



Shire of
Peppermint Grove

SPECIAL COUNCIL MEETING

AGENDA

**TO BE HELD ON
TUESDAY 1 JUNE 2021
AT
5.30 PM**



Shire of
Peppermint Grove

NOTICE OF MEETING

Dear Councillor

It is advised that the **SPECIAL COUNCIL MEETING** will be held in the Council Chamber of the **Shire of Peppermint Grove**, 1 Leake Street, Peppermint Grove, on **1 JUNE 2021**, commencing at 5.30 pm.

MEETING AGENDA ATTACHED

Yours faithfully

A handwritten signature in black ink, appearing to read 'Don Burnett', written in a cursive style.

Mr Don Burnett
CHIEF EXECUTIVE OFFICER

28 May 2021

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Shire of
Peppermint Grove**TABLE OF CONTENTS**

ITEM	SUBJECT HEADING	PAGE
1	DECLARATION OF OFFICIAL OPENING	5
2	RECORDING OF ATTENDANCE, APOLOGIES AND LEAVES OF ABSENCE	5
2.1	ATTENDANCE	5
2.2	APOLOGIES	5
3	DELEGATIONS AND PETITIONS	6
3.1	DELEGATIONS	6
3.2	PETITIONS	6
3.3	PRESENTATIONS FROM THE PUBLIC	6
4	PUBLIC QUESTION TIME	7
4.1	RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE FROM A PREVIOUS MEETING	7
4.2	QUESTIONS FROM MEMBERS OF THE PUBLIC	7
4.3	DEPUTATIONS OF THE PUBLIC	7
5	DECLARATIONS OF INTEREST	8
5.1	FINANCIAL INTEREST	8
5.2	PROXIMITY INTEREST	8
5.3	IMPARTIALITY INTEREST	8
5.4	INTEREST THAT MAY CAUSE A CONFLICT	8
5.5	STATEMENT OF GIFTS AND HOSPITALITY	9
6	ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)	9
7	CONFIRMATION OF MINUTES	9

8	OFFICER REPORTS	10
8.1	MANAGER CORPORATE AND COMMUNITY SERVICES	10
8.1.1	2019/20 ANNUAL REPORT INCLUDING AUDITED ANNUAL FINANCIAL STATEMENTS	10
9	NEW BUSINESS OF AN URGENT NATURE	14
10	MOTIONS ON NOTICE	14
11	CONFIDENTIAL ITEMS OF BUSINESS	14
12	CLOSURE	14

Shire of
Peppermint Grove

SPECIAL COUNCIL MEETING AGENDA

1 DECLARATION OF OFFICIAL OPENING

At ____ pm, the Shire President declared the meeting open and requested the recording of attendance and apologies.

Council recognises that it is permissible to record the Shire's Council and Forum Meetings in the written, sound, vision medium (or any combination of the mediums) when open to the public, however, people who intend to record meetings are requested to inform the Presiding Member of their intention to do so.

2 RECORDING OF ATTENDANCE, APOLOGIES AND LEAVES OF ABSENCE

2.1 ATTENDANCE

Shire President	Cr R Thomas
Deputy Shire President	Cr C Hohnen
Elected Member	Cr K Farley
Elected Member	Cr D Horrex
Elected Member	Cr G Peters
Elected Member	Cr P Macintosh
Elected Members	Cr P Dawkins
Chief Executive Officer	Mr D Burnett
Manager Corporate Services & Community Services	Mr M Costarella

Gallery _____ Members of the Public
 _____ Members of the Press

2.2 APOLOGIES



3 DELEGATIONS AND PETITIONS

3.1 DELEGATIONS

NIL

3.2 PETITIONS

NIL

3.3 PRESENTATIONS FROM THE PUBLIC

4 PUBLIC QUESTION TIME

The Presiding Member will open council for public question time by asking the gallery if there were any questions or deputation for council.

- The Agenda
- Question to Council Forms and
- Deputation Forms

Have been placed at the end of the Council Meeting table in front of the public gallery, for the public, as well as on the Shire Webpage.

In the event there are no public members present, the Presiding Member will dispense with Public Question Time.

Rules for Council Meeting Public Question Time

- Public Question Time provides the public with an opportunity to put questions to the Council. Questions should only relate to the business of the Council and should not be a statement or personal opinion.*
-
- During the Special Council meeting, after Public Question Time no member of the public may interrupt the meeting's proceedings or enter into conversation.*
- Whenever possible, questions should be submitted in writing at least 48 hours prior to the start of the meeting.*
- All questions should be directed to the President and only questions relating to matters affecting Council may be answered at an Ordinary meeting, and at a Special meeting only questions that relate to the purpose of the meeting may be answered. Questions may be taken on notice and responded to after the meeting, at the discretion of the President.*
- The person presiding will control Public Question Time and ensure that each person wishing to ask a question should state his or her name and address before asking the question. If the question relates to an item on the agenda, the item number should also be stated. In general, persons seeking to ask a question will be given 2 minutes within which to address their question to the Council. The person presiding may shorten or lengthen this time in their discretion.*

4.1 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE FROM A PREVIOUS MEETING

NIL

4.2 QUESTIONS FROM MEMBERS OF THE PUBLIC

4.3 DEPUTATIONS OF THE PUBLIC

5 DECLARATIONS OF INTEREST

Councillors / Staff are reminded of the requirements of section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting when the matter is discussed, and also of the requirement to disclose an interest affecting impartiality under the Shire's Code of Conduct. Councillors / staff are required to submit declarations of interest in writing on the prescribed form.

5.1 FINANCIAL INTEREST

A declaration under this section 5.60 of the Act requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision making procedure relating to the matter the subject of the declaration.

Other members may allow participation of the declarant if the member further discloses the extent of the interest and the other members decide that the interest is trivial or insignificant or is common to a significant number of electors or ratepayers.

5.2 PROXIMITY INTEREST

A declaration under this section 5.60 of the Act requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision making procedure relating to the matter the subject of the declaration.

Other members may allow participation of the declarant if the member further discloses the extent of the interest and the other members decide that the interest is trivial or insignificant or is common to a significant number of electors or ratepayers.

5.3 IMPARTIALITY INTEREST

Councillors and staff are required (Code of Conduct), in addition to declaring any financial interest, to declare any interest that might cause a conflict. The member / employee is also encouraged to disclose the nature of the interest. The member / employee must consider the nature and extent of the interest and whether it will affect their impartiality. If the member / employee declares that their impartiality will not be affected then they may participate in the decision making process.

5.4 INTEREST THAT MAY CAUSE A CONFLICT

Councillors and staff are required (Code of Conduct), in addition to declaring any financial interest, to declare any interest that might cause a conflict. The member / employee is also encouraged to disclose the nature of the interest. The member / employee must consider the nature and extent of the interest and whether it will affect their impartiality. If the member / employee declares that their impartiality will not be affected then they may participate in the decision making process.

5.5 STATEMENT OF GIFTS AND HOSPITALITY

Councillors and staff are required (Code of Conduct), to disclose gifts and acts of hospitality which a reasonable person might claim to be a conflict of interest. Gifts and acts of hospitality which exceed that amount of prescribed by regulation are to be recorded in the Councils Gift Register.

6 ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

Written announcements by the Presiding Member or important forthcoming functions to be tabled at this point. The Presiding Member may, at their discretion, wish to make verbal announcements.

7 CONFIRMATION OF MINUTES

Nil adoption of Minutes at this meeting.

8 OFFICER REPORTS

8.1 MANAGER CORPORATE AND COMMUNITY SERVICES

8.1.1 2019/20 ANNUAL REPORT INCLUDING AUDITED ANNUAL FINANCIAL STATEMENTS

MANAGEMENT/GOVERNANCE/POLICY

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment 1	1. 2019/20 Annual Report
Attachment 2	2. Audited 2019/20 Annual Financial Statements
Attachment 3	3. DRAFT Audit Report

Voting Requirement	:	Absolute Majority
Subject Index	:	Financial Management
Disclosure of Interest	:	Nil
Responsible Officer	:	Michael Costarella, Manager Corporate & Community Services

PURPOSE OF REPORT

The purpose of this report is to receive the 2019/20 Annual Report and Audited Annual Financial Statements for the year ended 30 June 2020.

SUMMARY AND KEY ISSUES

- The 2019/20 Audited Annual Financial Statements have been completed and Council is requested to adopt the document.
- The Annual Electors meeting is set for 5.00pm, Tuesday 8 June, 2021.

BACKGROUND

The financial statements for the year ended the 30 June 2020, were presented to the Auditor for audit purposes and following a number of amendments were presented to the Office of Auditor General (OAG) for final endorsement.

An Exit meeting with management, the Chair of the Audit Committee and Audit Committee members was held on 24 May 2021.

The OAG has also provided comment on the financial report and these are also included as an attachment.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STATUTORY IMPLICATIONS.

Section 6.4 of the Local Government Act states:

- **6.4 Financial report**

- (1) *A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) *The financial report is to —*
 - (a) *be prepared and presented in the manner and form prescribed; and*
 - (b) *contain the prescribed information.*
- (3) *By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
 - (a) *the accounts of the local government, balanced up to the last day of the preceding financial year; and*
 - (b) *the annual financial report of the local government for the preceding financial year.*

- **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.*

FINANCIAL IMPLICATIONS

There is no financial impact in relation to this report.

OFFICER COMMENT

The audit for the 2019/20 financial year has been completed and provides an overview of the financial activities for the 2019/20 year. This year, there has been a significant delay in the audit being finalised, mainly due: -

- **Changes to the accounting standards in November 2020** – This related to reassessing any land vested in Council with a value and removing the value- In Shire's case the land for the Freshwater Café was valued at \$831,000 and this was removed from the Asset Register.
- **Reporting only 9% of the library financials** as the accounting standards have deemed the service to be a joint venture- This has been a point on contention with the Auditors and Shire officers as there is a discrepancy as to what is considered a joint venture under the Local Government Act and the Australian Accounting Standards. Staff will be seeking further clarification from the Department of Local Government whether a library service is a joint venture or shared resource by three local governments.
- **Assessing the acceptable value of the land and heritage building i.e., "Wearne House"**. – Council obtained a valuation for the Land in July 2020. A further valuation was requested by the auditor for the heritage building and this was obtained in September 2020. Neither valuations were accepted by the Auditor and Staff were requested to obtain Valuation reports undertaken by the Town of Cottesloe in 2014 to provide a discounted value for the land and building. Staff assessed the valuation and advised the Auditor that the valuation could be discounted by 40%. A meeting with the Auditor in February 2021 and the methodology of the discounted valuation was discussed and verbally agreed. However, a further meeting was held in April 2021 where it was reassessed, and a new discounted valuation was derived. This meant that a number of transactions needed to be reversed and new Statements were provided to the Auditor.

There have been a number of drafts received, updated and sent with the final one sent on the 24 May 2021.

2019/20 Closing Surplus

The estimated closing budget surplus on 30 June 2020 was anticipated to be \$34,135, this was later reviewed in February 2021 and was adjusted to \$46,122.

Following the conclusion of the financial year and the completion of the Annual Audit, the actual closing surplus for the 2019/20 financial year is \$281,000. The additional surplus was derived from the following areas:

The additional surplus was derived from the following: -

Opening Estimated Surplus 1/7/2019	\$ 34,000
Additional rates Income	\$ 6,000
Grants paid in advance (Fin Assist Grant)	\$ 39,500
Additional fees and charges	\$ 26,500
Savings in other expenditure	\$ 85,000
Savings in utility charges	\$ 58,000
Footpath Program (to be completed in 20/21)	\$ 32,000
CLOSING SURPLUS AS AT 30/6/2020	\$281,000

From this projected surplus, \$71,500 is carry forward into the 2020/21 budget to offset Capital projects.

Council is required to hold an annual elector meeting, which will be held at 5.00pm, Tuesday 8th June 2021, immediately before the June agenda forum.

At the time of writing this report the Shire had not received the OAG's audit report. It is understood that the Shire will get an unqualified audit report.

It is expected that the audit report will be available before the meeting and will be circulated to elected members.

The 2019/20 Annual Report, Annual Financial Report and the DRAFT Audit report are provided as separate documents (Attachments 1,2 and 3). A combined public version will be available by Wednesday 2 June 2021.

OFFICER RECOMMENDATION/S – ITEM NO 8.1.1

That Council:

- 1. Receives the audited 2019/20 Annual Financial Statements and Audit Report and Completion Report.**
- 2. Notes that the Annual Electors meeting at 5.00pm is being held on Tuesday 8th June 2021 in the Council Chambers.**

9 NEW BUSINESS OF AN URGENT NATURE

NIL

10 MOTIONS ON NOTICE

(Automatically sent back to Administration for consideration at the next Council meeting)

11 CONFIDENTIAL ITEMS OF BUSINESS

NIL

12 CLOSURE

At ____ pm, there being no further business the meeting closed.

DECLARATION OF FINANCIAL / PROXIMITY / IMPARTIAL INTEREST THAT MAY CAUSE A CONFLICT

TO: Chief Executive Officer
SHIRE OF PEPPERMINT GROVE

NAME: _____

POSITION: _____

MEETING DATE: _____

ITEM NO & SUBJECT: _____

NATURE OF INTEREST: Financial / Proximity / Impartiality Interest that may cause a Conflict* * Please Circle applicable

EXTENT OF INTEREST: _____

SIGNATURE: _____

DATE: _____

Section 5.65(1) of the Local Government Act 1995 states that:

FINANCIAL & PROXIMITY INTERESTS

A declaration under this section 5.60 of the Act requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision making procedure relating to the matter the subject of the declaration.

Other members may allow participation of the declarant if the member further discloses the extent of the interest and the other members decide that the interest is trivial or insignificant or is common to a significant number of electors or ratepayers.

DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Councillors and staff are required (Code of Conduct), in addition to declaring any financial interest, to declare any interest that might cause a conflict. The member / employee is also encouraged to disclose the nature of the interest. The member / employee must consider the nature and extent of the interest and whether it will affect their impartiality. If the member / employee declares that their impartiality will not be affected then they may participate in the decision making process.

“A member who has an interest in any matter to be discussed at a Council or Agenda Briefing Forum meeting that will be attended by that member must disclose the nature of the interest”:

- (a) In a written notice given to the CEO before the meeting; or*
- (b) At the meeting immediately before the matter is discussed.*