



MINUTES

Special Council Meeting

16 August 2021

Shire of Victoria Plains
Council Chambers, Calingiri
AND
via E-Meeting Protocol

Commencing – 2.53 pm

DISCLAIMER:

The recommendations contained in this document are officers' recommendations only and should not be acted upon.

The decisions of the Committee are not considered final until the minutes of the Committee meeting are adopted by Council at a subsequent meeting or advised in writing by the CEO or authorised person.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification.

Please note that meetings may be recorded for minute taking purposes.

E – Disclaimer

It is the Presiding Member's responsibility to preserve order in the meeting and this can be more difficult in an eMeeting. Therefore, each Council Member must consistently and respectfully follow the Local Government's Meeting Procedures Local Law, any additional eMeeting guidance provided by the Local Government and support the Presiding Member in their conduct of the eMeeting.

The pace of an eMeeting should be slow and orderly. The following practices will help avoid confusion and support effective eMeetings:

Speak clearly and slowly, as connections may be distorted or delayed;

Always state your name to indicate to the Presiding Member that you wish to speak. Restate your name if the Presiding Member has not heard you at first;

In debate, only speak after the Presiding Member has acknowledged you. Then state your name, so that others know who is speaking;

Follow the Presiding Member's directions and rulings;

If you are unclear about what is happening in an eMeeting, immediately state your name to draw the Presiding Member's attention and enable you to then seek clarification from the Presiding Member;

Avoid looking for opportunities to call Points of Order; instead, politely and respectfully gain the Presiding Member's attention and explain any deviation from your Meeting Procedures, the Local Government Act or any other relevant matter.

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UNCONFIRMED



Minutes

Shire of Victoria Plains Special Council Meeting

Held in the Council Chambers and via E-meeting protocol, Cavell Street, Calingiri
on Monday 16 August 2021 commencing at 2.53pm.

1. DECLARATION OF OPENING

1.1 Opening

The Presiding Member stated the declaration of the State Emergency and State Health Emergency and the means of conducting meetings under the E-meeting platform, advising Elected Members that the meeting was being recorded for the purposes of Minute Taking and uploading of the recording to the Shire Website for public viewing.

The Meeting was declared open by the Shire President at 2.53pm.

1.2 Announcements by Presiding Member

2. RECORD OF ATTENDANCE

Members	Cr P Bantock - Shire President Cr D Lovelock – Deputy Shire President Cr N Clarke Cr G O'Brien
Staff	CEO – Ms G Teede Governance Officer – Mr S Fletcher – via teleconference Minute Taker – Mrs J Klobas
Apologies	Cr S Penn Cr J Kelly
Approved leave of absence	Nil
Visitors	Nil
Members of the public	Nil

3. DISCLOSURES OF INTEREST

	Type	Item	Person / Details
3.1	Financial		Nil
3.2	Proximity		Nil
3.3	Impartiality		Nil

4. PUBLIC QUESTION TIME**4.1 Public Questions With Notice**

Public Question Time was opened to the floor at 2.55pm.

Nil Public questions.

4.2 Public Questions Without Notice

Where written questions are not submitted, a summary of the questions and responses are given, as per the Local Government (Administration) Regulations 1996 r.11(e).

Nil Public questions.

Public question time closed at 2.55pm

5. CONFIRMATION OF MINUTES

Not applicable.

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6. REPORTS REQUIRING DECISION**6.1 Amendment to Audit Committee Terms of Reference - Membership**

File reference			
Report date	30 July 2021		
Applicant/proponent	CEO		
Officer disclosure of interest	Nil		
Previous meeting references	Audit Committee Meeting 26 June 2019; OCM 1910-03 Item 8.1 30 October 2019; Item		
Prepared by	Sean Fletcher, Governance Officer		
Authorised by	CEO		
Attachments			
Attachment 1	Page	2	Audit Committee – Draft Revised Terms of Reference

PURPOSE

For Council to adopt the revised Terms of Reference applicable to the Audit Committee regarding this committee's terms of reference and proposed changes to the membership structure.

BACKGROUND

The Shire President advised at the Council meeting on 28 July 2021 that the Audit Committee was not able to meet as it did not have a quorum on that day.

Prior to this, the CEO has advised Council that there has been no response to the seeking of community members to fill the current vacancies on the Audit Committee.

The Shire President met with the CEO and the author on 28 July 2021 to discuss the implications regarding the Audit Committee not being able to convene with the lack of community members and elected members not being available to participate in meetings.

The Audit Committee currently has a few matters before it for consideration and at least one of these, which is time sensitive, must go to Council regarding reporting to the Minister of Local Government the proposal the Shire will implement to deal with the significant matters identified within the 2019/2020 Audit. The other matters are for the Audit Committee to assist the CEO to ensure that these are addressed as soon as practicable.

COMMENT

The Audit Committee is the only standing committee of Council i.e. permanent and ongoing committee.

Under the Local Government Act and the Audit Regulations the Audit Committee has the following compulsory functions:

Heading	Description
Committee Functions	The Committee's functions are set out in Regulation 16 and 14(3A) of the Audit Regulations.

<p>Part 6 refers to preparing for the annual audit(s)</p> <p>Part 7 refers to the audit committees and its audit functions</p> <p>17(3) Regulation 17 Review</p> <p>17(1) Regulation 17 Review 5.2(c) Review of Financial Management Systems</p> <p>7.12A(3) Examine the Auditor's Report and ensure the action plan for any corrections is followed</p> <p>7.12(4)(a) Prepare a report on Significant findings by the Auditor and how they will be addressed by the Shire</p>	<p>Regulation 16 An audit committee has the following functions:</p> <ul style="list-style-type: none"> • <i>to guide and assist the local government in carrying out:</i> <ul style="list-style-type: none"> ○ <i>its functions under Part 6 of the Act; and</i> ○ <i>its functions relating to other audits and other matters related to financial management;</i> • <i>to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;</i> • <i>to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to:</i> <ul style="list-style-type: none"> ○ <i>report to the council the results of that review; and</i> ○ <i>give a copy of the CEO's report to the council;</i> • <i>to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under:</i> <ul style="list-style-type: none"> ○ <i>regulation 17(1); and</i> ○ <i>the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);</i> • <i>to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;</i> • <i>to oversee the implementation of any action that the local government:</i> <ul style="list-style-type: none"> ○ <i>is required to take by section 7.12A(3); and</i> ○ <i>has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and</i> ○ <i>has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and</i> ○ <i>has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);</i> • <i>to perform any other function conferred on the audit committee by these regulations or another written law.</i> <p>Regulation 14(3A) The Audit Committee is to:</p> <p><i>(3A) The local government's audit committee is to review the compliance audit return (CAR) and is to report to the council the results of that review.</i></p>
<p>The CAR is prepared annually for the previous calendar year</p>	<p>Notes Notes are also provided in this section regarding the types of report required and when the Auditor General became responsible for local government audits</p>

Table One – Overview of Audit Committee's Responsibilities

It can be seen in Table One, that the terms of reference will provide a level of rigour and put the Audit Committee into a position of performing its role more effectively.

Also, under policy 1.10 Enterprise Risk Management, the CEO is required to review and report to the Audit Committee on the Shire’s risks, internal controls and legislative requirements every three financial years:

11.1 The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

11.2 This policy must be reviewed every two years.

To this end the Shire has in place the above policy and the corresponding Risk Framework in place.

Membership	<p>The Committee consists of five (5) members. Three council members and two who are other persons (community representatives). There is required to be a Presiding Member.</p> <p>Any community representative appointed to the Committee should have qualifications and/or professional experience that will enhance the expertise available to Elected Members serving on the Committee.</p> <p>On the matter of the external (community) appointments, there is a requirement for Council to select suitably qualified persons.</p> <p>Vacancies for the community representatives will be advertised in the Shire Newsletter, the Shire of Victoria Plains webpage and notice boards. Council will then select and appoint new members.</p>
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Table Two – Overview of Audit Committee’s Membership

At the October 2020 OCM, Council was advised that it may wish to review the structure of the Committee in due course and that the appropriate time to do this is prior to the 2021 Ordinary Local Government Elections. Please note that the CEO or other officer cannot be a member of the Audit Committee.

Vacancies for the community representatives **were advertised** in the Shire Newsletter, the Shire of Victoria Plains webpage, notice boards **and on Social Media from 14 June 2021 – 14 July 2021..**

Options for Consideration

The author is proposing the following options for consideration by Council regarding the Audit Committee’s membership going forward:

Option One – Three Elected Members.

The minimum number of members for a committee of council is three. The quorum is two members. This can be awkward if one member is unavailable as the Presiding Member cannot maintain chairing meetings in an objective manner if they are required to move or second all items at a meeting.

Option Two – All of Council

The quorum in this situation is four elected members. In some ways, this means it should be easier to convene meetings and all of Council is party to all information provided to the Audit Committee. However, it could be equally difficult to achieve all members to attend such meetings. It would be appropriate to have a deputy presiding member in this instance.

Option Three – Three Elected Members and Two Deputy Members

In this situation, quorum is two members. However, with access to two deputy members (proxies), the committee should be able to meet with the required numbers at each meeting. This structure should give the committee the most flexibility to meet and be effective.

CONSULTATION

- CEO
- Shire President
- OCM
- Council Briefing Session

STATUTORY CONTEXT

The Audit Committee Terms of Reference defines the membership, authority, purpose, operational guidelines, responsibilities and resources of the Shire of Victoria Plains Audit Committee, established by Council pursuant to division 1A, section 7.1A of the *Local Government Act 1995* (the Act) and the *Local Government (Audit) Regulations 1996* (the Regulations).

Changes to the Terms of Reference, including the membership, are required to be adopted by an absolute majority.

Audit Regulations 1996

r.17 – Audit Committee to review CEO report on risk management, internal control and legislative compliance

CORPORATE CONTEXT

Strategic Community Plan / Corporate Business Plan

Civic Leadership *to better allocate scarce resources and effectively interact with the community*

5.1	Implement measures to improve relationship and communication between Council and community	<ul style="list-style-type: none"> • <i>Implementation of initiatives to better connect Council with the community and associated matters.</i>
5.2	Improve elected member performance	
5.3	Develop an advocacy and lobbying capacity	
5.4	Measures to improve organisational	

efficiency

- 5.4.1: Review, update and maintain strategic and operational plans
- 5.4.2 Maintain accountability and financial responsibility in accordance with Long Term Financial Plan
- 5.4.3 Maintain controls to promote a high level of legislative compliance throughout the organisation
- 5.4.5 Maximise operational efficiencies whilst maintaining appropriate controls.

Risk Management

The risks regarding the Audit Committee and its lack of an effective quorum are:

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance	Mitigation and Outcome
Compliance Lack of good governance re fiduciary responsibility: <ul style="list-style-type: none"> Not being able to meet; Not supporting Council and the CEO 	Major (4) Non-compliance results in imposed penalties to Shire/Officers	Likely (5) Is expected to occur in most circumstance i.e. more than once per year based on current ability to meet	Extreme (20)	CEO/Council Unacceptable Only acceptable if excellent controls in place Existing Controls A need for corrective action exists. Processes (Controls) not operating as intended.	By adopting a new membership structure, the Audit Committee will be able to operate as required by the legislation and assist both Council and the CEO effectively. Over time the risk will reduce to Medium/Low.

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute majority required: Yes

That Council adopt the revised Terms of Reference for the Shire of Victoria Plains Audit Committee as set out in Attachment 1 regarding Membership as follows:

2108-01 Council Resolution

Moved: Cr D Lovelock

Seconded: Cr N Clarke

The Committee consists of three (3) members and two (2) deputy members as follows:

1. Cr P Bantock - Member
2. Cr N Clarke - Member
3. Cr D Lovelock – Member
4. Cr G O'Brien – Deputy
5. Cr S Penn – Deputy

1. The members and deputy members are made up from the Elected Members of Council;
2. There is required to be a Presiding Member;
3. The deputy member:
 - a. Fills in for the office of audit committee member when a member is unavailable, or the office is vacant.
 - b. Has the same responsibilities as a member when attending an audit committee meeting in the capacity of a member as established in 3.a.

CARRIED BY ABSOLUTE MAJORITY For 4 / Against 0

7. MEETING CLOSED TO PUBLIC

Matters for which the meeting may be closed in accordance with the Local Government Act 1995 s.5.23(2).

Public reading of resolutions made during a closed meeting.

8. CLOSURE OF MEETING

There being no further business, the presiding member declared the meeting closed at 3.01pm.

CERTIFICATION

These minutes were confirmed at the Ordinary Committee Meeting held on _____

Signed _____ Date _____
(Presiding member at the meeting which confirmed the minutes)

Committee –

- **Minutes are unconfirmed until adopted at the following meeting of Committee**
- **Committee decisions may be authorised by Council, or by CEO authority**