

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay via Electronic Means in a Virtual Meeting Room on Monday 25 May 2020 at 6:31pm.

PRESENT

Members

Visual and Audio Presence

Presiding Member – Councillor J Smedley
Councillor R Snewin
Mr S Spadavecchia
Mr S Tu
Ms P Davies

Staff

Visual and Audio Presence

Chief Executive Officer – Mr R Bria
General Manager Strategy and Business Services – Ms P Jackson
General Manager Alwyndor – Ms B Davidson-Park
Manager Finance – Mr J Newton
Financial Manager Alwyndor – Ms L Humphrey

Guests

Visual and Audio Presence.

Mayor A Wilson
Mr Andrew Tickle – Partner, Audit and Assurance - BDO
Ms Chelsea Aplin – Audit Manager - BDO

1. OPENING

The Presiding Member declared the meeting open at 6.31pm.

2. APOLOGIES

- 2.1 Apologies Received
- 2.2 Absent

3. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 6 May 2020 be taken as read and confirmed.

Moved by Ms Davies, Seconded by Mr Spadavecchia

Carried

5. PRESENTATIONS - Nil

6. ACTION ITEMS

6.1 Action Item List – 25 May 2020

7. REPORTS BY OFFICERS

7.1 **Standing Items** (Report No: 137/20)

The Audit Committee was provided with a report on Standing Items.

Motion

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly financial statements**
- **Risk Management and Internal control**
- **Audit – External/Internal**
- **Public Interest Disclosures – previously Whistle-Blowing**
- **Economy and efficiency audits**
- **Audit Committee Meeting Schedule**
- **Business Continuity Planning - Update**

Moved Cr Snewin, Seconded Mr Tu

Carried

7.2 **Draft Annual Business Plan** (Report No: 138/20)

The Draft 2020-21 Annual Business Plan was presented to Council for endorsement and release for community engagement on 26 May 2020. It has been developed having regard to the “Our Place” 2030 Strategic Plan (Our Place) Asset Management Plans, Long Term Financial Plan and directions provided by Council.

The advent of the COVID-19 pandemic impacted the budget preparation and parameters. The draft budget includes a provision to support our community and businesses through COVID-19 and the ensuing recovery phase. This includes \$179,000 in measures and \$250,000 in a COVID-19 Fund to support the community

and businesses through recovery. The budget also includes forecast loss of non-rate revenue associated with the pandemic of \$766,500.

The draft budget has been further developed with a general rate increase of 2.4% which includes a 0.8% provision for the Waste Levy.

Pursuant to its term of reference, the Audit Committee has reviewed the assumptions, parameters and outcomes providing comments to Council in relation to the draft budget and associated Annual Business Plan.

Motion

That the Audit Committee support the draft 2020-21 Annual Business Plan, as Presented, for presentation to Council for the purpose of public consultation.

Moved Ms Davies, Seconded Councillor Snewin

Carried

7.3 Draft Financial Hardship Policy and Procedure (Report No: 139/20)

With the advent of COVID-19 Council provided financial relief to ratepayers by delaying the payment of rates without penalty to 31 August 2020. Ratepayers were also advised of the process to apply for additional rate relief due to hardship.

Council's hardship policy is contained within its rating policy with administrative procedures to treat each case on their merits. Given the impact of COVID-19 it is considered timely to prepare a separate Financial Hardship Policy and Procedure to provide more comprehensive information on the identification and treatment of rate relief.

Motion

That the Audit Committee advises Council that:

- 1. it supports the draft Financial Hardship Policy for subsequent policy adoption by Council; and**
- 2. notes the draft Financial Hardship Procedure.**

Moved Mr Spadavecchia, Seconded Mr Tu

Carried

7.4 Prudential Review Policy and Procedure (Report No: 140/20)

A Prudential Review Policy was approved on 13 March 2018. While a policy review was not due until March 2021, the Policy has been reviewed early at the request of the Audit Committee.

A desktop review of other Councils' policies has been undertaken and an amended Prudential Management Policy is submitted for the Audit Committee's consideration and comment prior to being submitted to Council for approval.

Adjournment

That the report be adjourned until the next Audit Committee meeting on the basis that the Committee require further information in relation to the process and timing of Prudential Reviews.

8. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING – Nil

9. CONFIDENTIAL ITEMS - Nil

10. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Thursday 23 July at 6.00pm

11. CLOSURE

The Meeting closed at 7.56PM

CONFIRMED Thursday 23 July 2020

PRESIDING MEMBER