



Town of Cottesloe

I hereby certify that the minutes of the Audit Committee meeting
held on

Monday, 27 May 2024

were confirmed as a true and accurate record by committee
resolution.

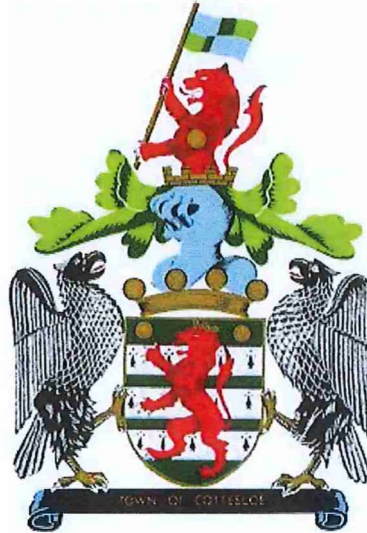
Signed:

Presiding Member

Date: 07/02/2025

A handwritten signature in blue ink, appearing to read 'Donnaie', is written over the 'Signed:' text. The signature is stylized and extends to the right, crossing over the 'Presiding Member' text.

TOWN OF COTTESLOE



AUDIT COMMITTEE UNCONFIRMED MINUTES

AUDIT COMMITTEE
HELD IN THE
Mayor's Parlour, Cottesloe Civic Centre 109
Broome Street, Cottesloe
4:30 PM Wednesday, 13 March 2024

A handwritten signature in black ink, appearing to read "William Matthew Scott".

WILLIAM MATTHEW SCOTT
Chief Executive Officer

14 March 2024

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1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member announced the meeting opened at 4.33pm.

1.1 ACKNOWLEDGEMENT OF COUNTRY

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

2 DISCLAIMER

The Presiding Member drew attention to the Town’s Disclaimer.

3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

The Presiding Member announced that the meeting may be recorded, solely for the purpose of confirming the correctness of the Minutes.

Cr Sadler was appointed to the Audit Committee at last night’s Special Council Meeting, replacing Cr Katy Mason who resigned from the committee.

4 ATTENDANCE

Members

Mayor Lorraine Young	Elected Member
Cr Sonja Heath	Elected Member
Cr Jeffrey Irvine	Elected Member
Mr Andrew Dimsey	Community Representative
Mr Ian McKenzie	Community Representative

Officers

Mr Matthew Scott	Chief Executive Officer
Mr Shane Collie	Director Corporate and Community Services
Ms Irene Wai Shan Au-Yeung	Assistant Finance Manager
Sheryl Teoh	Finance Manager

Visitors

Yvonne Hart	Ratepayer
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Apologies

Cr Helen Sadler	Elected Member
Mr Nathan Hart	Community Representative
Ms Kate Saunders	Executive Services Officer

5 DECLARATION OF INTERESTS

Nil.

6 CONFIRMATION OF MINUTES**AC001/2024****Moved Presiding Member Young Seconded Cr Irvine****That the Minutes of the Audit Committee Meeting held on Monday 11 March 2024 be confirmed as a true and accurate record.****Carried 5/0****7 PRESENTATIONS**

Nil

8 REPORTS**8.1 REPORTS OF OFFICERS****8.1.1 ENTERPRISE RESOURCE PLANNING - INSIGHTS FROM SIMILAR COUNCILS****Attachments: 8.1.1(a) ERP - Insights from the Town of Mosman Park for the Implementation of Datascape [under separate cover]**

The Administration provides that attached information to share insights into the challenges experienced by the Town of Mosman Park and the Town of Claremont in the implementation of the new ERP system as requested to be explored at the previous meeting. The Town of Claremont's main challenge was staff burnout.

The key issues that have faced the Town of Cottesloe have been the following:

- Staff turnover, particularly in Finance and Human Resources.
- Attraction of backfill staff.
- Buy in from staff and continuing the enthusiasm for the project.
- Availability of key staff.

The Town has not reached the stage yet of some of the operational issues raised by Mosman Park however it is expected that we will experience some similar issues.

This detail is provided for the Audit Committee' information as requested.

8.1.2 2022/23 AUDIT ADJUSTMENTS

Attachments: 8.1.2(a) 2022/23 Audit Adjustments [under separate cover]

The Audit adjustments from the 2022/23 accounts are provided for the information of the Audit Committee, as requested at the previous meeting.

8.1.3 AUDIT COMMITTEE RESOLUTION DATABASE

Attachments: 8.1.3(a) Audit Committee Resolution Database - February 2024 [under separate cover]

The Audit Committee Resolution Database – February 2024 provides an update on Council resolutions put forward by the Audit Committee since the previous meeting. This is provided for information.

8.1.4 COMPLIANCE AUDIT RETURN 2023

Directorate: Corporate and Community Services
Author(s): Shane Collie, Director Corporate and Community Services
Authoriser(s): William Matthew Scott, Chief Executive Officer
Shane Collie, Director Corporate and Community Services
File Reference: D24/9369
Applicant(s):
Author Disclosure of Interest: Nil

SUMMARY

With Council’s approval, the Mayor and Chief Executive Officer are required to certify the 2023 Audit Compliance Return so that it may be lodged to the Department of Local Government by the due date of 31 March 2024.

OFFICER RECOMMENDATION IN BRIEF

That for Audit Committee endorse and recommend that Council adopt the 2023 Compliance Audit Return and authorise the Mayor and Chief Executive Officer to certify the Return so that it may be returned to the Department of Local Government and Communities by the due date of 31 March 2024.

BACKGROUND

Each year the Department of Local Government issues a Compliance Audit Return that covers a sample of legislative provisions required under the provisions of the *Local Government Act 1995*, which is required to be completed by staff and endorsed by Council prior to submission.

The Compliance Audit Return (CAR) covers 11 different categories and each category can have anywhere from 3 to 24 questions.

OFFICER COMMENT

The Compliance Audit Return for 2023 has been completed and it is recommended to be endorsed by the Audit Committee and for Council to adopt and further, authorise the Mayor and Chief Executive Officer to certify the Return so that it can be forwarded to the Department of Local Government and Communities.

There were no areas of non compliance raised in completing the Compliance Audit Return.

ATTACHMENTS

8.1.4(a) Compliance Audit Return 2023 [under separate cover]

CONSULTATION

Senior Staff.

STATUTORY IMPLICATIONS*Local Government Act 1995***7.13 Regulations as to Audits**

- (1) (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are –
 - (i) of a financial nature or not; or
 - (ii) under this Act or another written law.
- (2) Regulations may also make any provision about audit committees that may be made under section 5.25 in relation to committees.

Local Government (Audit) Regulations 1996 - Regulations 14 and 15

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under sub regulation (3A), the compliance audit return is to be –
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

[Regulation 14 inserted in Gazette 23 Apr 1999 p. 1724-5; amended in Gazette 30 Dec 2011 p. 5580-1.]

15. Compliance audit return, certified copy of etc. to be given to Executive Director

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with –
 - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,is to be submitted to the Executive Director by 31 March next following the period to which the return relates.
- (2) In this regulation –

Certified in relation to a compliance audit return means signed by –

 - (a) the mayor or president; and

8.1.5 MID-YEAR BUDGET REVIEW 2023/24

Directorate: Corporate and Community Services
Author(s): Sheryl Teoh, Finance Manager
Authoriser(s): Shane Collie, Director Corporate and Community Services
William Matthew Scott, Chief Executive Officer
File Reference: D24/9381
Applicant(s):
Author Disclosure of Interest: Nil

SUMMARY

In accordance with statutory requirements, the Audit Committee is presented with the mid-year budget review for the financial year ending 30 June 2024 for its consideration and recommendation on adoption by Council.

OFFICER RECOMMENDATION IN BRIEF

It is recommended that the Audit Committee recommend to Council the receipt of the Budget Review for the Financial Year 2023/24 and the adoption of the amendments contained therein.

BACKGROUND

Each year Council is presented with a mid-year budget review, prepared using six months of actual financial results compared against the budget predictions for the year to date. This allows performance against the budget to be measured, and if required, amendments to be made.

The mid-year review process also allows for factors that were not known at the time of forming the budget to be incorporated into the budget. This may be a change in the operating environment of the Council, funding opportunities not previously known or projects that were not included in original 2023/24 budget.

OFFICER COMMENT

The 2023/24 Budget was adopted by Council on 24 August 2023 with a balanced cash surplus. At Council’s meeting held on 24 October 2023, Council adopted budget amendments for various engineering projects. This amendments did not impact the overall surplus position due to grant funding and reserve transfers balancing the associated expenditure (refer to Attachment page 8).

At Council’s meeting on 12 December 2023, Council adopted the Audit Committee meeting minutes, which contained Council’s final audited position for 2022/23, increasing the surplus brought forward into 2023/24 by \$322,920.

The present Budget Review proposes a net Budget Amendment of (\$108,895), refer to Attachment page 9 for details. The estimated end of year surplus for 2023/24, after this proposed Budget Amendment is \$214,025.

In general these adjustments are relatively small across a total Budget of over \$20 million and no further action is recommended. The Budget is tracking relatively close to that predicted.

Other key points noted are as follows:

- GL Account 10054.287.12 Parking Fines had an original budget of \$1,400,000 however due to a decrease in infringements issued this is revised down by \$60,000 giving a revised budget of \$1,340,000. With the busy Autumn period and Sculpture by Sea still to be included the revenue to make the original Budget still may be achievable.
- GL Account 57.9000.928 Other Operational Projects Cottesloe Village Centre Precinct Plan Town Planning & Regional Development \$324,373. This will not be completed this year and remaining funds will carry over to 2024/25. This does not impact the Budget Review figure.
- Enterprise Resource Planning IT System. Similar to the Cottesloe Village Precinct Plan noted above expenditure is still expected to occur however just at a later time. This project is running under Budget due to the difficulty in securing backfill finance staff which is also a factor in the delayed start.
- New Projects:
Renewal of Irrigation at Jasper Green Park (\$10,500).
Replacement of three Lighting Towers at the Civic Centre (\$15,000).

These two relatively minor projects have become necessary due to deterioration in the existing assets not known at the start of the year. For example one of the light towers in the Civic Centre ground fell some months ago prompting the inspection of others which has led to the required replacement due to safety concerns.

ATTACHMENTS

8.1.5(a) Budget Review Report [under separate cover]

8.1.5(b) Budget Review - Detailed Listing of Predicted Variances [under separate cover]

CONSULTATION

As a part of the preparation of the Budget Review senior staff have been consulted.

STATUTORY IMPLICATIONS

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Regulation 33A. Review of Budget

(1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.

(2A) The review of an annual budget for a financial year must-

- (a) Consider the local government’s financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) Consider the local government’s financial position as at the date of the review; and
 - (c) Review the outcomes for the end of that financial year that are forecast in the budget.
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council.
- (3) A Council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or recommendations made in the review.
- *Absolute majority required
- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department of Local Government, Sport and Cultural Industries.

POLICY IMPLICATIONS

There are no perceived policy implications arising from the officer’s recommendation.

STRATEGIC IMPLICATIONS

This report is consistent with the Town’s *Council Plan 2023 – 2033*.
Priority Area 4: Our Leadership and Governance - Strategic leadership providing open and accountable governance.
Major Strategy 4.3: Deliver open, accountable and transparent governance.

RESOURCE IMPLICATIONS

The Budget Review has been conducted in house from existing resources.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

There are no perceived sustainability implications arising from the officer’s recommendation.

VOTING REQUIREMENT

Absolute Majority

OFFICER AND COMMITTEE RECOMMENDATION

Moved Cr Heath

Seconded Cr Irvine

THAT the Audit Committee by absolute majority

- 1. RECEIVES the Budget Review for the Financial Year 2023/24;**
- 2. ADOPTS the amendments contained within the attached Budget Review document including the following new projects:**
 - (a) Renewal of Irrigation at Jasper Green Park (\$10,500)**
 - (b) Replacement of three Lighting Towers at the Civic Centre (\$15,000)**
- 3. Notes the estimated cash surplus at 30 June 2024 of \$214,025.**

Carried by Absolute Majority 5/0

8.2 ITEMS FOR DISCUSSION

8.2.1 COMPLIANCE CALENDAR

Attachments: 8.2.1(a) 2024 Compliance Calendar - February 2024 [under separate cover]

The Compliance Calendar has been adapted specifically for the Town of Cottesloe from the WALGA model to govern best practices across the calendar year.

The Compliance Calendar – February is provided for the information of the Audit Committee.

9 GENERAL BUSINESS

9.1 COMMITTEE MEMBERS

9.2 OFFICERS

10 MEETING CLOSED TO PUBLIC

10.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

11 NEXT MEETING

Monday, 27 May 2024 at 4.30pm

12 MEETING CLOSURE

The Presiding Member announced the meeting closed at 5.04pm.