

**RELEASED**  
**C280223/7360**

## **ITEM NUMBER: 18.1**

### **CONFIDENTIAL REPORT**

#### **MINUTES – AUDIT COMMITTEE – 7 OCTOBER 2020 (Report No: 331/20)**

*Pursuant to Section 90(2) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:*

- b. Information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest.**

**Recommendation – Exclusion of the Public – Section 90(3)(b) Order**

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 331/20 Minutes - Audit Committee – 7 October 2020 in confidence.
  
  - 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 331/20 Minutes – Audit Committee – 7 October 2020 on the following grounds:
    - b.** pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and the disclosure of the information could prejudice Council's commercial position.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
  
  - 3.** The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
-

Item No: **18.1**

Subject: **MINUTES - AUDIT COMMITTEE – 7 OCTOBER 2020**

Date: 27 October 2020

Written By: Personal Assistant, Strategy and Business Services

General Manager: Strategy and Business Services, Ms P Jackson

---

#### **SUMMARY**

The confidential minutes of the meeting of the Audit Committee held 7 October 2020 are presented to Council for information and endorsement.

---

#### **RECOMMENDATION**

**That Council notes the confidential minutes of the Audit Committee meeting on 7 October 2020 and advises Council that:**

- 1. it supports the proposal to extend the existing waste services contract with Solo Resource Recovery for one year until March 2022 to allow completion of the FOGO trial;**
- 2. it recommends the submission of the proposed contract extension to Council for consideration and for an Open Tender process be completed prior to March 2022; and**

#### **RETAIN IN CONFIDENCE - Section 91(7) Order**

- 3. that having considered Agenda Item 18.1 Minutes – Audit Committee Meeting – 7 October - Report No 331/20 in confidence under Section 90(2) and (3)(b) of the *Local Government Act 1999*, the Council, pursuant to Section 91(7) of that Act orders that the report and attachments, be retained in confidence for a period of eighteen months and the Chief Executive Officer is authorised to release the documents when the purchase order is issued to the successful tenderer.**
- 

#### **COMMUNITY PLAN**

A Place that Provides Value for Money

#### **COUNCIL POLICY**

Not applicable

## **STATUTORY PROVISIONS**

*Local Government Act 1999, Sections 41 and 126*

## **BACKGROUND**

The Audit Committee is established under Section 41 of the *Local Government Act 1999*, and Section 126 of the *Local Government Act 1999* defines the functions of the Audit Committee to include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council;
- proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan;
- proposing, and reviewing, the exercise of powers under section 130 A;
- if the council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee;
- liaising with the council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

## **REPORT**

Confidential minutes of the meeting of the Audit Committee held on 7 October 2020 are attached for Members' information.

## **BUDGET**

Not Applicable

**Confidential Minutes of the Audit Committee of the City of Holdfast Bay held in the Kingston Room on Wednesday 7 October 2020.**

**9. ITEMS IN CONFIDENCE**

**9.1 Waste Contract (Report No: 312/20)**

**Motion – Exclusion of the Public – Section 90(3)(b) Order**

- 1. That pursuant to Section 90(2) of the Local Government Act 1999 Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 312/20 External Audit Services in confidence.**
- 2. That in accordance with Section 90(3) of the Local Government Act 1999 Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 205/20 Waste Contract on the following grounds:**
  - b. pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and the disclosure of the information could prejudice Council's commercial position.**

**In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.**

Moved Mr Tu, Seconded Mr Spadavecchia

**Carried**

Council has a current contract with Solo Resource Recovery (Solo) for the collection and processing of residual waste, dry recycles and green organic recycling for the city. Solo is primarily a waste collection business and so relies on sub-contract relationships with Southern Region Waste Resource Authority (SRWRA) to dispose of collected residual waste, Visy Recycling to process dry recycles and Jeffries Industries to process green organics recycling. The existing waste contract also requires Solo to collect residual waste from street litter bins and undertake ad-hoc bin collection as directed by Council. A separate contract has been awarded to Solo to collect, recycle and dispose of residual waste from on-demand kerbside hard rubbish collections.

Solo's head contract expires on 31 March 2021 and Administration has been examining options to provide Council's waste and recycling collections, processing and disposal. Options examined include:

Option 1: Renegotiate and extend the existing Solo contract.

Option 2: Call open tenders for waste collection and processing services.

SRWRA has committed to build a new Materials Recycling Facility (MRF) at its Seaford Heights facility and Council has resolved that Council will have its dry recycles processed by SRWRA. The new MRF is expected to be commissioned by April 2021.

Based on analysis of the revised pricing offered by Solo, this report sought Audit Committee support for Option 1 to extend the existing contract with Solo for a further 5 years under revised terms.

### Motion

That the Audit Committee:

1. support the proposal to extend the existing waste services contract with Solo Resource Recovery for one year until March 2022 to allow completion of the FOGO trial;
2. recommend the submission of the proposed contract extension to Council for consideration and for an Open Tender process be completed prior to March 2022; and

### RETAIN IN CONFIDENCE - Section 91(7) Order

3. that having considered Agenda Item 9.1 Waste Contract – Report No 312/20 in confidence under section 90(2) and (3)(b) of the *Local Government Act 1999*, this order is subject to Section 91(7) of the Act orders that the report, attachments and minutes be retained in confidence for a period of 18 months and the Chief Executive Officer is authorised to release the documents when the purchase order is issued to the successful tenderer.

Moved Councillor Snewin, Seconded Ms Davies

Carried

CONFIRMED

PRESIDING MEMBER