



Special Council Meeting
Minutes
23 March 2017

CONFIRMATION OF MINUTES

I hereby certify that the Minutes of the Special Council Meeting held on 23 March 2017 are a true and accurate record of the proceedings contained therein.


.....
Mr Ian Fletcher
Commissioner

2/5/17
.....

Dated

All attachment items referred to in these minutes are available for public perusal at the Shire Office

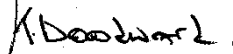
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Signed at Exmouth



(K Woodward), Acting Chief Executive Officer Shire of Exmouth

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SPECIAL COUNCIL MEETING MINUTES

Our Vision

To support and develop a vibrant, welcoming community that embraces its past, values its present and plans for a sustainable future

Our Purpose

To responsibly provide governance for the whole community in the best interest of current and future generations

Our Strategic Objectives

- To provide sustainable management of the organisation
- To consistently apply the principles of Good Governance
- To communicate effectively
- To promote socioeconomic development
- To value our environment and heritage

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Commissioner welcomed the gallery and declared the meeting open at 4.00 pm.

2. RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Mr Ian Fletcher	Commissioner
Mr K Woodward	Acting Chief Executive Officer
Mrs S O'Toole	Executive Manager Corporate Services
Ms T Ryan	Minute Clerk

GALLERY

Visitors 2

APOLOGIES

Nil

LEAVE OF ABSENCE

Nil

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTIONS TIME

In accordance with section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them.

Council Consideration Towards Public

When public questions necessitate resolutions of Council, out of courtesy and at the President discretion the matter is to be dealt with immediately to allow the public to observe the determination of the matter (obviates the need for the public to wait an undetermined period of time).

When a matter is listed on the Agenda and member/s of the public are in attendance to observe the determination of the matter, out of courtesy and at the discretion of the President the matter is to be brought forward on the agenda and dealt with immediately to allow the public to observe the determination of the matter (again this obviates the need for the public to wait an indeterminate period of time).

In accordance with section 11 of the *Local Government (Administration) Regulations 1996*:

11 . Minutes, content of (Act s. 5.25(1)(f))

The content of minutes of a meeting of a council or a committee is to include —

- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question;***

Nil.

5. DECLARATIONS OF INTEREST

Item/Description	Name	Detail of Interest	Extent of Interest
Nil			

6. APPLICATIONS FOR LEAVE OF ABSENCE

The Local Government Act 1995 (Section 2.25) provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. A member who is absent, without first obtaining leave of the Council, throughout three consecutive Ordinary meetings of the Council is disqualified from continuing his or her membership of the Council.

Disqualification from membership of the Council for failure to attend Ordinary Meetings of the Council will be avoided so long as the Council grants leave prior to the member being absent. The leave cannot be granted retrospectively. An apology for non-attendance at a meeting is not an application for leave of absence.

Nil.

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

That the Minutes of the Ordinary Council Meeting of the Shire of Exmouth held on 7 March 2017 be confirmed as a true and correct record of proceedings.

COUNCIL RESOLUTION

ITEM 7

Res No: 12-0317

That the Commissioner confirms the Minutes of the Ordinary Council Meeting of the Shire of Exmouth held on 7 March 2017 be confirmed as a true and correct record of proceedings.

CARRIED 1/0

8. ANNOUNCEMENTS BY THE PRESIDING PERSON

Nil

9. PETITIONS, DEPUTATIONS, PRESENTATION AND SUBMISSIONS

Nil

10. MATTERS ARISING FROM COMMITTEES OF COUNCIL

10.1 2016 COMPLIANCE AUDIT RETURN

File Reference:	FM.AD.1
Responsible Officer:	Chief Executive Officer
Date of Report:	17 February 2016
Applicant/Proponent:	Department of Local Government
Disclosure of Interest:	Nil
Attachment(s):	1. 2016 Compliance Audit Return

PURPOSE

The Annual Compliance Return for the Shire of Exmouth requires Council's Audit Committee consideration and endorsement before being submitted to the Council and Department of Local Government.

BACKGROUND

Pursuant to Regulations 14 & 15 of the *Local Government (Audit) Regulations 1996*, each year Local Governments are required to complete the Compliance Audit Return for Local Government. Part of this process requires the presentation of the Compliance Return to the Audit Committee, previously the ordinary Council meeting, where it is to be formally adopted and returned to the Department of Local Government.

The Compliance Audit Return is one of the tools that allows Council to monitor how the organisation is functioning. The Return places emphasis on highlighting many areas where there may be non-compliance and where appropriate, the required remedial action.

There were a number of non-compliance matters contained within the report (Attachment 1).

COMMENT

A copy of the completed 2016 Compliance Audit Return is provided for consideration (Attachment 1).

There is an error contained in page 6 of 9 of the 2016 Compliance Audit Return. Item No. 2, Reference s5.121 (1) of 'Official Conduct' section states that the organisation has no Register of Complaints, however a Register of Complaints is maintained by the organisation.

CONSULTATION

Senior Managers delegated responsibility for certain functions have completed relevant sections of the Return.

STATUTORY ENVIRONMENT

Pursuant to Regulations 14 & 15 of the *Local Government (Audit) Regulations 1996* requires the 2016 Compliance Audit Return to be completed and returned by the 31 March 2017.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Leadership:
- 4 To work together as custodians of now and the future.
 - 4.1 *To be a collaborative community with the capacity to manage the current and future direction of Exmouth.*
 - 4.2 *A local government that is respected, professional, trustworthy and accountable.*
 - 4.3 *To be strong advocates representing the region's interests.*

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 10.1

That Council endorse the completed 2016 Compliance Audit Return, subject to the following amendments to the 'Official Conduct' section of the 2016 Compliance Audit Return:-

- Item No. 2, Reference s5.121 (1) of the 'Official Conduct' section of the Audit Return to note that there is a Register of Complaints that is maintained by the organisation;
- Item No. 3, Reference s5.121 (2)(a) amend response to Yes;
- Item No. 4, Reference s5.121 (2)(b) amend response to Yes;
- Item No. 5, Reference s5.121 (2)(c) amend response to Yes; and
- Item No. 6, Reference s5.121 (2)(d) amend response to Yes.

COUNCIL RESOLUTION

ITEM 10.1

Res No: **13-0317**

That Council endorse the completed 2016 Compliance Audit Return, subject to the following amendments to the 'Official Conduct' section of the 2016 Compliance Audit Return:-

- **Item No. 2, Reference s5.121 (1) of the 'Official Conduct' section of the Audit Return to note that there is a Register of Complaints that is maintained by the organisation;**
- **Item No. 3, Reference s5.121 (2)(a) amend response to Yes;**
- **Item No. 4, Reference s5.121 (2)(b) amend response to Yes;**
- **Item No. 5, Reference s5.121 (2)(c) amend response to Yes; and**
- **Item No. 6, Reference s5.121 (2)(d) amend response to Yes.**

CARRIED 1/0

10.2 EXTERNAL AUDIT CONTRACT

File Reference:	FM.AD.0
Responsible Officer:	Executive Manager Corporate Services
Date of Report:	16 March 2017
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE

For Council to consider the quotations received for the provision of external audit services for the 2016/17 financial year, with an option of annual extensions not exceeding three years, and to appoint an Auditor for this period.

BACKGROUND

Council's current audit contract with Anderson, Munro & Wyllie expired with the completion of the 2015/16 audit.

The State Government introduced a Bill into Parliament proposing for the Auditor General to undertake the annual financial audits of local government. Department of Local Government and Communities issued Circular No 31-2016 advising Councils of a delay in the Auditor General taking on the responsibility for local government financial audits from 1 July 2017. Local governments were encouraged to extend or renew audit contracts until the 2017/18 audit, with the option of annual extensions.

For this reason, request for quotations were sought from four organisations which included a detailed scope of audit services for 2016/17 financial year with an option of annual extensions not exceeding three years.

COMMENT

A panel made up of the Executive Manager Corporate Services and a Local Government Consultant undertook evaluations of the quotations received against the assessment criteria. The following prices were quoted:

	Quoted Prices (incl Disbursements) \$	Hours
Applicant 1	24,060	150
Applicant 2	21,340	132
Applicant 3	28,900	120
Applicant 4	24,834*	82

*Disbursements were not provided

The following table outlines the results of these evaluations

Assessment Criteria	Weighting	Applicant 1	Applicant 2	Applicant 3	Applicant 4
Quoted Prices	60%	53%	60%	44%	46%
Technical Expertise	10%	10%	10%	10%	10%
Capacity to undertake work	10%	10%	8%	10%	10%
Experience	10%	10%	10%	10%	10%
Proposed Audit Plan	10%	8%	8%	10%	8%
Total Weighting	100%	91%	96%	84%	84%

Each of the organisations has the experience and capability to undertake the audit scope as required by the Shire.

However, Officers consider whilst Applicant 3's quote is the least competitive, overall their weighting in each criteria reflected their experience and knowledge of local government auditing. The benefit in choosing this organisation will be their guidance and over time will see Council continue to improve the quality and standard of financial reporting.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Section 7.3 & 7.6 of the Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The 2016/17 Annual Budget has a provision for audit services of \$18,500. The variance between the allocated budget and the highest quote is \$10,400. A budget amendment will need to be considered at the next Ordinary Council Meeting.

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Leadership:
- 4 To work together as custodians of now and the future.
 - 4.1 *To be a collaborative community with the capacity to manage the current and future direction of Exmouth.*
 - 4.2 *A local government that is respected, professional, trustworthy and accountable.*
 - 4.3 *To be strong advocates representing the region's interests.*

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION**ITEM 10.2**

That Council:

1. Accept the quotation submitted by Applicant 3, Moore Stephens, and appoint David Tomasi, registered company auditor number 15724, Wen-Shien Chai, registered company auditor number 229761 and Greg Godwin, registered company auditor number 310219 as Auditors for the Provision of External Audit Services for the lump sum fixed price of \$28,900, for the 2016/17 financial year; and
2. Exercise the option of annual extensions for 2017/18 and 2018/19 financial years as submitted by Applicant 3, should the Auditor General not undertake the annual financial audits of local government.

COUNCIL RESOLUTION**ITEM 10.2**

Res No: 14-0317

That Council:

1. **Accept the quotation submitted by Applicant 3, Moore Stephens, and appoint David Tomasi, registered company auditor number 15724, Wen-Shien Chai, registered company auditor number 229761 and Greg Godwin, registered company auditor number 310219 as Auditors for the Provision of External Audit Services for the lump sum fixed price of \$28,900, for the 2016/17 financial year; and**
2. **Exercise the option of annual extensions for 2017/18 and 2018/19 financial years as submitted by Applicant 3, should the Auditor General not undertake the annual financial audits of local government.**

CARRIED 1/0

11. REPORTS OF COUNCILLORS

Nil

12. REPORTS OF OFFICERS

Nil

13. ELECTED MEMBERS MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

15. MATTERS TO BE CONSIDERED BEHIND CLOSED DOORS

Nil

16. CLOSURE OF MEETING

The Commissioner closed the meeting at 4.06 pm.