMENTS

Draft Instrument of Appointment provided by Cr Hamilton on Thursday 10 May 2018

BACKGROUND

The Committee resolved (AGC - 1/02/18) MOVED Ian Walters, Seconded Cr Mykytiuk, that the Audit and Governance Committee's Instrument of Appointment & Delegation be reviewed by the Committee and presented to Council for endorsement.

CARRIED UNANIMOUSLY 5/0

COMMUNICATION & ENGAGEMENT

The Instrument of Appointment and Delegation is a matter for Council and whilst the Committee comprises of community members, no community comment has been sought at this stage.

STRATEGIC IMPLICATIONS

Objectives <i>What we need to achieve</i>	Strategies <i>How we're going to do it</i>	Measures of Success <i>How we will be judged</i>
5.1 Enhance organisational accountability	5.1.1 Enhance the capability of our people	Community / Stakeholder Satisfaction Survey (Governance)
	5.1.2 Ensure financial sustainability	
	5.1.3 Strengthen governance, risk management and compliance	Compliance Audit
	5.1.4 Improve efficiency and effectiveness of planning and services	Risk Management Profile
	5.1.5 Ensure optimal management of assets	Financial Ratio Benchmarked. Asset Ratio Benchmarked

COMMENT

At the March 2018 Audit and Governance Committee meeting, there were 3 examples of the Instrument of Appointment and Delegation tabled for the Committee's information.

This included:

- Example provided by Cr Hamilton;
- Draft Instrument of Appointment prepared by Staff using the example presented by Cr Hamilton- with some minor amendments;
- Another example prepared by Cr Hamilton and Community member Mr. Tom Klaassen; and
- Terms of Reference from the Shire of Serpentine - Jarradale recommended by Mr Ron Back

Following the March meeting, Staff prepared a draft Instrument of Appointment based on the Shire of Serpentine–Jarradale which reflects the activities of the Committee.

A further document was received from Cr Hamilton on the 10 May 2018, which also provides detailed information on the activities of the Committee.

STATUTORY REQUIREMENTS

Local Government Act 1995

FINANCIAL CONSIDERATIONS

Nil

OFFICER RECOMMENDATION — ITEM 8.5

AGC-5/05/18 MOVED Tom Klaassen, Seconded Ian Walters, that the Audit and Governance Committee recommends that Council adopts the Instrument of Appointment and Delegation as attached to the Audit & Governance Committee Minutes of the 16 May 2018.

CARRIED UNANIMOUSLY 4/0

9.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10.0 ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING

Nil

11.0 CONFIDENTIAL BUSINESS

Ron Back left the meeting, the time being 7.50pm and did not return.

11.1 Various Debts Write-off Ref: FINM/DBTOS/2- (Ken Lapham – Manager Corporate Services)

This matter was considered with members of the public excluded from the Chamber under Clause 5.23 (2) (e) (iii) of the Local Government Act as the officer report discusses a matter that if disclosed, would reveal information about a business, professional, commercial or financial affairs of a person.

OFFICER RECOMMENDATION – ITEM 11.1

AGC-6/05/18 MOVED Ian Walters, Seconded Tom Klaassen, that Council writes off debtors of \$512.10 as listed in the Confidential Report to the Audit & Risk Management Committee Agenda of 16 May 2018.

CARRIED BY AN ABSOLUTE MAJORITY 3/1

Cr Wilson voted against the motion.

11.2 Stan Moses Pavilion Management Group Inc. Management & Lease & Agreement (Ref: COUP/LEASNGO/3 - Salvatore Siciliano, Manager Recreation and Culture and Tim Dayman, Recreation Development Officer)

In order to maintain the confidentiality of the Stan Moses Pavilion Management Group Inc., this report was discussed with members of the public excluded under Section 5.23 (2) (b) of the Local Government Act.

COMMITTEE RECOMMENDATION – ITEM 11.2

AGC-7/05/18 MOVED Tom Klaassen, Seconded Ian Walters, that the Audit and Governance Committee recommends to Council the recommendations shown in the Confidential Minutes attached to the Audit and Risk Management Committee Minutes of 16 May 2018.

CARRIED UNANIMOUSLY 4/0

12.0 CLOSURE

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

There being no further business, the Presiding Member closed the meeting at 7.58pm.