

TOWN OF BASSENDEAN

MINUTES

AUDIT & RISK MANAGEMENT COMMITTEE

HELD IN THE COUNCIL CHAMBER, 48 OLD PERTH ROAD, BASSENDEAN
ON WEDNESDAY 8 JUNE 2016 AT 5.30PM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

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

2.0 ATTENDANCES, APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE

Present

Cr Gerry Pule, Presiding Member
Cr Paul Bridges
Cr Mike Lewis
Mr Ian Walters
Ms Michelle Rutherford

Staff

Mr Michael Costarella, Director Corporate Services
Mr Simon Stewert-Dawkins, Director Operational Services
(until 7.58pm)
Ms Amy Holmes, Minute Secretary

Consultants

Mr Ron Back, Consultant Financial Advisor (until 7.58pm)
Macri Partners, Auditors- Tony Macri and Mr Menon (until 7.45pm)

3.0 DEPUTATIONS

Nil

4.0 CONFIRMATION OF MINUTES

4.1 Minutes of the Meeting held on 9 March 2016

COMMITTEE/OFFICER RECOMMENDATION – ITEM 4.1

MOVED Mr Ian Walters, Seconded Cr Paul Bridges, that the minutes of the meeting held on 9 March 2016 be confirmed as a true record.

CARRIED UNANIMOUSLY 5/0

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 2015/16 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 Risk Management Committee, with details of the Interim Audit Report and provide management comments and information on the remedial action taken.

OFFICER RECOMMENDATION – ITEM 8.1

That the Audit and Risk Management Committee receives the:

1. Interim Audit Report for the 2014/15 financial period, from Macri & Partners; and

2. Statement on the Fraud and Error Assessment and authorises the Chairperson of the Audit and Risk Management Committee to sign the Statement and on-forward it to the Auditors.

Cr Bridges requested that staff members vacate the Council Chamber to allow him to ask questions of the Auditors and Financial Advisor.

The Director Corporate Services expressed his dissatisfaction at this request and asked that Cr Bridges' request be recorded in the minutes. The Director Corporate Services commented that as the responsible officer and author of the attached audit report, any allegations made against him will be taken further.

The Financial Advisor advised that it was highly unusual to request staff to leave the room and from a natural justice perspective, they would not have the opportunity to address any concerns.

Cr Bridges advised that he felt that staff had unduly influenced the report and he wanted to ask the auditors and financial advisor questions without the staff present.

The Presiding Member agreed that it would not be appropriate to put the Town's staff in that situation and that Cr Bridges' request was denied.

Cr Bridges responded by saying that he felt gagged.

Cr Lewis moved the officer recommendation with the additional points as shown in bold.

COMMITTEE RECOMMENDATION – ITEM 8.1

ARMC - 1/06/16 MOVED Cr Mike Lewis, Seconded Mr Ian Walters, that the Audit and Risk Management Committee:

1. **Notes** the Interim Audit Report for the 2014/15 financial period from Macri & Partners;
2. **Notes** the Statement on the Fraud and Error Assessment and authorises the Chairperson of the Audit and Risk Management Committee to sign the Statement and on-forward it to the Auditors;
3. **Requests a report detailing the processes and procedures that have been put in place to address the issues raised in the interim audit report;**

4. **Requests a report be presented to the next meeting of the Audit & Risk Management Committee that addresses the issues raised in the past three interim audits and whether any matters remain outstanding;**
5. **Requests that within six months an internal audit of the procurement system be undertaken and reported to this Committee; and**
6. **Supports in principle the concept of additional resources to ensure compliance with governance issues and seeks a report as to the possible implementation of this.**

CARRIED 4/1

Cr Lewis, Cr Pule, Mr Ian Walters and Ms Michelle Rutherford voted in favour of the motion. Cr Bridges voted against the motion.

Mr Tony Macri and Mr Menon left the Chamber at 7.45pm and did not return.

8.2 Notice of Motion – Cr Pule: Cash in Lieu report on all matters relating to Development Agreement and Arrangements for the Town Centre Project with LandCorp and Swan Districts Football Club (Ref: LUAP/PLANNG/11 - Bob Jarvis, Chief Executive Officer)

APPLICATION

The purpose of this report is to address the Notice of Motion that was passed by Council at its March 2016 meeting which relates to the Cash-in-Lieu applicable to the Town Centre Project.

Cr Bridges moved the officer recommendation with the addition of a point 2 as shown in bold.

COMMITTEE/OFFICER RECOMMENDATION — ITEM 8.2

ARMC - 2/06/16 MOVED Cr Bridges, Seconded Cr Pule, that the Audit and Risk Management Committee recommends to Council that:

1. The information on the Cash-in-Lieu for the Town Centre Redevelopment be noted; and

2. **Council informs the development agreement partners that the Town will require a cash-in-lieu payment from any lots developed to enable purchase of local open space in areas destined for future higher density coding.**

CARRIED UNANIMOUSLY 5/0

8.3 Annual Closed Circuit Television (CCTV) Report (Ref: INFT/ACQ/1 - Simon Stewert-Dawkins, Director Operational Services and Sharna Merritt, Senior Ranger)

APPLICATION

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

COMMITTEE/OFFICER RECOMMENDATION – ITEM 8.3

- ARMC - 3/06/16** MOVED Cr Bridges, Seconded Cr Lewis, that the Audit & Risk Management Committee notes the annual CCTV Management and Operation report.

CARRIED UNANIMOUSLY 5/0

9.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

9.1 Cr Bridges – Heritage Project at 1 Surrey Street

COMMITTEE RECOMMENDATION – ITEM 9.1

- ARMC - 4/06/16** MOVED Cr Bridges, Seconded Ms Michelle Rutherford, that the Audit and Risk Management Committee reviews the governance charter for the proposed heritage project at 1 Surrey Street to ensure due diligence is applied to the sustainability of the project.

CARRIED UNANIMOUSLY 5/0

10.0 ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING

Nil

The Director Operational Services and Mr Ron Back left the Chamber at 7.58pm and did not return.

11.0 CONFIDENTIAL BUSINESS

COMMITTEE RECOMMENDATION – ITEM 11.0(a)

OCM – 5/06/16 MOVED Cr Bridges, Seconded Cr Lewis, that the meeting go behind closed doors in accordance with Section 5.23 of the Local Government Act 1995, the time being 7.58pm.
CARRIED UNANIMOUSLY 5/0

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

APPLICATION

- The purpose of this report is to recommend that various outstanding and unrecoverable debts be written off.
- The Manager Corporate Services recommends that Debtors, totalling \$2,205 be written off.

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.

COMMITTEE/OFFICER RECOMMENDATION – ITEM 11.1

OCM – 6/06/16 MOVED Cr Lewis, Seconded Cr Bridges, that Council writes off debtors of \$2,205 as listed in the Confidential Report to the Audit & Risk Management Committee Agenda of 8 June 2016.
CARRIED UNANIMOUSLY 5/0

COMMITTEE RECOMMENDATION – ITEM 11.0(b)

OCM – 7/06/16 MOVED Cr Lewis, Seconded Cr Bridges, that the meeting proceeds with open doors, the time being 8.02pm.
CARRIED UNANIMOUSLY 5/0

12.0 **CLOSURE**

The next meeting will be held on Wednesday 10 August 2016 commencing at 5.30pm.

There being no further business the Presiding Member declared the meeting closed, the time being 8.02pm.