



Shire of **Ngaanyatjaraku**

ON A JOURNEY

SPECIAL MEETING OF COUNCIL

MINUTES

1 December 2021

at

1.10 pm

SHIRE OF NGAANYATJARRAKU

SPECIAL MEETING OF COUNCIL

The Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Meeting of Council.

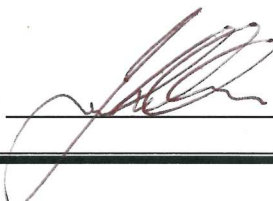


Chief Executive Officer

Date: 1-12-2021

These minutes were confirmed by Council as a true and correct record of proceedings of the Special Meeting of Council held on the 1 December 2021.

Presiding Member: _____



Date: 15/12/2021

1.	DECLARATION OF OPENING.....	4
2.	ANNOUNCEMENT OF VISITORS.....	4
3.	ATTENDANCE	4
3.1	PRESENT	4
3.2	APOLOGIES.....	4
4.	PUBLIC QUESTION TIME	4
4.1	PUBLIC QUESTION TIME	4
5.	DECLARATION BY MEMBERS.....	4
5.1	DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA.....	4
5.2	DECLARATIONS OF INTEREST	4
6.	CEO REPORTS.....	6
6.1	REVIEW OF 2020/21 ANNUAL FINANCIAL STATEMENTS, INDEPENDENT AUDIT / MANAGEMENT REPORTS	6
6.2	ANNUAL REPORT 2020/21 AND AGM OF ELECTORS	9
7.	NEW BUSINESS OF AN URGENT NATURE AS ADMITTED BY DECISION	11
8.	CLOSURE OF MEETING	11

1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at 1.10pm.

2. ANNOUNCEMENT OF VISITORS

The Presiding Member welcomed members of the public to the gallery.

3. ATTENDANCE

3.1 PRESENT

Elected Members:	President Deputy President Councillor Councillor Councillor Councillor Councillor	D McLean P Thomas (via phone) D Frazer J Frazer L West J Porter A Benning
Staff:	CEO DCEO / DCS FAC DGC	K Hannagan (via video-conference) K Fisher (via video-conference) G Handy C Green (via video-conference)
Guests:		
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.	

3.2 APOLOGIES

Note; Cr Elect A Jones has been away and has not yet completed his Cr Declaration

4. PUBLIC QUESTION TIME

4.1 PUBLIC QUESTION TIME

5. DECLARATION BY MEMBERS

5.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA

Councillors are requested to give due consideration to all matters contained in the Agenda presently before the meeting.

5.2 DECLARATIONS OF INTEREST

Councillors to Note

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting, that will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;

- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) Participate in or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under *Section 5.68 or Section 5.69 of the Local Government Act 1995*.

NOTES ON DECLARING INTERESTS (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor, or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995*, but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
 4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under *s.5.68(1)(b)(ii) or the Local Government Act*, or
 - 6.2 Where the Minister allows the Councillor to participate under *s.5.69(3) of the Local Government Act*, with or without conditions.

Declarations of Interest provided:

Item Number/ Name	Type of Interest	Nature/Extent of Interest

6. CEO REPORTS

6.1 REVIEW OF 2020/21 ANNUAL FINANCIAL STATEMENTS, INDEPENDENT AUDIT / MANAGEMENT REPORTS

FILE REFERENCE:	FM.02
AUTHOR'S NAME AND POSITION:	Kevin Hannagan Chief Executive Officer
DATE REPORT WRITTEN:	26 November 2021
DISCLOSURE OF FINANCIAL INTEREST:	The author has no financial, proximity or impartiality interests in the proposal.

Summary

The Auditors conducted the Annual Financial Audit for 2020/21 during April 2021 to November 2021.

This report discusses outcomes of the Audit including the Independent Auditors Report and Management Letter and recommends that Council accept the Independent Auditors Report, Management Letter and Annual Financial Report and actions contained in this report in respect of the audit conducted.

Background

The following reports are to be tabled for the Auditors for the year ended 30 June 2021:

- Independent Auditors Report to the Electors of the Shire of Ngaanyatjaraku (Auditor's Report);
- Management Report for the year ended 30 June 2021 (Management Report); and
- Annual Financial Report 2020/21.

Comment

In accordance with Section 7.12A of the Local Government Act 1995, a local government is to meet with the auditor of the local government at least once in every year.

The President / Chair Audit Committee, Chief Executive Officer and Deputy Chief Executive Officer met with Mona Lu, OAG Auditor and Marcia Johnson, Director, Butler Settineri by video teleconference at 1.00pm on Thursday 18 November 2021.

The following matters will be the subject of a separate report to the Minister for Local Government:

A - Matters indicating significant adverse trends in the financial position from the Management Report are as follows:

- 1 The own source revenue coverage ratio as reported in Note 29 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries' standard for 2021, 2020 and 2019 financial years.

Management comment - Given the level of disability of the shire due to population, size and geographical location and that all housing is owned by the State Government who are exempt from paying rates or service charges it is difficult to raise the Shires Ratio to that of the benchmark ratio of 40%. The Shire is currently negotiating with the State Government on a range of matters to address the Shire's Long-Term Financial Sustainability.

B - Matters indicating non-compliance:

1. A review of the appropriateness and effectiveness of the Shire's financial management systems and procedures was not completed by the Chief Executive Officer (CEO) at least once every three financial years, as required by section 5(2)(c) of the Local Government (Financial Management) Regulations 1996. The last review took place in 2016.

Management comment - The Financial Management Review was commenced earlier this year and will be presented to the Audit & Risk Committee and the Ordinary Council Meeting (Agenda item 10.5) on 24 November 2021.

2. A review of the appropriateness and effectiveness of the Shire's system and procedures in relation to risk management, internal control and legislative compliance was not completed by the CEO at least once every three financial years, as required by paragraph 17 of the Local Government (Audit) Regulations 1996. The last review took place in 2017.

Management comment - The Review of Systems and Procedures was commenced earlier this year and will be presented to the Audit & Risk Committee and the Ordinary Council Meeting (Agenda item 10.5) on 24 November 2021.

Statutory Environment

Local Government Act 1995

7.12AD. Reporting on a financial audit

- (1) *The auditor must prepare and sign a report on a financial audit.*
- (2) *The auditor must give the report to —*
 - (a) *the mayor, president or chairperson of the local government; and*
 - (b) *the CEO of the local government; and*
 - (c) *the Minister.*

7.12A. Duties of local government with respect to audits

- (1) *A local government is to do everything in its power to —*
 - (a) *assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and*
 - (b) *ensure that audits are conducted successfully and expeditiously.*
- (2) *Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
- (3) *A local government must —*
 - (aa) *examine an audit report received by the local government; and*
 - (a) *determine if any matters raised by the audit report, require action to be taken by the local government; and*
 - (b) *ensure that appropriate action is taken in respect of those matters.*
- (4) *A local government must —*
 - (a) *prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*
 - (b) *give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*
- (5) *Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.*

Financial Implications

The Shire has made a Budget Allocation for this Audit in its 2021/22 Adopted Budget.

Strategic Implications

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

Risk Management

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources, other than contained in the Recommendation.

Policy Implications

There are no known policy implications for this matter.

Attachments

Attachment 6.1 – Annual Financial Statements 2020/21

Note: Independent Auditors / Management Reports to be tabled at the meeting.

Voting Requirement

Simple Majority Required.

Officers Recommendation and Council Resolution

Moved: Cr D Frazer

Seconded: Cr A Benning

That Council:

- 1. Accepts the tabled Independent Auditors Report and Annual Financial Report and actions contained in the reports in respect of the 2020/21 audit conducted;**
- 2. Notes progress made on addressing material matters raised in the Audit Report and other matters in the Management Report;**
- 3. Requests the Chief Executive Officer to prepare a report to the Minister for Local Government addressing matters identified as significant by the auditor in the audit report and stating as above what action the local government has taken or intends to take with respect to each of those matters; and**
- 4. Within 14 days after giving the above report to the Minister the Chief Executive Officer must publish a copy of the report on the local government's official website.**

Carried: 7/0

6.2 ANNUAL REPORT 2020/21 AND AGM OF ELECTORS

FILE REFERENCE:	CS.13
AUTHOR'S NAME AND POSITION:	Kevin Hannagan Chief Executive Officer
DATE REPORT WRITTEN:	26 November 2021
DISCLOSURE OF FINANCIAL INTEREST:	The author has no financial, proximity or impartiality interests in the proposal.

Summary

The Local Government Act 1995 ("the Act") requires that Council accepts the draft Annual Report for 2020/21, including the Financial and Auditor's Report, no later than 31 December or within two months of the Auditor's Report becoming available if that is not received prior to 31 December of that FYE.

Council is also required to select a date, time and venue for the Annual General Meeting of Electors.

Background

Under section 5.53 of the Act, the Shire is required to prepare an Annual Report for each financial year. The report is to contain:

- A report from the Shire President and the Chief Executive Officer;
- An overview of the Plan for the Future, including any major initiatives that are proposed to commence or continue in the next financial year;
- The Financial Report;
- Prescribed information in relation to payments made to employees;
- The Auditor Report;
- A report under section 29(2) of the Disability Services Act 1993;
- Entries made under section 5.121 during the financial year in the register of complaints; and
- Any other prescribed information.

Copies of the Annual Report for 2020/21 will be placed on the Shire's website when adopted.

Comment

Council is also requested to consider determining the date, time and location of the Annual General Meeting (AGM). The meeting must be held within 56 days from the date Council accepts the Annual Report and Financial Statements. If Council accepts the Annual Report at this meeting the latest possible date for the AGM is Wednesday, 26 January 2022.

It is recommended the Annual Report be considered by the electors of the Shire at an AGM to be held on Wednesday 15 December 2021 commencing at 1.00 pm in Warburton.

Statutory Environment

Local Government Act 1995

5.27. *Electors' general meetings*

- (1) *A general meeting of the electors of a district is to be held once every financial year.*
- (2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*

(3) *The matters to be discussed at general electors' meetings are to be those prescribed.*

5.29. Convening electors' meetings

(1) The CEO is to convene an electors' meeting by giving —

(a) at least 14 days' local public notice; and

*(b) each council member at least 14 days' notice,
of the date, time, place and purpose of the meeting.*

2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

5.53. Annual reports

(1) The local government is to prepare an annual report for each financial year.

(2) The annual report is to contain —

5.54. Acceptance of annual reports

(1) Subject to subsection (2), the annual report for a financial year is to be accepted by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

Financial Implications

The financial implications are detailed in the Annual Financial Report.

Strategic Implications

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

Risk Management

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is now "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

Policy Implications

Not Applicable

Attachments

Attachment 6.2 – Annual Report 2020/21

Note: Independent Auditors / Management Reports to be tabled at the meeting

Voting Requirement

Absolute Majority Required.

Officers Recommendation and Council Resolution

Moved: Cr J Frazer

Seconded: Cr D Frazer

That Council:

- 1 Accepts the 2020/21 Annual Report as per Attachment 6.2 and tabled;**
- 5. Hold the Annual General Meeting of Electors on Wednesday 15 December 2021 commencing at 1.00 pm prior to the Ordinary Meeting of Council in Warburton;**
- 6. Publish the Annual Report on the Shire's official website within 14 days;**
- 7. Provide Public Notice of availability of the 2020/21 Annual Report; and**
- 8. Advertise the Annual General Meeting of Electors giving at least 14 days local public notice.**

Carried: 7/0

7. NEW BUSINESS OF AN URGENT NATURE AS ADMITTED BY DECISION

8. CLOSURE OF MEETING

There being no further business to discuss the Presiding Member closed the meeting at 1.25pm