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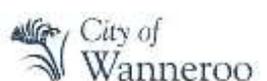
ORDINARY COUNCIL MEETING

TIME: 6.30 PM

21 NOVEMBER 2019

TOWN OF VICTORIA PARK

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*



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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 6.32 pm.

2 ELECTION OF THE CHAIRPERSON

The CEO through the Chair notified the Council that he was withdrawing items 2 and 3 from the Agenda as previously advised by email sent to Councillors on 19 November 2019.

The CEO explained that the reason for withdrawing these items, was on the basis that the re-election of the offices of Chair and Deputy Chair is not required under the provisions of the Local Government Act 1995 and the Local Government Act 1960 as they apply to the MRC.

3 ELECTION OF THE DEPUTY CHAIRPERSON

As above

4 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Councillor Attendance

Cr D Boothman, JP (Chair)	City of Stirling
Cr A Jacob, JP	City of Joondalup
Cr N Jones	City of Joondalup
Cr J Ferrante	City of Stirling
Cr S Proud, JP	City of Stirling
Cr K Sargent	City of Stirling
Cr E Cole	City of Vincent
Cr F Cvitan, JP	City of Wanneroo
Cr D Newton, JP	City of Wanneroo
Cr K Shannon	Town of Cambridge
Cr K Vernon	Town of Victoria Park

Apologies

Cr R Fishwick, JP (Deputy Chair)	City of Joondalup
Cr L Kosova	City of Perth

Leave of Absence

Nil

Absent

Nil

MRC Officers

Mr G Hoppe (Chief Executive Officer)
Mr A Slater (Director Corporate Services)
Ms D Toward (Executive Support)

Member Council Observers

Mr N Claassen (City of Joondalup)

Mr N Ahern (City of Perth)
Mr A Murphy (City of Vincent)
Mr J Wong (Town of Victoria Park)
Mr S Cairns (City of Wanneroo)
Mr R Bryant (City of Stirling)

MRC Observers

Ms S Cherico
Mr B Twine

Visitors

Nil

Members of the Public

Nil

Press

Nil

5 DECLARATION OF INTERESTS

Nil

Cr Cole entered the Council Chambers at 6.33 pm

6 PUBLIC QUESTION TIME

Nil

7 ANNOUNCEMENTS BY THE PRESIDING PERSON

The Chair welcomed the new Councillors onto the Mindarie Regional Council following the elections: Cr Albert Jacob, Cr Dot Newton and Cr Joe Ferrante.

The Chair congratulated Cr Karen Vernon on her appointment as Mayor and Cr Frank Cvitan on his appointment as Deputy Mayor.

The Chair also welcomed Cr Nige Jones to the meeting.

8 APPLICATIONS FOR LEAVE OF ABSENCE

None

9 PETITIONS / DEPUTATIONS / PRESENTATIONS

None

10 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

10.1 ORDINARY COUNCIL MEETING – 19 September 2019

The Minutes of the Ordinary Council Meeting held on 19 September 2019 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council Meeting of Council held on 19 September 2019 be confirmed as a true record of the proceedings.

10.2 SPECIAL COUNCIL MEETING – 26 September 2019

The Minutes of the Special Council Meeting held on 26 September 2019 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Council Meeting of Council held on 26 September 2019 be confirmed as a true record of the proceedings.

10.3 SPECIAL COUNCIL MEETING – 17 October 2019

The Minutes of the Special Council Meeting held on 17 October 2019 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Council Meeting of Council held on 17 October 2019 be confirmed as a true record of the proceedings.

Items 10.1, 10.2 and 10.3 were put as one item.

Moved Cr Shannon, seconded Cr Cvitan.

Prior to voting on the item Cr Shannon requested that a notation be included for the Minutes of the 19 September 2019 Ordinary Council Meeting.

RESOLVED

1. The minutes of the Ordinary Council Meeting held on 19 September 2019 be confirmed as a true record of the proceedings, subject to an annotation being added to the resolution in respect of item 10 of the agenda, which reads:

“Cr Shannon noted that the Audit Committee Minutes were contained in the Members Information Bulletin and sought clarification of the Audit Committee Terms of Reference.”

2. The minutes of the Special Council meeting held on 26 September 2019 be confirmed as a true record of the proceedings.

3. The minutes of the Special Council meeting held on 17 October 2019 be confirmed as a true record of the proceedings.

That the recommendations, subject to the annotation in number 1 above, be adopted.
(CARRIED UNANIMOUSLY 11/0)

11 CHIEF EXECUTIVE OFFICER REPORTS

11.1	FINANCIAL STATEMENTS FOR THE MONTHS ENDED 31 JULY 2019, 31 AUGUST 2019 AND 30 SEPTEMBER 2019
File No:	FIN/5-09
Appendix(s):	Appendix No. 1 Appendix No. 2 Appendix No. 3
Date:	28 October 2019
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to provide financial reporting in line with statutory requirements which provides useful information to stakeholders of the Council.

BACKGROUND

Reporting requirements are defined by Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996.

The financial statements presented for each month consist of:

- Operating Statement by Nature – Combined
- Operating Statement by Nature – RRF Only
- Operating Statement by Function
- Statement of Financial Activity
- Statement of Reserves
- Statement of Financial Position
- Statement of Investing Activities
- Information on Borrowings
- Tonnage Report

DETAIL

The Financial Statements are for the months ended 31 July 2019, 31 August 2019 and 30 September 2019 and are attached at **Appendix No. 1, 2 and 3** to this Item. The Tonnage Report for the 3 months to 30 September 2019 is attached at **Appendix No. 4**. The reports are pre audit approval.

The complete suite of Financial Statements which includes the Operating Statements, Statement of Financial Position, Statement of Financial Activity and other related information are reported on a monthly basis.

The estimates for Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure are based on the estimated rates per tonne calculated with reference to estimated excavation cost of various stages of the landfill and the life of the landfill. An adjustment is made (if necessary) at the end of the year based on actual tonnages on a survey carried out to assess the “air space” remaining and other relevant information.

Summary of results for the year to date period ended 30 September 2019

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	60,870	68,515	(7,645)
Tonnes – Others	3,103	3,911	(807)
TOTAL TONNES	63,973	72,426	(8,452)
	\$	\$	\$
Revenue – Members	12,480,274	14,056,071	(1,575,797)
Revenue – Other	1,090,857	1,240,495	(149,638)
TOTAL REVENUE	13,571,131	15,296,566	(1,725,435)
Expenses	14,523,563	14,497,275	(26,288)
Profit on sale of assets	-	-	-
Loss on sale of assets	-	-	-
Impairment of assets	-	-	-
NET SURPLUS	(952,432)	799,291	(1,751,723)

Commentary

Member tonnes for the year to date are 8,452 tonnes behind phased budget, which is mainly City of Joondalup, City of Stirling and City of Wanneroo delivering less waste than what they individually forecasted.

The net result variance against budget of \$1,751,723 is mainly attributable to budgeted tonnage related expenditure.

RRE

The Resource Recovery Facility residue tonnes are above budget by 2,375 tonnes delivering 15,955 tonnes in total to Tamala Park year to date.

Trade & Casual

The Casual and Trade tonnages are 807 tonnes lower than forecast for the financial year as trade customers find alternative options for waste disposal

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix No. 1, 2 and 3 for the months ended 31 July 2019, 31 August 2019 and 30 September 2019 are received.

Moved Cr Jacob, seconded Cr Vernon

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

11.2	LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 JULY 2019, 31 AUGUST 2019 AND 30 SEPTEMBER 2019
File No:	FIN/5-09
Appendix(s):	Appendix No. 5 Appendix No. 6 Appendix No. 7
Date:	28 October 2019
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to provide details of payments made during the periods identified. This is in line with the requirement under the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the months ended 31 July 2019, 31 August 2019 and 30 September 2019 are at **Appendix 5, 6 and 7** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to the CEO which allows payments to be made between meetings. At the Ordinary Council Meeting held on 19 September 2019, the Council delegated to the CEO the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and the Mindarie Regional Council is able to claim this tax as an input credit when GST remittances are made each month to the Australian Tax Office.

Months Ended	Account	Vouchers	Amount
31 July 2019	General Municipal	Cheques	\$17,810.15
		EFT	\$6,401,715.83
		DP	\$72,696.14
		Inter account transfers	-
		Total	\$6,492,222.12
31 August 2019	General Municipal	Cheques	\$5,351.65
		EFT	\$4,148,202.86
		DP	\$147,502.84
		Inter account transfers	\$3,550,000.00
		Total	\$7,851,057.35
30 September 2019	General Municipal	Cheques	\$7,496.51
		EFT	\$4,200,303.98
		DP	\$20,377.25
		Inter account transfers	\$4,000,000.00
		Total	\$8,228,177.74

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 31 July 2019, 31 August 2019 and 30 September 2019, be noted.

Moved Cr Shannon, seconded Cr Vernon seconded

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

11.3	APPOINTMENT OF COUNCILLORS ON TO COMMITTEES AND OTHER GROUPS
File No:	GOV/1-04
Attachment(s):	1. Audit Committee Details; 2. CEO's Recruitment and Performance Review Committee Details; 3. RRF Project Advisory Group Details; and 4. Municipal Waste Advisory Council Details
Date:	20 October 2019
Responsible Officer:	Chief Executive Officer

SUMMARY

The purpose of this report is to seek the appointment of Councillors of the Mindarie Regional Council (MRC) to its committees and groups.

BACKGROUND

The MRC currently has two committees, established in accordance with Part 5.8 of the *Local Government Act 1995* (LGAct), and two advisory groups that require Councillor membership as follows:

- Audit Committee (established in accordance with the LGAct).
- Chief Executive Officer's Recruitment and Performance Review Committee (established in accordance with the LGAct)
- Project Advisory Group (established in accordance with the Resource Recovery Facility Agreement).
- Municipal Waste Advisory Council (established as part of the MRC's commitment to the Western Australia Local Government Association membership)

Attachments 1 to 4 to this agenda item provide details of the tenure, membership, duties and responsibilities associated with each of the committees and groups named above.

DETAILS

The recently held Local Government Elections have resulted in the need for the MRC to swear in new Councillors and re-appoint Councillors to its committees and other groups. The following provides a brief explanation of the purpose of the committees and groups:

Audit Committee

The Audit Committee is established under the LGAct and has prescribed duties and responsibilities (refer attachment). This committee consists of at least three elected members and an appointed independent member and meets normally three times per year. The Administration provides secretarial support and both the Chief Executive Officer and the Director of Corporate Services attend the meetings to provide advice and guidance to the committee on the issues presented in the agendas.

Chief Executive Officer's Recruitment and Performance Review Committee

This committee was established in 2017 to combine recruitment and performance into one single committee consisting of five Councillors. The Chief Executive Officer's (CEO) performance is reviewed annually. The committee is supported by an independent consultant who undertakes a survey of all the Councillors and assists in the review of the CEO's performance in the previous year against pre-set performance measures and the setting of

performance measures for the next year. The consultant provides a performance report to assist the Councillors in assessing the performance of the CEO.

Project Advisory Group

The MRC has entered into a build-own-operate contract with BioVision 2020 for a Resource Recovery Facility (RRF) that processes 100,000 tonnes of municipal solid waste into a mulch (soil enhancer) annually. The RRF's diversion rate from landfill is just approximately 43%. The RRF is managed through a contract entitled the Resource Recovery Facility Agreement (RRFA). The RRFA includes a requirement to have a Project Advisory Group consisting of an independent Chair, three representatives from the MRC and three representatives from BioVision, plus deputies for each party.

The MRC has historically appointed the CEO, the Director of Corporate Services and a Councillor as its representatives, as well as a deputy stand-in Councillor.

Municipal Waste Advisory Council

The Municipal Waste Advisory Council (MWAC) was established in December 1994 as a Standing Committee of the Western Australian Local Government Association (WALGA) with delegated authority to represent the Association in respect of matters relating to municipal waste issues. MWAC is established under a partnership agreement with WALGA, Eastern Metropolitan Regional Council, City of Geraldton/Greenough, Mindarie Regional Council, Rivers Regional Council, Southern Metropolitan Regional Council and Western Metropolitan Regional Council.

The objective of MWAC is to encourage and promote economically sound, environmentally safe waste management practices and to ensure that the shared interests of all Western Australian Local Governments, as they relate to waste management, are effectively managed. As MWAC is a standing committee of WALGA it requires councillor representation. An Officer Advisory Group (OAG) has been established as an advisory committee to the MWAC.

The MRC last appointed the Chairperson as its representatives on MWAC as well as a deputy stand-in Councillor.

LEGAL COMPLIANCE

Refer attachments 1 through to 4 to determine the varying compliance requirements of the Committees and the Groups.

FINANCIAL IMPLICATIONS

There is no remuneration attached to the positions on any of the MRC's Committees and/or Groups.

COMMENT

The number of committees and groups that Councillors are to be appointed are minimal and do not require large commitments of time due to the infrequency of the meetings.

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. **Appoint Cr _____, Cr _____ and Cr _____ on to the Audit Committee.**

(Absolute Majority Required)

2. **Appoint Cr _____, Cr _____, Cr _____, Cr _____ and Cr _____ on to the Chief Executive Officer's Recruitment and Performance Review Committee.**

(Absolute Majority Required)

3. **Appoint Cr _____ as a member and Cr _____ as a Deputy Member on to the Resource Recovery Facility - Project Advisory Group.**

4. **Appoint Cr _____ as a member and Cr _____ as a Deputy Member on to the Municipal Waste Advisory Council.**

(Absolute Majority Required)

In accordance with section 5.10(4) of the Local Government Act 1995 the Chairperson informed the council that he wished to be a member of both of the Committees and nominated himself accordingly.

Parts 1 through to 4 of the Responsible Officers Recommendation were put separately.

1. AUDIT COMMITTEE

Four nominations were received by Cr Proud, Cr Shannon, Cr Vernon and Cr Boothman.

The Chair noted that the Terms of Reference requires an amendment to allow for an increase in membership of the committee.

Cr Proud moved, Cr Jacob seconded

RESOLVED

To appoint Cr Proud, Cr Shannon, Cr Vernon and Cr Boothman onto the Audit Committee.

CARRIED BY ABSOLUTE MAJORITY (11/0)

2. CHIEF EXECUTIVE OFFICER'S RECRUITMENT AND PERFORMANCE REVIEW COMMITTEE

Five nominations were received by Cr Boothman, Cr Newton, Cr Cole, Cr Cvitan and Cr Shannon.

Cr Vernon moved, Cr Ferrante seconded

RESOLVED

To Appoint Cr Boothman, Cr Newton, Cr Cole, Cr Cvitan and Cr Shannon onto the Chief Executive Officer's Recruitment and Performance Review Committee.

CARRIED BY ABSOLUTE MAJORITY (11/0)

3. RESOURCE RECOVERY FACILITY – PROJECT ADVISORY GROUP

Cr Cvitan nominated Cr Newton to be the member of the Project Advisory Board and Cr Cvitan nominated for the deputy member.

Cr Shannon moved, Cr Jacob seconded

RESOLVED

To appoint Cr Newton as the member and Cr Cvitan as the deputy member onto the Resource Recovery Facility - Project Advisory Group.

CARRIED BY ABSOLUTE MAJORITY (11/0)

4. MUNICIPAL WASTE ADVISORY COUNCIL

Cr Boothman nominated to be the member of the Municipal Waste Advisory Council and Cr Jacob nominated Cr Fishwick for the deputy member.

Cr Jacob moved, Cr Cvitan moved

RESOLVED

Appoint Cr Boothman as the member and Cr Fishwick as the deputy member onto the Municipal Waste Advisory Council.

CARRIED BY ABSOLUTE MAJORITY (11/0)

ATTACHMENT 1

AUDIT COMMITTEE

MEMBERSHIP/SUPPORT STAFF

Three Councillors (Minimum)
One Independent Member (Sourced from the Community)
MRC Chief Executive Officer (Support Staff)
MRC Director Corporate Services (Support Staff)

MEETING FREQUENCY

The Committee shall meet as and when required. Normally three times a year being:

- (a) November to review and make recommendations to Council on the previous year's audited financials;
- (b) February/March to review the MRC's risk register and MRC's response to the Statutory Compliance Audit Return required by the State Government and make recommendations to Council; and
- (c) July to review the MRC's risk register.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee will be –

- (a) Provide guidance and assistance to Council as to the carrying out the function of the Council in relation to audits.
 - (b) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Council's auditor.
 - (c) Develop and recommend to Council –
 - a list of those matters to be audited; and
 - the scope of the audit to be undertaken.
 - (d) Recommend to Council the person or persons to be appointed as auditor.
 - (e) Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include –
 - the objectives of the audit
 - the scope of the audit
 - a plan of the audit
 - details of the remuneration and expenses to be paid to the auditor; and
 - the method to be used by the Council to communicate with, and supply information to, the auditor.
 - (f) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
 - (g) Liaise with the CEO to ensure that the local government does everything in its power to –
-

-
- assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - ensure that audits are conducted successfully and expeditiously.
- (h) Examine the reports of the auditor after receiving a report from the CEO on the matters and –
- determine if any matters raised require action to be taken by the Council; and
 - ensure that appropriate action is taken in respect of those matters.
- (i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time.
- (j) Review the scope of the audit plan and program and its effectiveness.
- (k) Review the appropriateness of special internal audit assignments undertaken at the request of Council or CEO.
- (l) Review the level of resources allocated to internal audit and the scope of its authority.
- (m) Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management reacts to matters raised.
- (n) Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs.
- (o) Review Council's draft annual financial report, focusing on:
- accounting policies and practices;
 - changes to accounting policies and practices;
 - the process used in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;
 - compliance with accounting standards and other reporting requirements; and
 - significant variances from prior years.
- (p) Consider recommending adoption of the financial report to Council
- (q) Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
- (r) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
- (s) Review the annual Compliance Audit Return and report to the Council the results of that review.
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- | | |
|-----|---|
| (t) | Consider the CEO's biennial reviews of the appropriateness and effectiveness of the Council's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews. |
| (v) | Monitor the progress of any major lawsuits facing the Council. |
| (w) | Perform a biannual review of the material risks identified in the Council's Risk Register. |
-

APPOINTMENT/TENURE Extract from Local Government Act 1995 “

5.10. Committee members, appointment of

- (1) *A committee is to have as its members —*
- (a) *persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and*
 - (b) *persons who are appointed to be members of the committee under subsection (4) or (5).*
- * Absolute majority required.*
- (2) *At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.*
- (3) *Section 52 of the Interpretation Act 1984 applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the local government. If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*
- (4) *If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*
- (5) *If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —*
- (a) *to be a member of the committee; or*
 - (b) *that a representative of the CEO be a member of the committee,*
-

the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

5.11A. Deputy committee members

(1) *The local government may appoint* a person to be a deputy of a member of a committee and may terminate such an appointment* at any time.*

**Absolute majority required.*

(2) *A person who is appointed as a deputy member of a committee is to be -*
(a) if the member of the committee is a council member – a council member; or
(b) if the member of the committee is an employee – an employee; or
(c) if the member of the committee is not a council member or an employee – a person who is not a council member or an employee; or
(d) if the member of the committee is a person appointed under section 5.10(5)

(3) *A deputy of a member of a committee may perform the functions of the member when the member is unable to do so by reason of illness, absence or other cause.*

(4) *A deputy of a member of a committee, while acting as a member, has all the functions of and all the protection given to a member*

5.11. Committee membership, tenure of

(1) *Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or*
- (b) the person resigns from membership of the committee; or*
- (c) the committee is disbanded; or*
- (d) the next ordinary elections day, whichever happens first.*

(2) *Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) the term of the person's appointment as a committee member expires; or*
- (b) the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or*
- (c) the committee is disbanded; or*
- (d) the next ordinary elections day, whichever happens first."*

ATTACHMENT 2

CHIEF EXECUTIVE OFFICER'S RECRUITMENT AND PERFORMANCE REVIEW COMMITTEE

MEMBERSHIP/SUPPORT CONSULTANT

Five Councillors
One support HR Consultant

MEETING FREQUENCY

The Committee shall meet as and when required.
Recruitment: when a vacancy occurs.
Performance Review: normally three or four meetings per year.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of this committee is:

- when a vacancy occurs, participate in the recruitment of a CEO
- review on an annual basis, the CEO's performance in accordance with the Key Performance Indicators set by the Committee in the previous year; and
- Review the outcome of a survey of the Councillors undertaken by the support HR Consultant

APPOINTMENT/TENURE Extract from Local Government Act 1995 “ 5.10. Committee members, appointment of

- (1) *A committee is to have as its members —*
 - (a) *persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and*
 - (b) *persons who are appointed to be members of the committee under subsection (4) or (5).*

** Absolute majority required.*
 - (2) *At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.*
 - (3) *Section 52 of the Interpretation Act 1984 applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the local government.*
 - (4) *If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*
-

(5) *If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —*

- (a) *to be a member of the committee; or*
- (b) *that a representative of the CEO be a member of the committee,*

the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

5.11A. Deputy committee members

(1) *The local government may appoint* a person to be a deputy of a member of a committee and may terminate such an appointment* at any time.*

**Absolute majority required.*

(2) *A person who is appointed as a deputy member of a committee is to be -*

- (a) *if the member of the committee is a council member – a council member; or*
- (b) *if the member of the committee is an employee – an employee; or*
- (c) *if the member of the committee is not a council member or an employee – a person who is not a council member or an employee; or*
- (d) *if the member of the committee is a person appointed under section 5.10(5)*

(3) *A deputy of a member of a committee may perform the functions of the member when the member is unable to do so by reason of illness, absence or other cause.*

(4) *A deputy of a member of a committee, while acting as a member, has all the functions of and all the protection given to a member*

5.11. Committee membership, tenure of

(1) *Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) *the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or*
- (b) *the person resigns from membership of the committee; or*
- (c) *the committee is disbanded; or*
- (d) *the next ordinary elections day, whichever happens first.*

(2) *Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) *the term of the person's appointment as a committee member expires; or*
- (b) *the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or*
- (c) *the committee is disbanded; or*
- (d) *the next ordinary elections day, whichever happens first."*

ATTACHMENT 3

PROJECT ADVISORY GROUP

MEMBERSHIP

Three members from the Mindarie Regional Council consisting of;

- one Councillor;
- two staff members being the CEO and Director Corporate Services; and
- two deputy Members being one Councillor and one staff member
- three members from BioVision 2020.
- one Independent Chairperson.

MEETING FREQUENCY

Bi-Monthly

DUTIES AND RESPONSIBILITIES

The Project Advisory Group will have the primary responsibility of overseeing the execution of this agreement and ensuring that this agreement runs as smoothly and as efficiently as is possible having regard to the undertakings, commitments and obligations of the parties set out in this agreement and will, subject to this agreement:

- (a) establish and maintain the Project culture;
- (b) assist the parties in fulfilling their obligations under this agreement;
- (c) provide visible leadership for the Project;
- (d) provide a forum through which the parties may discuss matters pertaining to, or to provide advice, guidance and support for, the implementation of the Project;
- (e) assist in resolving conflicts related to the MRC Project Agreements in a prompt, open and transparent manner including referring matters to MRC and the Contractor if required, and otherwise participate in the dispute resolution process as set out in clause 31.3;
- (f) inquire into and report to the parties upon any matter related to the operation, disclosure or performance of this agreement, including providing corporate governance to the parties for compliance with the MRC Project Agreements;
- (g) review all procedures and policies (but not Plans) which are not imposed under this agreement provided that those procedures and policies are not in any way inconsistent with the terms of this agreement, including procedures and policies for:
 - (1) financial matters such as accounts, reviews of finances and costs;
 - (2) the systems, including operating, accounting and IT systems;
 - (3) environmental matters;
 - (4) occupational health and safety issues;

- (5) human resources and industrial relations matters;
 - (6) resourcing of the Project, including the need for sub-contractors and the necessary arrangements for staffing and labour;
 - (7) community and stakeholder liaison;
 - (8) programming the Project under this agreement;
 - (9) auditing the Project, including legal and financial audits;
 - (10) ensuring compliance with statutory obligations; and
 - (11) obtaining and maintaining the Authorisations as set out in the MRC Project Agreements;
- (h) make recommendations to the parties with respect to:
- (1) the parties' performance under this agreement;
 - (2) any existing provision of this agreement or any Law relating to the responsibilities of the parties and any changes to this agreement;
 - (3) any matter which affects or may affect the proper performance of the provisions of this agreement;
 - (4) the most appropriate methods for investigating and reporting issues, implementing the Innovation and Continuous Improvement Plan and apportioning the costs and benefits which would result from any proposed process or productivity improvement; and
 - (5) variations to this agreement from time to time in accordance with the variation clauses of this agreement (including Agreed Variations) to ensure that this agreement properly reflects the intentions of the parties;
- (i) disseminate Project information to relevant stakeholders in accordance with the MRC Project Agreements; and
- (j) consider any other matter that the parties may from time to time agree and or which may be referred to the Project Advisory Group by any of the parties.

For the avoidance of doubt, nothing in this clause 2 affects the rights and responsibilities of MRC's Representative and MRC.

APPOINTMENT/TENURE

Membership continues until notification is given to the other party advising of a change in the membership.

ATTACHMENT 4

MUNICIPAL WASTE ADVISORY COUNCIL

MEMBERSHIP

One Councillor and a Deputy
Supported by one staff member who is on a sub-group of MWAC entitled the Officers' Advisory Group.

MEETING FREQUENCY

Bi-Monthly

DUTIES AND RESPONSIBILITIES

General Functions of the MWAC

- (a) The principal role of the MWAC in exercising its delegated authority is to govern the Municipal Waste Program and to represent the interests of the Parties and Local Government generally, in all matters relating to local government waste management.
 - (b) Without limiting the MWAC's principal role, the broad functions and responsibilities of the MWAC include:
 - (i) defining policy and providing the overall strategic direction of the Municipal Waste Program to achieve the interests of the Parties to this Partnership Agreement;
 - (ii) maintaining the MWAC as a credible, active and effective peak body in the area of waste management;
 - (iii) facilitating and encouraging cooperative linkages between Local, State and Federal Government, Regional Councils, FORC, WMAA, Waste Authority, industry and the community;
 - (iv) representing the interests of the Association in all matters relating to local government waste management in accordance with the Association's policy statements and formal positions on an issue, and without prior reference to the Association where a formal Association position on an issue is not current or has not yet been developed PROVIDED THAT any such position is subsequently put to the Association as soon as practicable for confirmation;
 - (v) acting as an interface between the Parties to this Partnership Agreement and other local governments;
 - (vi) promoting economically sound, environmentally safe and socially acceptable waste management and minimisation strategies;
 - (vii) coordinating and initiating research on waste management issues;
 - (viii) through the WALGA Chief Executive Officer and the MWAC Chair, monitoring and evaluating the performance of the Executive Officer against established key performance indicators;
 - (ix) approving major operating plans, including the strategic plan;
 - (x) approving the Annual Budget in accordance with the terms of this Partnership Agreement; and
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-
- (xi) ensuring the Municipal Waste Program complies with the law and the Association's operational policies and procedures.
 - (c) Under the terms of the delegated authority, the MWAC may not make decisions:
 - (i) concerning the acquisition, holding and disposition of real property or the borrowing of money or setting Association subscription levels;
 - (ii) that are inconsistent with an existing formal policy statement of the Association without prior reference to and the prior approval of the State Council; and
 - (iii) relating to operational matters as such matters remain the responsibility of the Executive Officer, reporting to the WALGA Chief Executive Officer or to their delegate.

APPOINTMENT/TENURE

Membership continues until notification is given to the other party advising of a change in the membership.

11.4	ADOPTION OF THE 2019 ANNUAL REPORT
File No:	COR/9-09
Appendix(s):	Appendix No. 8
Date:	24 October 2019
Responsible Officer:	DIRECTOR CORPORATE SERVICES

BACKGROUND

The Mindarie Regional Council (MRC) is required to prepare an annual report in accordance with Section 5.53 of the Local Government Act 1995.

The annual audit of the Financial Statements for the financial year ended 30 June 2019 has been completed and the Financial Report has been considered by the Audit Committee.

The Annual Report, which includes the Financial Statements, is presented for consideration by Council.

The Annual Report for a Financial Year is to be accepted by the Local Government no later than 31 December after that Financial Year.

DETAIL

The Annual Report includes the audited Financial Report for the financial year. The Auditor, in accordance with the Local Government (Audit) Regulations 1996 Sections 10.2 and 10.3 is required to issue an audit report after the completion of the annual audit that expresses an opinion on the financial position and results of the operations of the local government for each financial year. Under S7.9 of the Local Government Act 1995, the auditor must prepare and sign a report on the financial audit and present the report to the Chairperson, the CEO and the Minister.

The Auditor has completed the financial audit of the MRC and has issued an unqualified audit opinion in respect of the year ended 30 June 2019.

In addition, the Auditor has prepared an interim management letter and an audit completion letter which outline their observations in relation to the MRC's internal controls. These observations have been tabled with the Audit Committee for discussion.

The Audit Committee met on 16 October 2019 to consider the Financial Statements for the year ended 30 June 2019 and have recommended that these be adopted by the Council. The unconfirmed minutes of this meeting are included in the Members' Information Bulletin.

A copy of the Annual Report, including the Financial Statements, is included at **Appendix 8**.

The MRC, in accordance with the Local Government (Financial Management) Regulations 1996 Section 51.1, is required to include in the annual Financial Statements a signed Statement of Declaration by the Chief Executive Officer after this report has been audited in accordance with the Local Government Act 1995. This declaration is included in the Annual Report.

STATUTORY ENVIRONMENT

Relevant Extracts from the Local Government Act 1995

“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 —*
 - (a) *a report from the mayor or president; and*
 - (b) *a report from the CEO; and*
 - [(c), (d) deleted]*
 - (e) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
 - (f) *the financial report for the financial year; and*
 - (g) *such information as may be prescribed in relation to the payments made to employees; and*
 - (h) *the auditor’s report prepared under section 7.9(1) or s7.12AD.(1) for the financial year; and*
 - (ha) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
 - (hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
 - (i) *the number of complaints recorded in the register of complaints; and*
 - (ii) *how the recorded complaints were dealt with; and*
 - (iii) *any other details that the regulations may require;**and*
 - (i) *such other information as may be prescribed.*

[Section 5.53 amended by No. 44 of 1999 s. 28(3); No. 49 of 2004 s. 42(4) and (5); No. 1 of 2007 s. 6.]

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.*
- (2) *If the auditor’s report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor’s report becomes available.*

5.55. Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.55A *Publication of annual reports*

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

7.9. *Audit to be conducted*

- (1) *An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —*
 - (a) *the mayor or president; and*
 - (b) *the CEO of the local government; and*
 - (c) *the Minister.”*

Relevant Extracts from the Local Government (Audit) Regulations 1996

“10. *Report by auditor*

- (1) *An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.*
 - (2) *The report is to give the auditor's opinion on —*
 - (a) *the financial position of the local government; and*
 - (b) *the results of the operations of the local government.*
 - (3) *The report is to include —*
 - (a) *any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and*
 - (b) *any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and*
 - (c) *details of whether information and explanations were obtained by the auditor; and*
 - (d) *a report on the conduct of the audit; and*
 - (e) *the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions —*
 - (i) *the asset consumption ratio; and*
 - (ii) *the asset renewal funding ratio.*
 - (4A) *In subregulation (3)(e) —*

asset consumption ratio *has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2);*

asset renewal funding ratio *has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2).*
 - (4) *Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a*
-

copy of the management report to the persons specified in section 7.9(1) with the auditor's report."

POLICY IMPLICATIONS

Not applicable.

FINANCIAL IMPLICATIONS

The MRC has achieved a surplus from operations of \$2.1 million, before taking into account the effects of any fair value adjustments.

After evaluating the MRC's cash flow requirements for the 2019/20 financial year, it is recommended that a transfer be made from Retained Earnings to the cash-backed Post Closure Reserve of \$1.2 million.

The intent is for the MRC's post closure obligations to be fully funded by the surplus forecast for the 2019/20 financial year.

COMMENT

The Annual Report for the MRC has been prepared in accordance with the requirements of Local Government Act 1995 and applicable Australian Accounting Standards.

AMENDMENTS

There have been no amendments made to the Financial Statements presented to the Audit Committee.

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. notes the recommendation of the Audit Committee meeting held on 16 October 2019 to adopt the Financial Report for the year ended 30 June 2019;
2. adopts the Annual Report for the year ended 30 June 2019, which includes the Financial Report detailed in 1. above; and
3. approves the transfer of \$1.2 million from Retained Earnings to the Post Closure Reserve.

(Absolute Majority Required)

RESPONSIBLE OFFICER PROPOSED AMENDMENT TO RECOMMENDATION

That the Council:

- 1. notes the recommendation of the Audit Committee meeting held on 16 October 2019 to adopt the Financial Report for the year ended 30 June 2019;**
- 2. adopts the Annual Report for the year ended 30 June 2019, which includes the Financial Report detailed in 1. above; and**
- 3. approves the transfer of \$1.2 million from Retained Earnings to the Site Rehabilitation Fund**

(Absolute Majority Required)

Moved Cr Proud, Seconded Cr Vernon

RESOLVED

That the recommendation be adopted.

(CARRIED BY ABSOLUTE MAJORITY 11/0)

11.5	MINDARIE REGIONAL COUNCIL ORDINARY COUNCIL MEETING AND STRATEGY WORKSHOP DATES FOR 2020
File No:	COR/10-02
Appendix(s):	Nil
Date:	30 October 2019
Responsible Officer:	Chief Executive Officer

SUMMARY

The purpose of this report is to provide notice of the dates, times and locations for the Mindarie Regional Council's (MRC) Ordinary Council Meetings (OCM) and Strategy Workshops (SW) for 2020.

BACKGROUND

The MRC is required to schedule OCMs for the forthcoming calendar year and provide public notice of their dates, times and locations. In addition, the dates are set for two SWs.

DETAIL

In setting the dates for the 2020 OCM's consideration is given to the following:

- The Tamala Park Regional Council meeting dates for 2020
- The WALGA Metropolitan Zone meeting dates for 2020
- Availability of Member Councils' Chambers.

In reviewing the Compliance Audit Report for 2018 it is noted that previous meeting schedules did not allow for the MRC to consistently present financial reports within 2 months after the end of the month to which the statement of financial activity relates in accordance with s.6.4 of the *Local Government Act 1995* and s.34(4) of the *Local Government (Financial Management) Regulations 1996*.

Given that Regional Councils typically meet every 2 months this problem is not unique to the MRC and also affects other entities such as Tamala Park Regional Council. With a view to trying to achieve compliance and at the same time being mindful of conflicting priorities and meeting dates please see the following 3 options for consideration.

The MRC would like to present the following 3 options for 2020 meeting dates, the start time for meetings is 6.30 pm:

Option 1: achieves compliance however known clashes with North Metro Zone

- Ordinary Council Meeting – 27 February 2020 (City of Joondalup)
 - Ordinary Council Meeting – 30 April 2020 (City of Wanneroo)
 - Ordinary Council Meeting – 25 June 2020 (City of Stirling)
 - Ordinary Council Meeting – 30 July 2020 (City of Vincent)
 - Ordinary Council Meeting – 27 August 2020 (Town of Victoria Park)
 - Ordinary Council Meeting – 29 October 2020 (Town of Cambridge)
 - Ordinary Council Meeting - 17 December 2020 (City of Perth)
-

Option 2: achieves compliance – note change of day from Thursday to Wednesday

- Ordinary Council Meeting – 26 February 2020 (City of Joondalup)
- Ordinary Council Meeting – 29 April 2020 (City of Wanneroo)
- Ordinary Council Meeting – 24 June 2020 (City of Stirling)
- Ordinary Council Meeting – 29 July 2020 (City of Vincent)
- Ordinary Council Meeting – 26 August 2020 (Town of Victoria Park)
- Ordinary Council Meeting – 28 October 2020 (Town of Cambridge)
- Ordinary Council Meeting - 16 December 2020 (City of Perth)

Option 3: non-compliant

- Ordinary Council Meeting – 20 February 2020 (City of Joondalup)
- Ordinary Council Meeting – 23 April 2020 (City of Wanneroo)
- Ordinary Council Meeting – 02 July 2020 (City of Stirling)
- Ordinary Council Meeting – 24 September 2020 (City of Vincent)
- Ordinary Council Meeting – 22 October 2020 (Town of Victoria Park)
- Ordinary Council Meeting – 10 December 2020 (City of Perth)

Traditionally the MRC also holds two strategic workshops which are included in the meeting schedule. Given the fluidity of current events the workshop dates will be confirmed during the year. These workshops are important as they provide Councillors, member council CEOs and representatives on the Strategic Working Group and MRC management an opportunity to review and discuss the MRC's strategic direction.

STATUTORY ENVIRONMENT

Part 12 (1) and (2) of the Local Government (Administration) Regulations 1996 requires local government to issue public notice of its meeting dates at least once per year stating:

"12. Meetings, public notice of (Act s. 5.25(1)(g))

- (1) *At least once each year a local government is to give local public notice of the dates on which and the time and place at which —*
 - (a) *the ordinary council meetings; and*
 - (b) *the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public,*

are to be held in the next 12 months.
- (2) *A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).*

S.1.7 of the Local Government Act 1995 prescribes local public notice as:

"1.7. Local public notice

- (1) *Where under this Act local public notice of a matter is required to be given, a notice of the matter is to be —*
 - (a) *published in a newspaper circulating generally throughout the district; and*
-

-
- (b) *exhibited to the public on a notice board at the local government's offices; and*
- (c) *exhibited to the public on a notice board at every local government library in the district.*
- (2) *Unless expressly stated otherwise it is sufficient if the notice is —*
- (a) *published under subsection (1)(a) on at least one occasion; and*
- (b) *exhibited under subsection (1)(b) and (c) for a reasonable time, being not less than —*
- (i) *the time prescribed for the purposes of this paragraph; or*
- (ii) *if no time is prescribed, 7 days."*

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

COMMENT

The proposed schedule for OCM's for 2020 is now submitted for approval. The Administration's recommended option is option 2 as this achieves compliance with the Act and does not clash with any zone or council meetings.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. Adopt the meeting dates as per Option 2:
 - Ordinary Council Meeting – 26 February 2020 (City of Joondalup)
 - Ordinary Council Meeting – 29 April 2020 (City of Wanneroo)
 - Ordinary Council Meeting – 24 June 2020 (City of Stirling)
 - Ordinary Council Meeting – 29 July 2020 (City of Vincent)
 - Ordinary Council Meeting – 26 August 2020 (Town of Victoria Park)
 - Ordinary Council Meeting – 28 October 2020 (Town of Cambridge)
 - Ordinary Council Meeting – 16 December 2020 (City of Perth)
 2. issue Public Notice on the meetings location, dates and times as detailed in (1) above in accordance with Part 12 (1) of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995*.
-

**Moved Cr Jacob, seconded Cr Shannon
AMENDED MOTION**

Cr Jacob confirmed the reason for amending the motion and changing the meeting dates was so that the dates better aligned with substantial council responsibilities and local government responsibilities.

RESOLVED

That the Council:

1. Adopt the meeting dates as follows:

- **Ordinary Council Meeting – 27 February 2020 (City of Joondalup)**
- **Ordinary Council Meeting – 23 April 2020 (City of Wanneroo)**
- **Ordinary Council Meeting – 02 July 2020 (City of Stirling)**
- **Ordinary Council Meeting – 24 September 2020 (City of Vincent)**
- **Ordinary Council Meeting – 22 October 2020 (Town of Victoria Park)**
- **Ordinary Council Meeting – 17 December 2020 (City of Perth)**

2. Issue Public Notice on the meetings location, dates and times as detailed in (1) above in accordance with Part 12 (1) of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995*.

(CARRIED UNANIMOUSLY 11/0)

11.6	REVIEW OF COUNCIL POLICY CP01 – ANNUAL FEES, ALLOWANCES AND EXPENSES FOR COUNCILLORS
File No:	GOV/27-09
Appendix(s):	Nil
Attachment(s):	Attachment 1 – CP01 current version Attachment 2 – CP01 proposed version
Date:	04 November 2019
Responsible Officer:	Chief Executive Officer

SUMMARY

The report seeks endorsement of the review undertaken by the Chief Executive Officer (CEO) with regard to meeting fees for Deputy Councillors contained in Council Policy CP01 Annual Fees, Allowances and Expenses for Councillors.

BACKGROUND

Under the MRC constitution deputy members are not permitted and the only method of having a councillor of a member council, other than the appointed member of that council, participate in the council meeting of the MRC is by formal resolution of the member council. This means that a resolution is required for each time the member council appoints another member in place of the paid member for that meeting. Once a deputy member is appointed, that member received a meeting fee of \$140 per meeting.

DETAIL

The MRC sought legal advice to determine if the payments made to deputy members were correct in the circumstances where a Councillor is attending a MRC Council meeting in place of a Councillor who is paid an annual allowance for attending MRC Council meetings.

The legal advice confirms that the MRC should not be paying a fee to a member council representative who attends a meeting as deputy for the appointed Councillor.

CONSULTATION

MRC obtained legal advice.

STATUTORY ENVIRONMENT

Relevant Extracts from the *Local Government Act 1995* and the *Salaries and Allowances Tribunal, Local Government CEO and Elected Members Determination effective 1 July 2019*

Local Government Act 1995 Part 5 Division 8 Sections 5.98(1A) and (1)

5.98. Fees etc. for council members

(1A) In this section — determined means determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B.

*(1) A council member who attends a council or committee meeting is entitled to be paid —
(a) the fee determined for attending a council or committee meeting; or*

(b) where the local government has set a fee within the range determined for council or committee meeting attendance fees, that fee.

Salaries and Allowances Tribunal, Local Government CEO and Elected Members

Determination effective 1 July 2019

Section 6.1 (4) and 6.1 (5c) applies

6.1 GENERAL

(1) Pursuant to section 5.98(1)(b) of the LG Act, a council member who attends a council meeting is entitled to be paid the fee set by the local government or the regional local government within the range determined in section 6.2 of this Part for council meeting attendance fees.

(2) Pursuant to section 5.98(1)(b) and (2A)(b) of the LG Act, a council member who attends a committee meeting or (at the request of the local government or regional local government) a meeting of a type prescribed in regulation 30(3A) of the LG Regulations is entitled to be paid the fee set by the local government or regional local government within the range determined in section 6.3 of this Part for attending committee meetings or, as the case requires, meetings of that type.

(3) Each of the following meetings is a type of meeting prescribed in regulation 30(3A) of the LG Regulations –

(a) meeting of a WALGA Zone, where the council member is representing a local government as a delegate elected or appointed by the local government;

(b) meeting of a Regional Road Group established by Main Roads Western Australia, where the council member is representing a local government as a delegate elected or appointed by the local government;

(c) council meeting of a regional local government where the council member is the deputy of a member of the regional local government and is attending in the place of the member of the regional local government;

(d) meeting other than a council or committee meeting where the council member is attending at the request of a Minister of the Crown who is attending the meeting;

(e) meeting other than a council meeting or committee meeting where the council member is representing a local government as a delegate elected or appointed by the local government.

(4) Pursuant to section 5.99 of the LG Act, a local government or regional local government may decide by an absolute majority that instead of paying council members an attendance fee referred to in section 5.98(1) of the LG Act, it will pay all 22 council members who attend council or committee meetings a fee set within the range for annual fees determined in section 6.4 of this Part.

(5) Regulation 30(3C) of the LG Regulations prevents the payment of a fee to a council member for attending a meeting of a type prescribed in regulation 30(3A) of those regulations if –

(a) the person who organises the meeting pays the council member a fee for attending the meeting; or

(b) the council member is paid an annual fee in accordance with section 5.99 of the LG Act; or

(c) the council member is deputising for a council member at a meeting of a regional local government and the member of the regional local government is paid an annual fee in accordance with section 5.99 of the LG Act.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Payments to deputy members will cease.

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

Strategic Community Plan 2018 -2037		
OBJECTIVE 1	Long Term Viability	
Sub Objective	Good Corporate Governance	
This report will achieve compliance with Local Government Act 1995 and the State Administrative Tribunal.		
Corporate Business Plan 2018 – 2037		
Strategies	Actions	Responsible Officer
1.1.2	Ensure Council Policies are relevant and reviewed by Council	CEO
1.1.3	Review the relevance of the delegations from the Council and report findings to Council	CEO
These actions ensure that an officer within the organisation, in this case the CEO, has a direct responsibility to review the current Council Policies and Instrument of Delegation and report the review findings to Council.		

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council

1. Approve that the words “\$140 per meeting” be deleted from line 3 of the table at point 1 in CP01.

(Absolute Majority Required)

Moved Cr Proud, seconded Cr Shannon

RESOLVED

That the recommendation be adopted.

(CARRIED BY ABSOLUTE MAJORITY 10/1)

For: Boothman, Jacob, Ferrante, Proud, Sargent, Cvitan, Newton, Shannon, Vernon, Cole

Against: Jones

ATTACHMENT 1 – CURRENT POLICY

Policy No: CP 01

TRIM Reference: D/13/393

Policy Title: Annual Fees, Allowances and Expenses for Councillors

Policy Statement:

To determine the level of fees, allowances and expenses to be paid to Councillors annually.

Policy Procedure:

1. Level of Fees, Allowances and Expenses to be paid to Councillors annually are as follows:

	Fee (\$)	Allowance (\$)	Expense (\$) (Technology)
Chairperson	15,450	19,570	1,000
Deputy Chairperson	10,300	4,893	1,000
Councillor	10,300		1,000
Deputy Councillor	\$140 per meeting		
Expenses Other	Child Care and Travel Costs will be reimbursed in accordance with Reg. 31 and 32 of the Local Government (Administration) Regulations 1996		

2. Meeting fees and allowances to which the elected members are entitled, are to be paid in two (2) equal instalments in July and December of each financial year. Allowances will be paid on a pro-rata basis where Councillors hold office for only a portion of the year.
3. A claim for childcare, travel and/or other relevant expenses will be paid on receipt of sufficient information verifying the expense incurred. Payment will be limited to the amount specified in legislation.
4. The fees, allowances and expenses be increased annually in line with the determination of the Salaries and Allowances Tribunal made in accordance with the Salaries and Allowances Act 1975.

Legislation	Local Government Act 1995 s.5.98., 5.98A., 5.99., 5.99A. Local Government (Administration) Regulations 1996 Regs.30-34AB
Responsible Officer	Chief Executive Officer
Council Meeting Date	19/09/2019
Review History	18/04/2002, 07/06/2005, 06/07/2006, 23/10/2008, 25/10/2012, 02/05/2013, 05/09/2013, 04/09/2014, 20/08/2015; 01/09/2016; 14/09/2017; 14/08/2018; 13/08/2019
Next Review Date	01/08/2020

Revision History	04/09/2014 – Increase in fees/allowances provided to councillors as determined by SAT. New part 4. 14/8/2018 clarification regarding pro rata payments
Delegation to the Chief Executive Officer	Nil

ATTACHMENT 2 – PROPOSED POLICY

Policy No: CP 01

TRIM Reference: D/13/393

Policy Title: Annual Fees, Allowances and Expenses for Councillors

Policy Statement:

To determine the level of fees, allowances and expenses to be paid to Councillors annually.

Policy Procedure:

1. Level of Fees, Allowances and Expenses to be paid to Councillors annually are as follows:

	Fee (\$)	Allowance (\$)	Expense (\$) (Technology)
Chairperson	15,450	19,570	1,000
Deputy Chairperson	10,300	4,893	1,000
Councillor	10,300		1,000
Deputy Councillor	Nil		
Expenses Other	Child Care and Travel Costs will be reimbursed in accordance with Reg. 31 and 32 of the Local Government (Administration) Regulations 1996		

2. Meeting fees and allowances to which the elected members are entitled, are to be paid in two (2) equal instalments in July and December of each financial year. Allowances will be paid on a pro-rata basis where Councillors hold office for only a portion of the year.

3. A claim for childcare, travel and/or other relevant expenses will be paid on receipt of sufficient information verifying the expense incurred. Payment will be limited to the amount specified in legislation.

4. The fees, allowances and expenses be increased annually in line with the determination of the Salaries and Allowances Tribunal made in accordance with the Salaries and Allowances Act 1975.

Legislation	Local Government Act 1995 s.5.98., 5.98A., 5.99., 5.99A. Local Government (Administration) Regulations 1996 Regs.30-34AB
Responsible Officer	Chief Executive Officer
Council Meeting Date	21/11/2019
Review History	18/04/2002, 07/06/2005, 06/07/2006, 23/10/2008, 25/10/2012, 02/05/2013, 05/09/2013, 04/09/2014, 20/08/2015; 01/09/2016; 14/09/2017; 14/08/2018; 13/08/2019
Next Review Date	01/08/2020
Revision History	04/09/2014 – Increase in fees/allowances provided to councillors as determined by SAT. New part 4.

	14/8/2018 clarification regarding pro rata payments 21/11/2019 – Deputy Councillor meeting fee removed
Delegation to the Chief Executive Officer	Nil

11.7	EXTERNAL AUDIT COMMITTEE MEMBER - EXTENSION OF APPOINTMENT
File No:	COR/22-08
Appendix(s):	None
Date:	29 October 2019
Responsible Officer:	Director Corporate Services

SUMMARY

The Mindarie Regional Council (MRC) has historically appointed an independent, external audit committee member to the MRC Audit Committee in line with good governance practice.

At the Ordinary Council Meeting on 5 July 2018, Council passed the following resolution;

- 1) *That Council appoint Phillip Draber as the external audit committee member, subject to his acceptance of the appointment, for the period 5 July 2018 to 19 October 2019, the date of the next Local Government Elections*
- 2) *That Council endorse that Phillip Draber be considered as a candidate for the role of MRC external audit committee member from the period 20 October 2019 to 30 June 2020.*

COMMENT

There is no remuneration payable for this position, however the member can be compensated for expenses associated with enabling them to discharge their duties of the role up to an annual limit of \$1,000.

Given that Mr Draber is roughly halfway through what would normally be a two-year term, the recommendation is that he be re-appointed as the external audit committee member for the remainder of the two-year term expiring on 30 June 2020. As a result, the MRC has not advertised externally for this role.

To date, Mr Draber has undertaken his role on the audit committee professionally and has been a positive contributor toward improving the MRC's overall governance practices.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council appoint Mr Phillip Draber to the role of MRC external audit committee member for the period from 21 November 2019 to 30 June 2020.

Moved Cr Proud, seconded Cr Cvitan

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

11.8	RRF FOGO TRIAL REPORT
File No:	COR/48-07
Attachments	
Date:	8 November 2019
Responsible Officer:	CHIEF EXECUTIVE OFFICER

SUMMARY

The report provides a summary of the findings from the Food Organics Garden Organics (FOGO) trial at the Resource Recovery Facility (RRF) conducted in 2019.

Executive Summary

Key Metrics	Trial 1	Trial 2
Tonnes to the RRF	310	89
Final WD	59 %	71 %
RRF capability of processing FOGO derived material	✓	✓
End-Product compliance with AS 4454	✗	✗

Trial 1 demonstrated that the RRF is mechanically and operationally capable of processing a FOGO feedstock. An AS 4454 compliant product and increased waste diversion are possible through a number of process modifications. Were the RRF converted to process FOGO the current RRF gate fee of \$282 per tonne would drop to \$238 per tonne, resulting in a reduction in the members' gate fee from \$205 to \$188 per tonne.

Trial 2 demonstrated that shredding the FOGO feedstock at the front end has a detrimental effect on the quality of the end product and should be avoided unless very low levels of physical contaminants can be assured.

BACKGROUND

The State Government and the Waste Authority have been strongly encouraging local governments to extract the organic content from the Municipal Solid Waste (MSW) stream. To facilitate this, the Waste Authority has published its 'Better Bins' program and the Waste Avoidance and Resource Recovery Strategy 2030 which sets a target for all local governments in the Perth and Peel region to provide consistent three bin kerbside collection systems that include separation of FOGO from other waste categories by 2025. This is supported by State Government through financial mechanisms to make it a cost competitive option for local governments.

Some of the Mindarie Regional Council's (MRC) member councils have already adopted a third Garden Organics (GO) bin, being the Cities of Stirling and Joondalup and the Town of Cambridge. The Cities of Wanneroo and Vincent have recently resolved to adopt a third FOGO bin, with roll out due to occur in the 2020/21 financial year.

As more of the MRC's member councils move to adopting a third organics bin – either a GO bin or a FOGO bin – and outsource the processing of these organics to commercial operators, it is certain that the organic fraction available to be sent to the RRF for processing is likely to decrease. As this happens, the diversion achieved through the RRF process will decrease dramatically, which in turn will increase the residue fraction being landfilled at Tamala Park, and have a consequential increase in the cost of running the RRF.

In response to the impending change in the organic component of the waste being sent to the RRF, the MRC approached Biovision / Suez in 2018 to undertake a FOGO trial at the RRF.

Council approved for the MRC to proceed with the proposed FOGO trial, at an estimated cost of \$300,000, during the Ordinary Council Meeting held on 25 October 2018.

DETAIL

The MRC commenced the trial in April 2019 with the aim to assess the viability of re-purposing the RRF to process a FOGO waste stream and to understand whether the end product of the trial could be suitably transformed into an AS4454 compliant compost.

As FOGO collection systems have not yet been rolled out across Perth, suitable waste was sourced from the MRC's Member Councils and the City of Melville, and then blended to achieve a FOGO-like waste stream.

The FOGO processing trial was conducted with two sub trials which were called trial 1 and trial 2 in order to understand the process performance in terms of derived product quality and operability of the facility. Major activities of trials and dates are given in Figure 01.

Product quality was assessed by means of Australian Standard for composts, soil conditioners and mulches (AS 4454).



Figure 1: Major activities and dates

Trial 1

The first trial (Trial 1) commenced with a total of 310 tonnes of manufactured FOGO feedstock, with an estimated introduced contamination rate of 17%. This material was processed through the full existing RRF process (unmodified), retaining its designed 31 days of corridor composting period. The RRF process is illustrated below in Figure 2:



Figure 2: Schematic of Trial 1

Process and product quality data were collected during this trial to perform a mass balance calculation and product quality assessment. Table 1 shows the final composted product (<6mm) was 73 tonnes after the RRF process. The landfill diversion rate for this process was 59%, however additional diversion is considered possible with minor process adjustments.

Table 1: Mass balance for the Trial 1 at RRF

Process waste stream/Parameters	Mass (T)	Mass %
Green waste	174.4	56.3
FO	68.1	22.0
MSW	67.5	21.8
Σ Feed	310.0	100.0
Primary process		
Process loss	41.8	13.5
<35mm fraction	223.8	72.2
Ferrous metals	1.3	0.4
Primary rejects	43.1	13.9
Secondary process		
Process loss	67.0	21.8
Ballistic rejects	14.0	4.5
Secondary rejects (>6mm)	70.0	22.6
Final compost (<6mm)	73.0	23.5
Raw compost (to NBORRF)	143.0	46.1
Landfill diversion rate		59.0

During the trial, no operational issues were observed at the RRF despite a high contamination rate (17%) in the incoming feedstock. The predicted contamination rate was 5% based on a desktop assessment by an independent consultant. In practice, it is considered highly likely that additional diversion could be achieved in practice through education and engagement to limit contamination to around 5% in the incoming feedstock.

The final compost and secondary rejects were combined and transported to SUEZ's North Bannister Organic Resource Recovery Facility (NBORRF) for further maturation to produce and determine the best achievable end-product quality, and potentially higher landfill diversion rate.

Trial 2

A total of 89 tonnes of manufactured FOGO feedstock was used to conduct the second trial (Trial 2) with 14% estimated contamination. Figure 3 below shows a schematic of the process.



Figure 3: Process schematic of Trial 2

The waste for Trial 2 was pre-sorted and shredded prior to processing. The prepared waste was then introduced straight into the RRF maturation hall, bypassing the composters and primary refining apparatus.

The landfill diversion rate and other key output results are provided in table 2. This trial showed an elevated landfill diversion rate in comparison to Trial 1 as a result of the pre-shredding of the waste and bypassing the composters and primary screening. However, residual physical contamination rate was higher than Trial 1.

Table 2: Mass balance for the Trial 2 at RRF

Process waste stream/Parameters	Mass (T)	Mass %
Green waste	59.5	66.7
FO	10.7	12.0
MSW	19.0	21.3
Σ Feed	89.2	100.0
Primary process		
Process loss	5.7	6.4
Primary rejects (Hand sorted MSW)	1.1	1.2
Secondary process		
Feed to corridor	81.7	92.3
Process loss	33.9	38.3
Ballistic rejects	5.1	5.7
Secondary rejects	19.7	22.1
Final compost (<6mm)	22.9	25.7
Raw compost (to NBORRF)	42.6	47.8
Landfill diversion rate		71.0

Similar to Trial 1, the final product and secondary rejects were combined and transported to the NBORRF for further maturation.

Both trials demonstrated that the RRF is able to mechanically process a FOGO waste stream using the existing infrastructure, and that with minor process adjustments, an improvement in waste diversion rates is highly achievable.

Maturation at NBORRF

Both trials underwent conventional open air windrow maturation at NBORRF which involved periodic windrow turning and watering to maintain temperature, moisture levels and air movement throughout the process.

It was initially planned to carry out two months of maturation however this was extended to three months to achieve the highest possible quality evolution and landfill diversion rate.

Due to the nature of the RRF process, the FOGO derived material from the RRF was drier than was optimal for windrow maturation. Samples were taken and tested weekly for moisture content, as well as other parameters. It took approximately three weeks to increase the moisture content in the windrows to target levels of 45%. Mobile sprinklers were employed to increase the moisture content however their use was tempered by the rainfall experienced during the trial. Two significant rainfall periods (>50mm) occurred during the trial which, even with the use of windrow covers, made it challenging to achieve consistent moisture levels. Figure 4 illustrates the variation in moisture in the windrows

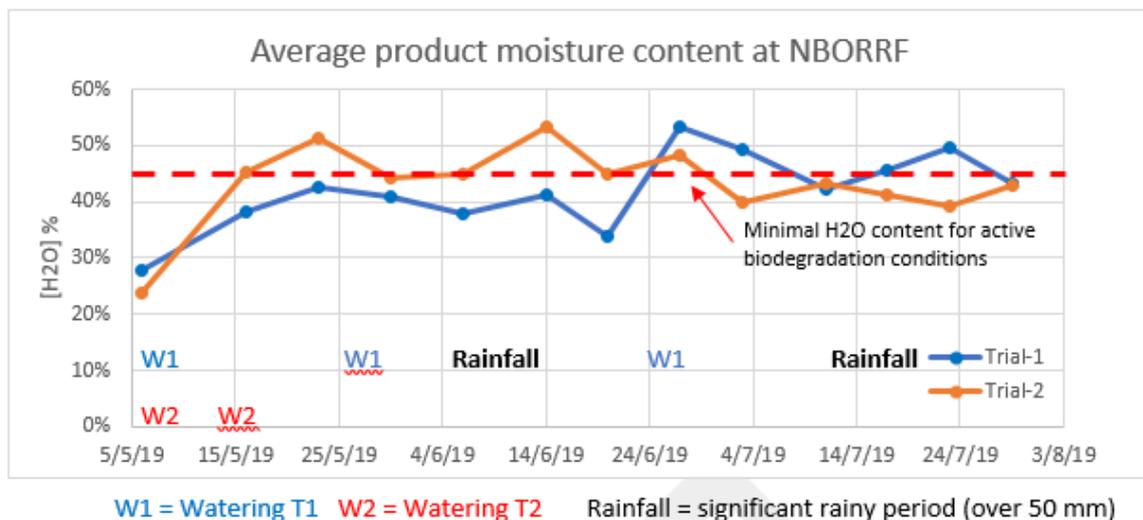


Figure 4: Windrow moisture content behaviour

After the extended three-month maturation period, the product was screened however these works were frequently interrupted as the 8mm trommel screen readily clogged due to elevated moisture levels in the product. As a consequence, the resulting recovery of the <8mm product was substantially lower than expected. Mass Balance calculations can be found in Table 3.

Table 3: Mass balance for the trials at NBORRF

Item	Trial-1			Trial-2		
	DM	Mass (T)	Mass %	DM	Mass (T)	Mass %
RRF output	65.80%	143.0	46.4	81.2%	42.6	48.1
NBORRF output	59.60%	123.6	40.1	51.8%	53.6	60.5
Mass loss	N/A	19.4	6.3	N/A	-11.0*	-12.5*
Screening						
Screen OS		65.9	21.4		33.2	37.5
Screen US (<8mm)		57.7	18.7		20.4	23.0

Where for Table 3: Screen OS- screen oversize, Screen US – screen undersize (end product), DM- dry matter

During the maturation process the mass of material is expected to reduce as the material undergoes decomposition and moisture is evaporated. This mass loss equated to 6.3% in Trial 1. For Trial 2 the windrow was initially drier and required additional watering in the first two weeks. The lower than anticipated decomposition loss combined with subsequent rainfall periods resulted the final mass of Trial 2 windrow being 11 tonnes greater than received at the NBORRF.

Quality Assessment Results

The quality of the end products from Trial 1 and 2 were assessed in accordance with the AS4454-2012 standard. These were broken down into five main criteria namely; chemical contamination; pesticide contamination; physical contamination; pathogen contamination; product maturity; and assessed globally to determine overall compliance with the standard.

Comparison of chemical and pesticide contamination

The results of the chemical contamination testing are displayed in table 4 below.

Table 4: Chemical contamination for Trial 1 & 2

Parameters	Upper Limits	Units	Trial 1		Trial 2	
			Post RRF (<6mm)	Post NBORRF (<8mm)	Post RRF (<6mm)	Post NBORRF (<8mm)
Arsenic	20	mg/kg dry matter	<5	<5	<5	<5
Cadmium	1	mg/kg dry matter	1.3	1.6	0.67	1.1
Cobalt	NA	mg/kg dry matter	8.5	2.4	12	4.8
Chromium	100	mg/kg dry matter	17.4	5.2	18.6	12.3
Copper	150	mg/kg dry matter	133.0	172.7	110	129.0
Lead	150	mg/kg dry matter	118.0	89.2	29.4	41.8
Mercury	1	mg/kg dry matter	<0.3	<0.3	<0.3	<0.3
Nickel	60	mg/kg dry matter	17.0	18.7	19.3	9.7
Selenium	5	mg/kg dry matter	<1	<1	<1	<1
Zinc	300	mg/kg dry matter	280.0	309.0	250	244.3
Molybdenum	NA	mg/kg dry matter	1.2	1.4	<1	1.2

The cadmium content exceeded the standard for both trials at the end of the NBORRF maturation. Copper and zinc results were above the threshold for Trial 1. These results are likely attributable to the contamination in the manufactured trial feedstock. Actual FOGO feedstock is predicted to contain less chemical contamination and would be expected to pass the requisite testing.

Table 5: Pesticide contamination for Trial 1 & 2

Parameter	Pasteurized/Compost/Matured product	Units	Trial-1		Trial-2	
			Post RRF	Post NBORRF	Post RRF	Post NBORRF
DDT/DDD/DDE	0.5	mg/kg	<0.02	<0.0005	<0.02	<0.0005
Aldrin	0.02	mg/kg	<0.02	<0.001	<0.02	<0.001
Dieldrin	0.02	mg/kg	<0.02	0.013	<0.02	0.017
Chlordane	0.02	mg/kg	<0.02	<0.0005	<0.02	<0.0005
Heptachlor	0.02	mg/kg	<0.02	<0.001	<0.02	<0.001
HCB	0.02	mg/kg	<0.02	<0.001	<0.02	<0.001
Lindane	0.02	mg/kg	<0.02	<0.001	<0.02	<0.001
BHC	0.02	mg/kg	<0.02	<0.001	<0.02	<0.001
PCBs	0.2	mg/kg	<0.2	<0.1	<0.2	<0.1

Both trials complied with the pesticide contamination threshold as shown in Table 5 above.

Comparison of physical contamination

Physical contaminants identified within Trial 1 were found to be below the required threshold and therefore Trial 2 material is considered compliant for this criteria. Trial 2 material exceeded the limits for glass, metal, rigid plastic and light / film plastics. The elevated levels in Trial 2 are likely a consequence of the front end shredding process employed which breaks down these contaminants into smaller particles which pass through the separating screenings and end up in the final product.

The physical contamination results can be found in Table 6 below.

Table 6: Physical contamination for Trial 1 & 2

Parameter	Pasteurized/Compost/Matured product	Units	Trial-1		Trial-2	
			Post RRF	Post NBORRF	Post RRF	Post NBORRF
Glass, metal, rigid plastics	≤0.5	% retained	0.3	0.5	0.7	0.5
Plastics-light, flexible of film	≤0.05	% retained	<0.01	0.02	<0.01	0.4
Stones and lumps of clay	≤5	% retained	<0.01	<0.01	<0.01	<0.01
> 5mm Glass	NA	% retained	<0.01	0.1	<0.01	0.8

Physical contaminants are a critical consideration when it comes to the sale and reuse of a composted product.

Comparison of pathogen indicators

Table 7: Physical contamination for Trial 1 & 2

Parameters	Pasteurized/Compost/ Matured product	Units	Trial-1		Trial-2	
			Post RRF	Post NBORRF	Post RRF	Post NBORRF
Salmonella	0	Detection in 50g	Not detected	Not detected	Detected	Not detected
Thermotolerant Coliforms	1000	MPN/g	12.2	>2990*	1130	15.8

Trial 1 displayed compliant results for pathogen indicator tests, while Trial 2 had pathogen positive results after the RRF process. This demonstrates the RRF process is capable of producing a pasteurised product from a manufactured FOGO feedstock.

According to the temperature behaviours recorded during corridor composting, it appears better pathogen reduction could be achieved for Trial 2 by maintaining the bay temperature above 55°C for a longer period as outlined in AS4454.

The end-product from the NBORRF process showed pathogen positive result in Trial 1 for thermotolerant coliforms. This is likely due to cross-contamination with immature composting material located at NBORRF; in contrast, Trial 2 complied with the pathogen indicator tests.

Maturity comparison of the end product

A compliant product must pass the three tests, which are given in AS4454 Table N3.2, including one test from biological stability tests and one from plant growth tests in order to classify as a composted product (including pasteurized evidence and declining trend of the temperature).

As shown on Table 8 with bold characters, Trial 1 final compost complies with 3 maturation tests while Trial 2 final compost complies with 6 maturation tests.

Table 8: Product maturity for Trial 1 & 2

Parameter	Composted product	Matured product	Units	Trial-1	Trial-2
				Post NBORRF	Post NBORRF
Solvita maturity index	≥5 or 6	≥7 or 8	Index	7	8
Solvita NH3 index	>or=4	>or=5	Index	4	5
Bioassay (Toxicity)	>60mm	NA	mm root length	9.3	32
Nitrogen Drawdown index (NDI)	>0.2	>0.5	Index	0.01	0.4
Ammonium-N	<200	<100	mg/L	21.1	7.7
Nitrate-N	As appropriate	As appropriate	mg/L	0.37	18.03
NH4 to NO3 ratio	<3	< 0.5		56.5	0.4
Germination	>80%	>90%	%	48.0	83.3
Root elongation	>80%	>90%	%	34.3	73.7
Root elongation	>60mm	NA	mm	6.5	58.3
Self-heating test	≤20°C	≤10°C	°C	≥20	<10

In addition, both Trial 1 and Trial 2 materials were maintained over 55°C during more than 15 days and turned more than 5 times during the maturation phase and have shown declining trends of temperature as shown in Figure 5 below.

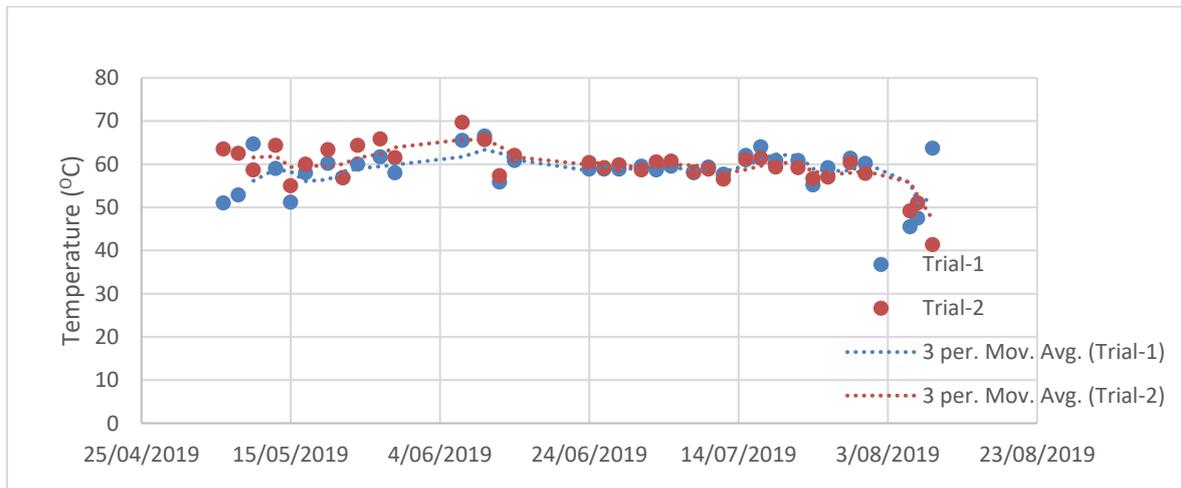


Figure 5: Temperature profiles for maturation windrow at NBORRF

As the Trial 1 windrow recorded thermotolerant coliforms exceeding the standard the end-product cannot be considered pasteurized and therefore is not classified as a composted product. As noted above, however, it is likely that this is as a result of cross-contamination of the product at the NBORRF site. The Trial 2 end product can be classified as composted product according to the AS 4454 standard specifications.

Global comparison of quality of the end-product

Table 10 shows a summary of the quality assessment results and global compliance to the AS 4454.

Table 9: Global compliance for Trial 1 & 2

AS4454 -2012 main Quality parameters	Trial 1 <8mm compost	Trial 2 <8mm compost	Observations
Physical-chemical and agronomic quality	Pass	Pass	
Physical impurities	Pass	Fail Plastics	Trial 2 non-compliance linked to initial shredding of feedstock dispersing contaminants
Heavy metals content	Fail (Cadmium, Copper and Zinc)	Fail Cadmium	Non-compliance linked to FOGO contamination with MSW
Pesticides content	Pass	Pass	
Maturity tests	Compliance to 3 tests	Compliance to 6 tests	Both trials comply with 3 tests or more without reaching the "matured compost" classification
Pathogens	Fail coliforms	Pass	Trial 1 final contamination is linked to local composting site operations
Global maturity index score	0 Not Pasteurized	2 composted product	Trial 1 non-compliance due to pathogens levels in the final product
Global compliance to AS4454-2012	Fail heavy metals and pathogens	Fail heavy metals and plastic	

It can be observed within the above table that the Trial 1 and 2 end products do not comply with the AS 4454 due to heavy metal contamination linked to MSW; plastics sub divided and dispersed by the initial shredding of the feedstock and pathogens reintroduced during maturation at NBORRF.

The MRC are of the view that these non-conformities can be overcome and a compliant end-product generated through the RRF process when considering;

- Levels of heavy metals are likely to be less in actual FOGO collected from dedicated FOGO kerbside collection bins supported by community education and engagement campaigns.
- Plastics can be successfully removed through screening when feedstock shredding is not employed however screen sizing is an important consideration.
- Pathogens can be controlled when temperature is maintained within the windrows for the required duration and strict controls are enforced to minimise the potential for cross contamination with non-pasteurized material.

RRF compatibility for FOGO processing

The RRF was designed for a single bin mixed waste stream, however no significant mechanical or equipment failures were observed during the trial.

Based on the independent consultant's experience and observations obtained during the trial, it is estimated that the RRF can process up to 90,000 tonnes per annum of FOGO feedstock with minor process modifications and achieve an estimated 70% waste diversion rate.

When comparing both enclosed and outdoor composting process Trial 1 demonstrated the enhanced pathogen reduction and quicker maturation was achievable via the RRF process.

The current RRF enclosed system allows for and ensures the reduction of overall environmental impacts including dust, odour, noise and leachate containment. There is a greater level of process control and avoids possible cross contamination that was experienced at NBORRF.

Consultant Recommendations and Conclusions

The independent consultant has provided the following recommendations to improve the waste diversion rate and material recovery at the RRF should it be converted to treat FOGO:

- Volume, density, moisture content and properties of FOGO can be substantially changed with the season of the year; thus, further investigation is required for the FOGO characterization, and processing rate (composter loading).
- Based on the product particle size distribution analysis, the secondary refining screen aperture is proposed to increase from 6mm to 12mm. With optimal product moisture control, the waste diversion rate is predicted to be 70% with 28% pasteurised end-product. Table 13 below shows a comparison of actual plant Trial 1 and predicted RRF performance with a 12 mm secondary screen. It should be noted that increasing the screen aperture could potentially lead to higher physical contamination (mainly glass and plastics) in the end product, depending on the incoming feedstock contamination levels.

Table 13: Comparison of actual plant trial and predicted RRF performance

Item	Actual RRF FOGO Trial 1 (%)	Predicted RRF Performance after process modification – 12mm Secondary Screen (%)
Total received	100.0	100.0
Primary Rejects	13.9	13.9
Ferrous	0.4	0.4
Ballistic Rejects	4.5	4.5
Secondary Rejects	22.6	11.6
Final Compost	23.6	28.0
Total to Landfill	41.0	30.0
Waste Diversion (%)	59.0	70.0

- Based on the primary residue analysis, a potential 4% of organics can be recovered in the >35mm fraction. Further analysis can be conducted to characterise the incoming feedstock before implementing any primary refining process modification at the RRF.
- Landfill diversion rate can be improved by increasing final screen size.
- Preference should be given to an indoor maturation process with improved process controls to maintain moisture and temperature.
- Based on the trial results, blending of the FOGO derived products will be required to achieve end use products.
- Initial shredding of the feedstock, as performed in Trial 2, leads to increased dispersion of physical contaminations and results in major non-compliance in the end-product.

CONSULTATION

The MRC has consulted with Suez and BioVal/Biotrec to interpret data recorded during the trials.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The 2019 mid-year budget allocated \$300,000 to the FOGO Trial for RRF processing, transportation and disposal costs. The FOGO processing costs at the RRF and NBORRF totalled \$244,459 with a spend of \$86,627 in 2019. The remaining \$158,032 is to be expensed in the 2020 financial year from available project and development funds.

Based on the potential amended 90,000 tonne FOGO throughput at the RRF, and with a 70% waste diversion rate, the RRF gate fee would drop from its current level of \$282 per tonne to a new FOGO rate of \$238, which would result in a reduction in the members' gate fee from \$205 to \$188 per tonne. In addition to this, the cost of maturing the FOGO product post the RRF would also need to be taken into account in any economic assessments.

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

STRATEGIC COMMUNITY PLAN 2018 - 2037	
Strategic Objective 1: Long Term Viability	
Strategy 1.2	Improve collaboration between participating Councils as primary stakeholders on matters associated with waste management
Action 1.2.4	Liaise with member councils regarding direction of waste to processing facilities
Strategic Objective 2: Effective Management	
Strategy 2.2	Continually assess and utilise the best appropriate waste management solutions
Action 2.2.2	Annual review of current operations with a view to continuously improving the MRC's waste management practices.
Strategy 2.3	Make ongoing reviews of waste streams to ensure optimal recovery/diversion is being achieved
Action 2.3.2	Educate member councils and community as to how to best manage their problematic waste streams.
Strategic Objective 3: Sustainable Waste Management	
Strategy 3.1	Identify and adopt improved approaches to waste minimisation, resource recovery and the associated community engagement
Action 3.1.4	Explore options with waste industry and member councils to improve/expand services.

COMMENT

Based on the trial results, it is estimated that the RRF is capable of processing up to 90,000 tonnes per annum of FOGO feedstock.

With minor process modifications to the RRF process, it is estimated that at least a 70% estimated waste diversion rate is achievable.

Further maturation of the product post the RRF process would be required and consideration should be given to an enclosed process with improved process controls to maintain the quality of the end product.

In order to make a high-end compost, it is likely that additional inputs would need to be added to the end product from a FOGO process to sufficiently beneficiate the product to achieve optimal commercial return on the product.

Based on the potential amended 90,000 tonne FOGO throughput at the RRF, and with a 70% waste diversion rate, the RRF gate fee would drop from its current level of \$282 per tonne to a new FOGO rate of \$238, which would result in a reduction in the members' gate fee from

\$205 to \$188 per tonne. In addition to this, the cost of maturing the FOGO product post the RRF would also need to be taken into account in any economic assessments.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Note the report findings with respect to the 2019 FOGO trial.

Moved Cr Vernon, seconded Cr Newton

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

11.9	STRATEGIES TO IMPROVE HOUSEHOLD HAZARDOUS WASTE COLLECTION
File No:	COR/48-07
Attachments	
Date:	08 November 2019
Responsible Officer:	CHIEF EXECUTIVE OFFICER

SUMMARY

The report considers the options available to improve the collection of Household Hazardous Waste (HHW) in the Mindarie Regional Council's (MRC's) region.

BACKGROUND

During the Ordinary Council Meeting held on 4 July 2019 a Council resolution was passed in response to Cr Norman's notice of motion requesting that the MRC CEO prepare a report to Council for their consideration outlining the cost and logistics involved in the MRC undertaking a limited trial of a "HHW Toxic Taxi Service" and community recycling stations for the on-demand collection of HHW from the residents of the MRC's member councils.

A report was presented at the Ordinary Council Meeting held on 19 September 2019 which resulted in Cr Norman proposing an alternative motion to the officer's recommendation.

The motion outlined:

That the Council:

- a) *not support a toxic taxi service of a standardised Household Hazardous Waste, Community Recycling Stations and Battery Bin collection based on the high estimated costs of these proposals.*
- b) *The MRC look at options, in conjunction with the Western Australian Container Deposit Scheme, and provide a report to council on ways to improve the collection of HHW.*

DETAIL

Additional HHW collection / awareness linked with the WA Container Deposit Scheme

At the Special Council Meeting of 17 October 2019, Council resolved:

That the Council:

1. *Endorse that the MRC not submit proposals to WARRRL to become a Refund Point Operator or a Processing Provider at this time.*
 2. *Endorse that the MRC pursue registration with WARRRL to become a Donation Point under the CDS scheme.*
 3. *Endorse that the MRC reconsider becoming a Refund Point Operator, at a later date, should the project economics improve.*
-

4. Authorise the CEO to pursue the required permissions and approvals from regulatory agencies and the Tamala Park landowners to allow for the potential future development of the land originally earmarked for the CDS scheme for future infrastructure development.

In line with this decision, the MRC will pursue registration with WARRRL to become a Donation Point however this is unlikely to materially increase the number of customers attending Tamala Park and engaging with the HHW program. As such, the existing signage and advertising at Tamala Park and via the MRC's website is considered fit for purpose.

New Permanent HHW Facilities and Temporary Collection Days

The HHW Program is administered by the Western Australian Local Government Association (WALGA) on behalf of the Waste Authority.

WALGA is seeking Expressions of Interest (EOI) from Local Governments interested in participating in the HHW Program, by either having a new permanent HHW facility or hosting a Temporary Collection Day (TCD) event. Should member councils elect to pursue either permanent facilities or temporary collection days, this would help increase the diversion of HHW away from landfill.

The above EOI information from WALGA was circulated by the MRC to member council officers on 1 October 2019. The EOI submissions close on the 22 November 2019.

Existing facilities

The MRC currently operates the largest permanent HHW facility in WA from the Tamala Park Waste Management Facility. The second largest site is operated from the Balcatta Recycling Centre by the City of Stirling. Both of these permanent facilities are located within the MRC's region.

Education and Engagement

The MRC actively encourages waste avoidance through its waste education team, targeted advertising campaigns and education programs. Consistent messaging for HHW focuses on "only buying what you need" for paints and other chemicals; promoting the benefits of choosing reusable and longer lasting items over single use such as rechargeable batteries and LED globes as well as considering less hazardous alternatives.

MRC supported temporary HHW drop off days

In addition, the MRC supports member councils who wish to run their own HHW collection days at their own locations. The MRC does so by providing staff and equipment to resource the temporary drop off location on a fee-for-service basis. This has proven very successful for the Town of Victoria Park.

The MRC is more than prepared to support the increased diversion of HHW from landfill through continuing to operate the largest collection site in WA, as well as by supporting its members to establish permanent facilities (through sharing the MRC's knowledge and experience in this regard) or to host temporary collection days for their communities (through the provision of equipment and staff).

CONSULTATION

The MRC has consulted with its officers and WALGA to determine ways to improve collection of Household Hazardous Waste.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

STRATEGIC COMMUNITY PLAN 2018 - 2037	
Strategic Objective 1: Long Term Viability	
Strategy 1.2 Action 1.2.4	Improve collaboration between participating Councils as primary stakeholders on matters associated with waste management Liaise with member councils regarding direction of waste to processing facilities
Strategic Objective 2: Effective Management	
Strategy 2.2 Action 2.2.2	Continually assess and utilise the best appropriate waste management solutions Annual review of current operations with a view to continuously improving the MRC's waste management practices.
Strategy 2.3 Action 2.3.2	Make ongoing reviews of waste streams to ensure optimal recovery/diversion is being achieved Educate member councils and community as to how to best manage their problematic waste streams.
Strategic Objective 3: Sustainable Waste Management	
Strategy 3.1 Action 3.1.4	Identify and adopt improved approaches to waste minimisation, resource recovery and the associated community engagement Explore options with waste industry and member councils to improve/expand services.

COMMENT

Tamala Park is the largest permanent HHW facility in WA and last year collected over 92 tonnes of HHW. The administration is of the view that WALGA is well positioned to increase the collection of HHW through expansion of its current network of 13 permanent facilities and encouraging increasing numbers of temporary collection day events throughout WA and within the MRC region by the recently released EOI.

The MRC is more than prepared to support the increased diversion of HHW from landfill through continuing to operate the largest collection site in WA, as well as by supporting its members to establish permanent facilities (through sharing the MRC's knowledge and experience in this regard) or to host temporary collection days for their communities (through the provision of equipment and staff).

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

- 1) **note the options put forward by the MRC, and**
- 2) **Request that the CEO write to the member councils encouraging them to consider establishing a new permanent HHW facility in their local government area and/or hosting temporary collection day events to help divert HHW from landfill.**

Moved Cr Jacob, seconded Cr Proud

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

12 MEMBERS INFORMATION BULLETIN – ISSUE NO. 50

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 50 be received.

Moved Cr Jacob, seconded Cr Cvitan

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

13.1 NOTICE OF MOTION – AUDIT COMMITTEE MINUTES – CR SHANNON

In accordance with clause 3.13 of the Mindarie Regional Council Standing Orders Local Law 2010, Cr Shannon has given notice of her intention to move the following Motion:

That Council: -

- (a) REQUESTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**
- (b) REQUESTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**
- (c) REQUESTS all previous Audit Committee meeting minutes which were contained in previous Member Information Bulletins be brought to the next Ordinary meeting of Council for endorsement.**

REASON:

The Audit Committee Terms of Reference state that the reports from the Audit Committee assist the Council to discharge its legislative responsibility of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources.

Under clause 2 the Committee is a formally appointed committee however it does not have executive powers or authority to implement actions. The Committee is to report to Council and provide appropriate advice and recommendations to the Council.

Under clause 5 of the Terms of Reference the reports and recommendations of the committee meeting are to be presented to the next ordinary meeting of the Council.

The reports and recommendations of the Audit committee have not been presented to the next ordinary meeting of Council for endorsement, instead they have been contained in the Members Information Bulletin for receipt. In September 2019 the Audit Committee meeting minutes were contained in Members Information Bulletin No 49.

This practice has occurred over a number of years and is contrary to the Terms of Reference for the Audit Committee.

Cr Shannon provided copies of terms of reference for the Audit Committee to all councillors present at the meeting.

**Moved Cr Shannon, seconded Cr Vernon
AMENDED MOTION:**

That Council: -

- (a) DIRECTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**
- (b) DIRECTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**
- (c) REQUESTS the CEO to write to the Office of the Auditor General to obtain guidance as to the status of all previous Audit Committee meeting minutes, which were contained in previous Member Information Bulletins for noting, and seeks guidance as to whether they should be brought to the next Ordinary meeting of Council for endorsement.**

REASON:

The Audit Committee Terms of Reference state that the reports from the Audit Committee assist the Council to discharge its legislative responsibility of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources.

Under clause 2 the Committee is a formally appointed committee however it does not have executive powers or authority to implement actions. The Committee is to report to Council and provide appropriate advice and recommendations to the Council.

Under clause 5 of the Terms of Reference the reports and recommendations of the committee meeting are to be presented to the next ordinary meeting of the Council.

The reports and recommendations of the Audit committee have not been presented to the next ordinary meeting of Council for endorsement, instead they have been contained in the Members Information Bulletin for receipt. In September 2019 the Audit Committee meeting minutes were contained in Members Information Bulletin No 49.

This practice has occurred over a number of years and is contrary to the Terms of Reference for the Audit Committee.

PROCEDURAL MOTION

Cr Jacob moved, seconded Cr Proud

That this motion be deferred to the 12 December 2019 Ordinary Council meeting to allow the CEO to bring a report back to Council on what the practice of the member councils is in this regard, and what changes, if any, may be required to the MRCs Audit Committee Terms of Reference to align the MRC practices with the practices of its member councils.

MOTION CARRIED 8/3

*For: Boothman Jacob, Jones, Ferrante, Proud, Sargent, Cvitan, Newton
Against: Shannon, Vernon, Cole*

14 URGENT BUSINESS

Nil

15 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

16 NEXT MEETING

Next meeting to be held on Thursday 12 December 2019 in the Council Chambers at the City of Perth commencing at 6.30 pm.

17 CLOSURE

The Chair closed the meeting at 7.20 pm and thanked the Town of Victoria Park for their hospitality and use of their meeting rooms.

These minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of Council held on 21 November 2019.

SignedChairperson

Datedday of2019



Ordinary Meeting of Council

Minutes

**Thursday 5 December 2019, 6:00pm
City of Stirling
25 Cedric Street, Stirling**

Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park

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MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Andres Timmermanis (DEPUTY CHAIR)	Cr Gary Mack
City of Joondalup	Cr John Chester Cr Phillipa Taylor	Cr Christopher May Cr Suzanne Thompson
City of Perth	Cmr Andrew Hammond	Cmr Gaye McMath
City of Stirling	Cr Karen Caddy (CHAIR) Cr David Lagan Cr Suzanne Migdale Cr Bianca Sandri	Cr Karlo Perkov
Town of Victoria Park	Cr Claire Anderson	
City of Vincent	Mayor Emma Cole	Cr Joanne Fotakis
City of Wanneroo	Cr Brett Treby Cr Domenic Zappa	Cr Natalie Sangalli Cr Vinh Nguyen

PRESENT

Chair	Cr Karen Caddy
Councillors	Cr Claire Anderson Cr John Chester Mayor Emma Cole Cmr Andrew Hammond Cr David Lagan (arrived 6:11pm) Cr Suzanne Migdale Cr Bianca Sandri Cr Philippa Taylor Cr Andres Timmermanis (arrived 6:14pm) Cr Brett Treby Cr Domenic Zappa
Alternate Members	Nil
Staff	Mr Tony Arias (Chief Executive Officer) Mr Simon O'Sullivan (Manager Project Coordination) Ms Vickie Wesolowski (Executive Assistant)
Apologies Councillors	Nil
Leave of Absence	Nil
Absent	Nil
Consultants	Mr Brenton Downing (Satterley Property Group) Mr Carl Buckley (Satterley Property Group) Ms Lauren Vidler (Satterley Property Group)
Apologies Participant Councils' Advisers	Mr David MacLennan (City of Vincent) Mr Stuart Jardine (City of Stirling) Mr John Giorgi (Town of Cambridge) Mr Anthony Vuleta (Town of Victoria Park) Mr Murray Jorgensen (City of Perth) Mr Daniel Simms (City of Wanneroo)
In Attendance Participant Councils' Advisers	Mr Mark Dickson (City of Wanneroo) Mr Garry Hunt (City of Joondalup) Mr Fraser Henderson (City of Stirling) Mr Ben Killigrew (Town of Victoria Park)
Members of the Public	Nil
Press	Nil

1. OFFICIAL OPENING

The Chair declared the meeting open at 6:05pm.

DISCLOSURE OF INTERESTS

Nil

2. PUBLIC STATEMENT/QUESTION TIME

Nil

3. APOLOGIES AND LEAVE OF ABSENCE

Apologies – Nil

Cr Sandri - Leave of Absence 18 January 2020 to 30 January 2020.

4. PETITIONS

Nil

5. CONFIRMATION OF MINUTES

Ordinary Meeting of Council – 7 November 2019

Moved Cr Chester, Seconded Cr Migdale.

That the minutes of the Ordinary Meeting of Council of 7 November 2019 be confirmed, and signed by the Chair, as a true and correct record of proceedings.

The Motion was put and declared CARRIED (10/0).

5A BUSINESS ARISING FROM MINUTES

Nil

6. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)

Nil

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

9.14 *Project Budget FYE 2020 – Mid-Year Review - Confidential*

9.15 *Review of Project Milestones FYE 2020 - Confidential*

9.16 *Mindarie Regional Council Landfill Buffer – Groundwater Monitoring Results Update - Confidential*

8. REPORTS OF COMMITTEES

Management Committee Meeting – 21 November 2019

Cr Timmermanis, Chair, Management Committee advised that the Committee considered a number of Items listed in this Agenda and had a presentation on Item 9.13 - Catalina Beach Phase 2 Concept Plan. He advised that there was an Alternative Motion to be proposed to ensure planning for the Portofino Promenade and the Catalina Beach Access Road were not unduly delayed.

9.1 BUSINESS REPORT – PERIOD ENDING 28 NOVEMBER 2019

Moved Cr Treby, Seconded Cr Migdale.

[The recommendation in the agenda]

That the Council RECEIVES the Business Report to 28 November 2019.

Cr Lagan arrived during discussion on this Item (6:11pm).

The Motion was put and declared CARRIED (11/0).

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF SEPTEMBER & OCTOBER 2019

Moved Cr Sandri, Seconded Cr Anderson.

[The recommendation in the agenda]

That the Council RECEIVES and NOTES the Statements of Financial Activity for the months ending:

- **30 September 2019; and**
- **31 October 2019.**

Cr Timmermanis arrived during discussion on this Item (6:14pm).

The Motion was put and declared CARRIED (12/0).

9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF SEPTEMBER & OCTOBER 2019

Moved Cr Sandri, Seconded Cr Chester.

[The recommendation in the agenda]

That the Council RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for the months of September and October 2019:

- **Month ending 30 September 2019 (Total \$314,209.50)**
- **Month ending 31 October 2019 (Total \$222,660.77)**
- **Total Paid - \$536,870.27**

The Motion was put and declared CARRIED (12/0).

9.4 PROJECT FINANCIAL REPORT – OCTOBER 2019

Moved Cr Sandri, Seconded Cr Cole.

[The recommendation in the agenda]

That the Council RECEIVES the Project Financial Report (October 2019) submitted by the Satterley Property Group.

The Motion was put and declared CARRIED (12/0).

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 28 NOVEMBER 2019

Moved Cr Sandri, Seconded Cr Chester.

[The recommendation in the agenda]

That the Council RECEIVES the Sales and Settlement Report to 28 November 2019.

The Motion was put and declared CARRIED (12/0).

9.6 REVIEW OF PURCHASER TERMS AND CONDITIONS

Moved Cr Sandri, Seconded Cr Lagan.

[The recommendation in the agenda]

That the Council:

1. APPROVES the following Purchaser Terms/Conditions and Incentives for all public and builder release lots for the period December 2019 to December 2020:
 - 1.1 Use of the REIWA Offer and Acceptance Contract with Special Conditions and Annexure.
 - 1.2 A \$2,000 deposit to be used in the Sales Contracts for Catalina Central and a \$5,000 deposit to be used in the Sales Contracts for Catalina Beach.
 - 1.3 A finance approval period of 60 days for Catalina Central and 45 days for Catalina Beach, where finance is required.
 - 1.4 A 21-day settlement period from finance approval or the issue of titles, whichever is the later.
 - 1.5 A post occupancy Home Energy Assessment for all new homes (up to 31 August 2020, after which time its continuation will be considered following the conclusion of the 12-month trial of this initiative).
 - 1.6 A waterwise landscaping package to the front garden.
 - 1.7 A \$2,000 rebate for all homes constructed with a minimum 1.5kW capacity photovoltaic solar power system.

- 1.8 Side and rear boundary fencing (behind the building line).
 - 1.9 A \$1,000 rebate for all homes in Catalina Central and Beach Precincts which include appropriate WELS rated fittings and fixtures.
 - 1.10 Sales incentives (Items 1.6 – 1.9) subject to homes being constructed in accordance with the approved Catalina Design Guidelines within 18 months of settlement for single storey homes and 24 months of settlement for two storey homes.
2. REQUESTS the Satterley Property Group to review the Purchaser Terms/Conditions and Incentives for public release and builder release lots and provide a report to the Council for consideration in December 2020.

The Motion as amended was as follows:

That the Council:

- 1. APPROVES the following Purchaser Terms/Conditions and Incentives for all public and builder release lots for the period December 2019 to December 2020:**
 - 1.1 Use of the REIWA Offer and Acceptance Contract with Special Conditions and Annexure.**
 - 1.2 A \$2,000 deposit to be used in the Sales Contracts for Catalina Central and a \$5,000 deposit to be used in the Sales Contracts for Catalina Beach.**
 - 1.3 A finance approval period of 60 days for Catalina Central and 45 days for Catalina Beach, where finance is required.**
 - 1.4 A 21-day settlement period from finance approval or the issue of titles, whichever is the later.**
 - 1.5 A post occupancy Home Energy Assessment for all new homes (up to 31 August 2020, after which time its continuation will be considered following the conclusion of the 12-month trial of this initiative).**
 - 1.6 A waterwise landscaping package to the front garden, as per the package values approved by Council in the Front Landscaping Tender 02/2019 LD Total Proposal (dated February 2019).**
 - 1.7 A \$2,000 rebate for all homes constructed with a minimum 1.5kW capacity photovoltaic solar power system.**
 - 1.8 Side and rear boundary fencing (behind the building line).**
 - 1.9 A \$1,000 rebate for all homes in Catalina Central and Beach Precincts which include appropriate WELS rated fittings and fixtures.**
 - 1.10 Sales incentives (Items 1.6 – 1.9) subject to homes being constructed in accordance with the approved Catalina Design Guidelines within 18 months of settlement for single storey homes and 24 months of settlement for two storey homes.**
- 2. REQUESTS the Satterley Property Group to review the Purchaser Terms/Conditions and Incentives for public release and builder release lots and provide an interim report to the Council in June 2020 and a final report for consideration in December 2020.**

The Motion was put and declared CARRIED (12/0).

9.7 SALES - MARKETING CAMPAIGN, FEBRUARY – MARCH 2020

Moved Cr Chester, Seconded Cr Lagan.

[The recommendation in the agenda]

That the Council:

1. RECEIVES the Satterley Property Group correspondence (dated 8 November 2019) proposing an extension from 31 January 2020 until 31 March 2020 of the current Sales and Marketing Campaign involving the offer of a \$10,000 rebate to purchasers who install a solar panel and battery storage system.
2. APPROVES the extension of the current Sales and Marketing Campaign due to conclude on 31 January 2020 until 31 March 2020, subject to the same conditions of Council's approval granted on 17 October 2019.
3. APPROVES the use of a \$2,000 referral fee to the Builder's Sales Representative for providing a qualified sales lead that results in the settlement of a lot at Catalina and that this fee be paid directly by the TPRC for the period 1 February 2020 to 31 March 2020.

The Motion as amended was as follows:

That the Council:

1. **RECEIVES the Satterley Property Group correspondence (dated 8 November 2019) proposing an extension from 31 January 2020 until 31 March 2020 of the current Sales and Marketing Campaign involving the offer of a \$10,000 rebate to purchasers who install a solar panel and battery storage system.**
2. **APPROVES the extension of the current Sales and Marketing Campaign due to conclude on 31 January 2020 until 31 March 2020, subject to the same conditions of Council's approval granted on 17 October 2019.**
3. **APPROVES the use of a \$2,000 referral fee to the Builder's Sales Representative for providing a qualified sales lead that results in the settlement of a lot at Catalina and that this fee be paid directly by the TPRC for the period 1 February 2020 to 31 March 2020.**
4. **REQUESTS the Satterley Property Group to provide an interim report to Council in February 2020 with details on the outcomes of the campaign to date including the achievement of the marketing KPI's, costs of the campaign (costs per lead) and resultant lot sales.**

The Motion was put and declared CARRIED (12/0).

9.8 MANAGEMENT COMMITTEE – TERMS OF REFERENCE/DELEGATIONS

[The recommendation in the agenda]

That the Council APPROVES the Terms of Reference and Delegations to the Management Committee (November 2019).

Moved Cr Cole, Seconded Cmr Hammond.

[An Alternative Motion]

That the Council:

- 1. NOTES the annual review of the Terms of Reference and Delegations to the Management Committee.**
- 2. REQUESTS a redrafting of the Terms of Reference and Delegations for consideration at the February Council meeting to clarify the following:**
 - (a) Objectives, roles and responsibilities of the Management Committee;**
 - (b) Membership, appointment of Chair and quorum;**
 - (c) List of delegations and any conditions;**
 - (d) Regular reporting of Management Committee Minutes to Council, including a list of any items dealt with under delegated authority.**

The Motion was put and declared CARRIED (12/0).

9.9 ANNUAL REPORT FOR THE YEAR ENDING 30 JUNE 2019

Moved Cr Treby, Seconded Cr Migdale.

[The recommendation in the agenda]

That the Council ADOPTS the Annual Report of the Tamala Park Regional Council for the FYE 2019.

The Motion was put and declared CARRIED BY ABSOLUTE MAJORITY (12/0).

9.10 DELEGATION AUTHORITY 2019

Moved Cr Lagan, Seconded Cr Migdale.

[The recommendation in the agenda]

That the Council APPROVES the Delegation Register 2019 (December 2019).

The Motion as amended was as follows:

That the Council:

- 1. APPROVES the Delegation Register 2019 (December 2019).**
- 2. That the Tamala Park Regional Council website be updated to include the Delegation Register 2019 (December 2019).**

The Motion was put and declared CARRIED BY ABSOLUTE MAJORITY (12/0).

9.11 UDIA 2020 NATIONAL CONGRESS

[The recommendation in the agenda]

That the Council AUTHORISES Cr _____ to attend the 2020 Urban Development Institute of Australia National Congress in Sydney to be held on 17-19 March 2020.

Moved Cr Chester, Seconded Cmr Hammond.

[An Alternative Motion]

That the Council AUTHORISES Cr Caddy to attend the 2020 Urban Development Institute of Australia National Congress in Sydney to be held on 17-19 March 2020.

The Motion was put and declared CARRIED (11/1).

For: Cr Anderson, Cr Caddy, Cr Chester, Cr Cole, Cmr Hammond, Cr Lagan, Cr Migdale, Cr Sandri, Cr Taylor, Cr Treby and Cr Zappa.

Against: Cr Timmermanis.

9.12 ELECTED MEMBER ALLOWANCES

Moved Cr Sandri, Seconded Cr Treby.

[The recommendation in the agenda]

That the Council APPROVES:

- 1. An Annual Allowance for the Chair of the Council to be \$20,063 per annum.**
- 2. An Annual Attendance fee for the Chair of the Council to be \$15,839 per annum.**
- 3. An Annual Allowance for the Deputy Chair of the Council to be 25% of the amount paid to the Chair per annum.**
- 4. An Attendance fee for Council members to be an amount of \$10,560 per annum.**
- 5. Council members not being entitled to claim separate telecommunications, IT allowances or travelling allowance to meetings.**
- 6. Elected member allowances being made quarterly in arrears.**

The Motion was put and declared CARRIED BY ABSOLUTE MAJORITY (12/0).

9.13 CATALINA BEACH PHASE 2 CONCEPT PLAN

[The recommendation in the agenda]

That the Council DEFERS consideration of the Catalina Beach Phase 2 Concept Plan (November 2019) to the Council Meeting of 20 February 2020 and the matter be further considered as part of a Catalina Project inspection and workshop planned in early February 2020.

Moved Cr Lagan, Seconded Cr Timmermanis.

[An Alternative Motion]

That the Council:

1. **DEFERS** consideration of the Catalina Beach Phase 2 Concept Plan (November 2019) to the Council Meeting of 20 February 2020 and the matter be further considered as part of a Catalina Project inspection and workshop planned in early February 2020.
2. **SUPPORTS** the alignment of the proposed extension of Portofino Promenade and its connection with the planned foreshore access road as shown in the Catalina Beach Phase 2 Concept Plan (November 2019).
3. **REQUESTS** that the Satterley Property Group undertake a comprehensive feasibility assessment following further input by the Project and other specialist consultants, including:
 - (i) **Market analysis** of the proposed lot sizes and configuration, particularly those within the higher density coded areas;
 - (ii) **Review of development costs.**
4. **ACKNOWLEDGES** the impact of the Deferral on the Development Manager's KPI milestones and that this will be taken into account in consideration of the relevant milestone(s) achieved.

The Motion was put and declared CARRIED (12/0).

Moved Cr Lagan, Seconded Cr Treby.

That Standing Orders be suspended to allow Confidential Items 9.14, 9.15 and 9.16 to be discussed behind closed doors.

The Motion was put and declared CARRIED (11/1).

For: Cr Anderson, Cr Caddy, Cr Chester, Cr Cole, Cmr Hammond, Cr Lagan, Cr Migdale, Cr Sandri, Cr Taylor, Cr Treby and Cr Zappa.

Against: Cr Timmermanis.

9.14 PROJECT BUDGET FYE 2020 – MID-YEAR REVIEW - CONFIDENTIAL

Moved Cr Timmermanis, Seconded Cr Migdale.

[The recommendation in the agenda]

That Council:

1. **RECEIVES** the FYE 2020 Mid-Year Budget Review, submitted by the Satterley Property Group, (December 2019).

2. **APPROVES** the Satterley Property Group lot price reductions proposed in the FYE 2020 Mid-Year Budget Review (December 2019), based on 1.8% reduction of the estimated lot sale price.
3. **ACCEPTS** that the Satterley Property Group has achieved Key Performance Indicator - Financial Management 4.5 *Monitor the performance against the Approved Project Budget* requiring the completion of a six-monthly review of the approved Project Budget.

The Motion was put and declared CARRIED (12/0).

9.15 REVIEW OF PROJECT MILESTONES FYE 2020 - **CONFIDENTIAL**

Moved Cr Migdale, Seconded Cr Treby.

[The recommendation in the agenda]

That Council:

1. **RECEIVES** the Satterley Property Group report on Project Milestones (November 2019).
2. **ADVISES** the Satterley Property Group that Key Performance Indicator 2.10 requires that the Development Manager completes two Milestone Reviews in each financial year to meet the KPI. The Council will reassess Key Performance Indicator 2.10 when the second Milestone Review is satisfactorily completed.
3. **ADVISES** the Satterley Property Group that it notes that a number of the designated Milestones in the Annual Plan may not be met and that these need to be satisfactorily addressed so that they do not adversely affect the Project.

The Motion was put and declared CARRIED (12/0).

9.16 MINDARIE REGIONAL COUNCIL LANDFILL BUFFER – GROUNDWATER MONITORING RESULTS UPDATE - **CONFIDENTIAL**

Moved Cr Chester, Seconded Cr Migdale.

[The recommendation in the agenda]

That the Council **RECEIVES** the report (December 2019) on the Mindarie Regional Council Landfill Buffer – Groundwater Monitoring Results.

The Motion as amended was as follows:

That the Council:

1. **RECEIVES** the report (December 2019) on the Mindarie Regional Council Landfill Buffer – Groundwater Monitoring Results.
2. **REQUESTS** a briefing from the Mindarie Regional Council – CEO when the Contaminated Sites Auditor report has been completed.

The Motion was put and declared CARRIED (12/0).

Moved Cr Lagan, Seconded Cr Migdale.

That the Meeting be REOPENED to the public.

The Motion was put and declared CARRIED (12/0).

The recommendations for Confidential Items 9.14, 9.15 and 9.16 were read out as follows:

9.14 PROJECT BUDGET FYE 2020 – MID-YEAR REVIEW - CONFIDENTIAL

That Council:

1. *RECEIVES the FYE 2020 Mid-Year Budget Review, submitted by the Satterley Property Group, (December 2019).*
2. *APPROVES the Satterley Property Group lot price reductions proposed in the FYE 2020 Mid-Year Budget Review (December 2019), based on 1.8% reduction of the estimated lot sale price.*
3. *ACCEPTS that the Satterley Property Group has achieved Key Performance Indicator - Financial Management 4.5 Monitor the performance against the Approved Project Budget requiring the completion of a six-monthly review of the approved Project Budget.*

9.15 REVIEW OF PROJECT MILESTONES FYE 2020 - CONFIDENTIAL

That Council:

1. *RECEIVES the Satterley Property Group report on Project Milestones (November 2019).*
2. *ADVISES the Satterley Property Group that Key Performance Indicator 2.10 requires that the Development Manager completes two Milestone Reviews in each financial year to meet the KPI. The Council will reassess Key Performance Indicator 2.10 when the second Milestone Review is satisfactorily completed.*
3. *ADVISES the Satterley Property Group that it notes that a number of the designated Milestones in the Annual Plan may not be met and that these need to be satisfactorily addressed so that they do not adversely affect the Project.*

9.16 MINDARIE REGIONAL COUNCIL LANDFILL BUFFER – GROUNDWATER MONITORING RESULTS UPDATE – CONFIDENTIAL

That the Council:

1. *RECEIVES the report (December 2019) on the Mindarie Regional Council Landfill Buffer – Groundwater Monitoring Results.*
2. *REQUESTS a briefing from the Mindarie Regional Council – CEO when the Contaminated Sites Auditor report has been completed.*

10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN

Nil

11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

12. URGENT BUSINESS APPROVED BY THE CHAIR

Nil

13. MATTERS BEHIND CLOSED DOORS

9.14 *Project Budget FYE 2020 – Mid-Year Review - Confidential*

9.15 *Review of Project Milestones FYE 2020 - Confidential*

9.16 *Mindarie Regional Council Landfill Buffer – Groundwater Monitoring Results Update - Confidential*

14. GENERAL BUSINESS

The Chair thanked Councillors, TPRC staff and Satterley representatives for their attendance and wished all a safe and happy Christmas.

15. FORMAL CLOSURE OF MEETING

The Chair declared the meeting closed at 7:47pm.

These minutes were confirmed at a meeting on

SIGNED this day of 2020

as a true record of proceedings.

CHAIR



MINUTES

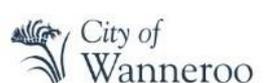
ORDINARY COUNCIL MEETING

TIME: 6.30 PM

12 DECEMBER 2019

CITY OF PERTH

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*



**MINDARIE REGIONAL COUNCIL
NOTICE OF MEETING**

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open 6.33 pm.

2 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Councillor Attendance

Cr D Boothman, JP (David)	City of Stirling
Cr A Jacob, JP (Albert)	City of Joondalup
Cr K Hollywood, (Kerry)	City of Joondalup
Cr L Kosova (Len)	City of Perth
Cr J Ferrante (Joe)	City of Stirling
Cr K Sargent (Keith)	City of Stirling
Cr S Proud, JP (Stephanie)	City of Stirling
Cr J Topelberg (Josh)	City of Vincent
Cr D Newton, JP (Dot)	City of Wanneroo
Cr F Cvitan, JP (Frank)	City of Wanneroo
Cr K Shannon (Keri)	Town of Cambridge
Cr K Vernon (Karen)	Town of Victoria Park

Apologies

Cr E Cole (Emma)	City of Vincent
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Leave of Absence

Cr R Fishwick JP (Russ)	City of Joondalup
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Absent

Nil

MRC Officers

Mr G Hoppe (Chief Executive Officer)
Mrs A Slater (Director Corporate Services)
Mrs S Cherico (Human Resources Officer)

Member Council Chief Executive Officers

Mr J Giorgi, JP (Town of Cambridge)

Member Council Observers

Mr N Claassen (City of Joondalup)
Mr P Maloney (Town of Cambridge)
Mr N Ahern (City of Perth)
Mr M Copeman (City of Perth)
Mr M Littleton (City of Stirling)
Mr R Bryant (City of Stirling)
Mr S Cairns (City of Wanneroo)
Mr J Wong (Town of Victoria Park)
Mr A Murphy (City of Vincent)
Ms Y Plimbley (City of Vincent)

MRC Observers

Mr B Twine
Mr J Shepherd
Mrs K Goldsmith

Visitors

Nil

Members of the Public

Nil

Press

Nil

3 DECLARATION OF INTERESTS

Nil

4 PUBLIC QUESTION TIME

Nil

5 ANNOUNCEMENTS BY THE PRESIDING PERSON

Nil

6 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7 PETITIONS / DEPUTATIONS / PRESENTATIONS

Nil

8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 ORDINARY COUNCIL MEETING – 21 November 2019

The Minutes of the Ordinary Council Meeting held on 21 November 2019 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council Meeting of Council held on 21 November 2019 be confirmed as a true record of the proceedings.

Cr Proud moved, Cr Newton seconded.

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

9.1 CHIEF EXECUTIVE OFFICER REPORTS

9.1	FINANCIAL STATEMENTS FOR THE MONTH ENDED 31 OCTOBER 2019
File No:	FIN/5-09
Appendix(s):	Appendix No. 1
Date:	28 NOVEMBER 2019
Responsible Officer:	DIRECTOR CORPORATE SERVICES

SUMMARY

The purpose of this report is to provide financial reporting in line with statutory requirements which provides useful information to stakeholders of the Council.

BACKGROUND

Reporting requirements are defined by Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996.

The financial statements presented for each month consist of:

- Operating Statement by Nature – Combined
- Operating Statement by Nature – RRF Only
- Operating Statement by Function
- Statement of Financial Activity
- Statement of Reserves
- Statement of Financial Position
- Statement of Investing Activities
- Information on Borrowings
- Tonnage Report

DETAIL

The Financial Statements are for the month ended 31 October 2019 and are attached at **Appendix No. 1** to this Item. The Tonnage Report for the 4 months to 31 October 2019 is attached at **Appendix No. 2**. The reports are pre audit approval.

The complete suite of Financial Statements which includes the Operating Statements, Statement of Financial Position, Statement of Financial Activity and other related information are reported on a monthly basis.

The estimates for Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure are based on the estimated rates per tonne calculated with reference to estimated excavation cost of various stages of the landfill and the life of the landfill. An adjustment is made (if necessary) at the end of the year based on actual tonnages on a survey carried out to assess the “air space” remaining and other relevant information.

Summary of results for the year to date period ended 31 October 2019

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	82,218	91,919	(9,701)
Tonnes – Others	4,218	5,710	(1,492)
TOTAL TONNES	86,436	97,629	(11,193)
	\$	\$	\$
Revenue – Members	16,857,052	18,859,202	(2,002,150)
Revenue – Other	1,528,156	1,827,833	(299,677)
TOTAL REVENUE	18,385,208	20,687,035	(2,301,827)
Expenses	19,192,190	19,572,667	380,477
Profit on sale of assets	186,819	158,710	28,109
Loss on sale of assets	118,380	129,271	10,891
Impairment of assets	-	-	-
NET SURPLUS	(738,543)	1,143,807	(1,882,350)

Commentary

Member tonnes for the year to date are 9,702 tonnes behind phased budget, which is mainly City of Joondalup, City of Stirling and City of Wanneroo delivering less waste than what they individually forecasted.

The net result variance against budget of \$1,882,350 is mainly attributable to budgeted tonnage related expenditure.

RRF

The Resource Recovery Facility residue tonnes are above budget by 3,309 tonnes delivering 21,340 tonnes in total to Tamala Park year to date.

Trade & Casual

The Casual and Trade tonnages are 1,492 tonnes lower than forecast for the financial year as trade customers find alternative options for waste disposal

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix No. 1 for the month ended 31 October 2019 are received.

Cr Cvitan moved, Cr Topelberg seconded.

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

9.2	LIST OF PAYMENTS MADE FOR THE MONTH ENDED 31 OCTOBER 2019
File No:	FIN/5-09
Appendix(s):	Appendix No. 3
Date:	25 November 2019
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to provide details of payments made during the period identified. This is in line with the requirement under the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the month ended 31 October 2019 are at **Appendix 3** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to the CEO which allows payments to be made between meetings. At the Ordinary Council Meeting held on 19 September 2019, the Council delegated to the CEO the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and the Mindarie Regional Council is able to claim this tax as an input credit when GST remittances are made each month to the Australian Tax Office.

Month Ended	Account	Vouchers	Amount
31 October 2019	General Municipal	Cheques	\$14,467.03
		EFT	\$7,024,964.81
		DP	\$112,899.72
		Inter account transfers	\$6,500,000.00
		Total	\$13,652,331.56

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the month ended 31 October 2019, be noted.

Cr Topelberg moved, Cr Vernon seconded.

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 11/0)

Cr K Sargent entered the chambers at 6.38 pm

9.3	AUDIT COMMITTEE – CHANGE TO THE TERMS OF REFERENCE
File No:	GOV/22-08
Appendix(s):	Nil
Attachment(s):	Attachment 1 – Terms of Reference (current version) Attachment 2 – Terms of Reference (proposed version)
Date:	26 November 2019
Responsible Officer:	Chief Executive Officer

SUMMARY

The report seeks endorsement to amend the Terms of Reference for the Audit Committee to increase the membership from three to a minimum of four elected members.

BACKGROUND

The Audit Committee is established under the Local Government Act 1995 and has prescribed duties and responsibilities. This committee consists of three elected members and an appointed independent member. The Administration provides secretarial support and both the Chief Executive Officer and the Director of Corporate Services attend the meetings to provide advice and guidance to the committee on the issues presented in the agendas.

DETAIL

At the Ordinary Council Meeting held on 21 November 2019 the Council resolved to appoint four elected members to the Audit Committee and noted that the terms of reference required an amendment to allow for an increase in the membership of the committee.

CONSULTATION

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

Approve the amendment to the Audit Committee Terms of Reference to increase the membership of the committee from three elected members to a minimum of four elected members, as per Attachment 2.

(Absolute Majority Required)

Cr Jacobs moved, Cr Kosova seconded.

PROPOSED AMENDMENT TO RECOMMENDATION:

That the Council:

Approve the amendment to the Audit Committee Terms of Reference to increase the membership of the committee from three elected members to a minimum of three elected members, as per Attachment 2.

(Absolute Majority Required)

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 12/0)

ATTACHMENT 1 – CURRENT AUDIT COMMITTEE - TERMS OF REFERENCE

AUDIT COMMITTEE TERMS OF REFERENCE

1. Objectives of Audit Committee

In accordance with Regulation 16 of the Local Government (Audit) Regulations 1996, the primary objective of the Audit Committee is to accept responsibility for the annual external audit and liaise with the Mindarie Regional Council's (Council) auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources. The Committee will ensure openness in the Council's financial reporting and will liaise with the Chief Executive Officer (CEO) to ensure the effective and efficient management of the Council's financial accounting systems and compliance with legislation.

The Committee is to facilitate:

- the enhancement of the credibility and objectivity of external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines relative to auditing;
- the provision of an effective means of communication between the external auditor, the CEO and the Council.

2. Powers of the Audit Committee

The Committee is a formally appointed committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the Council that have not been delegated to the CEO.

3. Membership

The Committee will consist of **three** elected members. The Council may also appoint an external member. All members shall have full voting rights.

External persons appointed to the Committee will be a member of CPA Australia or the Institute of Chartered Accountants (Australia), have the requisite financial, commercial and/or business experience, and will be sufficiently conversant with governance, financial and other reporting requirements so as to allow them to fulfil the role.

Appointment of external persons shall be made by Council by way of a public advertisement and be for a maximum of two years.

Reimbursement of approved expenses will be paid to each external person who is a member of the Committee, up to an annual limit set as part of the annual budget process.

The CEO and employees are not members of the committee.

The CEO or his/her nominee is to attend all meetings to provide advice and guidance to the Committee.

The Council shall provide secretarial and administrative support to the Committee.

4. Meetings

The Committee shall meet at least once a year.

Additional meetings shall be convened at the discretion of the presiding person.

A quorum of the Committee will be constituted by three members.

A decision of the Committee is to be made by simple majority.

5. Reporting

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

6. Duties and Responsibilities

The duties and responsibilities of the Committee will be –

- (a) Provide guidance and assistance to Council as to the carrying out the function of the Council in relation to audits.
 - (b) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Council's auditor.
 - (c) Develop and recommend to Council –
 - a list of those matters to be audited; and
 - the scope of the audit to be undertaken.
 - (d) Recommend to Council the person or persons to be appointed as auditor.
 - (e) Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include –
 - the objectives of the audit
 - the scope of the audit
 - a plan of the audit
 - details of the remuneration and expenses to be paid to the auditor; and
 - the method to be used by the Council to communicate with, and supply information to, the auditor.
 - (f) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
-

- (g) Liaise with the CEO to ensure that the local government does everything in its power to –
 - assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - ensure that audits are conducted successfully and expeditiously.
 - (h) Examine the reports of the auditor after receiving a report from the CEO on the matters and –
 - determine if any matters raised require action to be taken by the Council; and
 - ensure that appropriate action is taken in respect of those matters.
 - (i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time.
 - (j) Review the scope of the audit plan and program and its effectiveness.
 - (k) Review the appropriateness of special internal audit assignments undertaken at the request of Council or CEO.
 - (l) Review the level of resources allocated to internal audit and the scope of its authority.
 - (m) Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management reacts to matters raised.
 - (n) Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs.
 - (o) Review Council's draft annual financial report, focusing on:
 - accounting policies and practices;
 - changes to accounting policies and practices;
 - the process used in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;
 - compliance with accounting standards and other reporting requirements; and
 - significant variances from prior years.
 - (p) Consider recommending adoption of the financial report to Council.
 - (q) Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
 - (r) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
 - (s) Review the annual Compliance Audit Return and report to the Council the results of that review.
-

- (t) Consider the CEO's biennial reviews of the appropriateness and effectiveness of the Council's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews.
 - (v) Monitor the progress of any major lawsuits facing the Council.
 - (w) Perform a biannual review of the material risks identified in the Council's Risk Register.
-

ATTACHMENT 2 – PROPOSED AUDIT COMMITTEE – TERMS OF REFERENCE

1. Objectives of Audit Committee

In accordance with Regulation 16 of the Local Government (Audit) Regulations 1996, the primary objective of the Audit Committee is to accept responsibility for the annual external audit and liaise with the Mindarie Regional Council's (Council) auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources. The Committee will ensure openness in the Council's financial reporting and will liaise with the Chief Executive Officer (CEO) to ensure the effective and efficient management of the Council's financial accounting systems and compliance with legislation.

The Committee is to facilitate:

- the enhancement of the credibility and objectivity of external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines relative to auditing;
- the provision of an effective means of communication between the external auditor, the CEO and the Council.

2. Powers of the Audit Committee

The Committee is a formally appointed committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the Council that have not been delegated to the CEO.

3. Membership

The Committee will consist of **a minimum of three** elected members. The Council may also appoint an external member. All members shall have full voting rights.

External persons appointed to the Committee will be a member of CPA Australia or the Institute of Chartered Accountants (Australia), have the requisite financial, commercial and/or business experience, and will be sufficiently conversant with governance, financial and other reporting requirements so as to allow them to fulfil the role.

Appointment of external persons shall be made by Council by way of a public advertisement and be for a maximum of two years.

Reimbursement of approved expenses will be paid to each external person who is a member of the Committee, up to an annual limit set as part of the annual budget process.

The CEO and employees are not members of the committee.

The CEO or his/her nominee is to attend all meetings to provide advice and guidance to the Committee.

The Council shall provide secretarial and administrative support to the Committee.

4. Meetings

The Committee shall meet at least once a year.

Additional meetings shall be convened at the discretion of the presiding person.

A quorum of the Committee will be constituted by three members.

A decision of the Committee is to be made by simple majority.

5. Reporting

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

6. Duties and Responsibilities

The duties and responsibilities of the Committee will be –

- (d) Provide guidance and assistance to Council as to the carrying out the function of the Council in relation to audits.
 - (e) Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Council's auditor.
 - (f) Develop and recommend to Council –
 - a list of those matters to be audited; and
 - the scope of the audit to be undertaken.
 - (f) Recommend to Council the person or persons to be appointed as auditor.
 - (g) Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include –
 - the objectives of the audit
 - the scope of the audit
 - a plan of the audit
 - details of the remuneration and expenses to be paid to the auditor; and
 - the method to be used by the Council to communicate with, and supply information to, the auditor.
 - (h) Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
-

-
- (i) Liaise with the CEO to ensure that the local government does everything in its power to –
 - assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - ensure that audits are conducted successfully and expeditiously.
 - (h) Examine the reports of the auditor after receiving a report from the CEO on the matters and –
 - determine if any matters raised require action to be taken by the Council; and
 - ensure that appropriate action is taken in respect of those matters.
 - (i) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time.
 - (j) Review the scope of the audit plan and program and its effectiveness.
 - (k) Review the appropriateness of special internal audit assignments undertaken at the request of Council or CEO.
 - (l) Review the level of resources allocated to internal audit and the scope of its authority.
 - (m) Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management reacts to matters raised.
 - (n) Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs.
 - (o) Review Council's draft annual financial report, focusing on:
 - accounting policies and practices;
 - changes to accounting policies and practices;
 - the process used in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;
 - compliance with accounting standards and other reporting requirements; and
 - significant variances from prior years.
 - (p) Consider recommending adoption of the financial report to Council.
 - (q) Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
 - (r) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
 - (s) Review the annual Compliance Audit Return and report to the Council the results of that review.
-

- (t) Consider the CEO's biennial reviews of the appropriateness and effectiveness of the Council's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews.
 - (v) Monitor the progress of any major lawsuits facing the Council.
 - (w) Perform a biannual review of the material risks identified in the Council's Risk Register.
-

10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 51

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 51 be received.

Moved Cr Cvitan, Cr Ferrante seconded.

RESOLVED

That the recommendation be adopted.

(CARRIED UNANIMOUSLY 12/0)

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

11.1 NOTICE OF MOTION – AUDIT COMMITTEE MINUTES – CR SHANNON

This notice of motion was deferred from the Ordinary Council meeting of 21 November 2019 for further debate.

In accordance with clause 3.13 of the Mindarie Regional Council Standing Orders Local Law 2010, Cr Shannon gave notice of her intention to move the following Motion:

That Council: -

- (a) REQUESTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**
- (b) REQUESTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**
- (c) REQUESTS all previous Audit Committee meeting minutes which were contained in previous Member Information Bulletins be brought to the next Ordinary meeting of Council for endorsement.**

REASON:

The Audit Committee Terms of Reference state that the reports from the Audit Committee assist the Council to discharge its legislative responsibility of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources.

Under clause 2 the Committee is a formally appointed committee however it does not have executive powers or authority to implement actions. The Committee is to report to Council and provide appropriate advice and recommendations to the Council.

Under clause 5 of the Terms of Reference the reports and recommendations of the committee meeting are to be presented to the next ordinary meeting of the Council.

The reports and recommendations of the Audit committee have not been presented to the next ordinary meeting of Council for endorsement, instead they have been contained in the Members Information Bulletin for receipt. In September 2019 the Audit Committee meeting minutes were contained in Members Information Bulletin No 49.

This practice has occurred over a number of years and is contrary to the Terms of Reference for the Audit Committee.

**Moved Cr Shannon, seconded Cr Vernon
AMENDED MOTION:**

That Council: -

- (a) DIRECTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**
- (b) DIRECTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**
- (c) REQUESTS the CEO to write to the Office of the Auditor General to obtain guidance as to the status of all previous Audit Committee meeting minutes, which were contained in previous Member Information Bulletins for noting, and seeks guidance as to whether they should be brought to the next Ordinary meeting of Council for endorsement.**

REASON:

The Audit Committee Terms of Reference state that the reports from the Audit Committee assist the Council to discharge its legislative responsibility of controlling the Council's affairs, determining the Council's policies and overseeing the allocation of the Council's finances and resources.

Under clause 2 the Committee is a formally appointed committee however it does not have executive powers or authority to implement actions. The Committee is to report to Council and provide appropriate advice and recommendations to the Council.

Under clause 5 of the Terms of Reference the reports and recommendations of the committee meeting are to be presented to the next ordinary meeting of the Council.

The reports and recommendations of the Audit committee have not been presented to the next ordinary meeting of Council for endorsement, instead they have been contained in the Members Information Bulletin for receipt. In September 2019 the Audit Committee meeting minutes were contained in Members Information Bulletin No 49.

This practice has occurred over a number of years and is contrary to the Terms of Reference for the Audit Committee.

PROCEDURAL MOTION

Cr Jacob moved, seconded Cr Proud

That this motion be deferred to the 12 December 2019 Ordinary Council meeting to allow the CEO to bring a report back to Council on what the practice of the member councils is in this regard, and what changes, if any, may be required to the MRC's Audit Committee Terms of Reference to align the MRC practices with the practices of its member councils.

MOTION CARRIED 8/3

*For: Boothman Jacob, Jones, Ferrante, Proud, Sargent, Cvitan, Newton
Against: Shannon, Vernon, Cole*

In line with the procedural motion the Chief Executive Officer has provided a report listed under - item 11.1(A).

11.1(A) – CEO REPORT - AUDIT COMMITTEE MINUTES

11.1(A)	AUDIT COMMITTEE MINUTES
File No:	COR/22-08
Attachment(s):	Attachment 1 - Summary of member council practice
Appendix(s)	Appendix 4 - Local Government Operational Guidelines – Number 09, Audit in Local Government
Date:	28 NOVEMBER 2019
Responsible Officer:	CHIEF EXECUTIVE OFFICER

SUMMARY

The purpose of this report is to provide information on the practices of the Mindarie Regional Council's (MRC's) member councils, with respect to how they present their audit committee minutes to council, to allow the Councillors of the MRC to make a decision on whether the MRC's existing practices should be amended.

BACKGROUND

At the MRC's Ordinary Council Meeting of 21 November 2019, a Notice of Motion (as detailed in item 11.1 to this Agenda) was moved and seconded. The Notice of Motion, as amended, read:

That the Council:

- a) *DIRECTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.*
- b) *DIRECTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.*
- c) *REQUESTS the CEO to write to the Office of the Auditor General to obtain guidance as to the status of all previous Audit Committee meeting minutes, which were contained in previous Member's Information Bulletins for noting and seeks guidance as to whether they should be brought to the next Ordinary meeting of Council for endorsement.*

In considering the above Notice of Motion, a Procedural Motion was carried that:

That this motion be deferred to the 12 December 2019 ordinary council meeting to allow the CEO to bring a report back to Council on what the practice of the member councils is in this regard, and what changes, if any, may be required to the MRC's Audit Committee Terms of Reference to align the MRC's practices with the practices of its member councils.

DETAIL

In response to the Procedural Motion, the MRC has contacted all of its member councils to determine whether:

- a) their Audit Committee has any delegation from their council
- b) whether reports and recommendations requiring council endorsement are presented to council
- c) whether their Audit Committee meeting minutes are presented as a separate item to council.

Member council responses

A summary of the responses is tabled at Attachment 1.

Responses were received from 6 of the MRC's 7 member councils. Where no response was received, reference was made to that member council's website to obtain such information as was available.

Delegated authority – only the City of Perth makes any delegation to its Audit Committee, which is to allow the committee to meet with the auditor annually on behalf of council.

Reports and recommendations requiring council endorsement are presented to council – this was the case for all member councils, except the City of Perth whose Terms of Reference are silent on the matter. However, given the limited delegation to the Audit Committee, it is reasonable to presume that any reports or recommendations would need to be presented to council for actioning.

Minutes reported separately to council – only the City of Vincent confirmed that this occurs at their council. We were not able to verify what the Town of Cambridge's practice is in this regard with their administration.

Guidance documents

Local Government Operational Guidelines – Number 09, Audit in Local Government, (revised September 2013), included at Appendix 4, provides guidance on the operation of audit committees in Local Government, and was used as a reference guide in developing the MRC's Audit Committee Terms of Reference.

In particular, page 10 of the guide as relates to reporting recommends that:

“Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.”

This is the exact wording that has been used in the MRC's Audit Committee Terms of Reference.

MRC practice

In order to comply with its existing Terms of Reference for the Audit Committee, the MRC is required to present any reports and recommendations of the Audit Committee to the next Ordinary Council meeting.

The Terms of Reference make no reference to the minutes of the Audit Committee and how those should be presented to Council, or if they are to be presented at all.

In practice, the MRC's Audit Committee has not historically prepared any reports. It has made recommendations in respect to the following areas:

- a) Appointment of an external auditor
- b) Appointment of an external audit committee member
- c) Adoption of the annual financial report
- d) Adoption of the annual compliance return

Each recommendation of the Audit Committee is presented to Council for noting, endorsing or adoption as appropriate, as shown in the table below covering the last 2 complete financial years to 30 June 2019, and including the current financial year.

Date of Audit Committee meeting	Audit Committee Recommendation	OCM where tabled as a separate agenda item
2020		
16 October 2019	6.1 That the Audit Committee recommends that Council adopt the Financial Report for year ended 30 June 2019.	21 November 2019 11.4 That the Council: 1. notes the recommendation of the Audit Committee meeting held on 16 October 2019 to adopt the Financial Report for the year ended 30 June 2019;
2019		
14 March 2019	6.1 That the Audit Committee recommends that Council endorse the Compliance Audit return for the 2018 calendar year, as presented.	11 April 2019 9.3 That Council: 1. adopt the Local Government Compliance Audit Return in the form approved by the Minister for the period 1 January to 31 December 2018 as contained within the Appendices in accordance with the provisions of <i>Regulation 14(3) of the Local Government (Audit) Regulations</i> ;
Date of Audit Committee meeting	Audit Committee Recommendation	OCM where tabled as a separate agenda item
7 November 2018	7.1 That the Audit Committee recommends that Council adopt the Financial Report for year ended 30 June 2018.	6 December 2018 9.3 That the Council: 1. notes the recommendation of the Audit Committee meeting held on 7 November 2018 to adopt the Financial Report for the year ended 30 June 2018;

2018		
14 June 2018	<p>6.4 That the Audit Committee recommend to Council that Phillip Draber be appointed as an external audit committee member, subject to their acceptance of the appointment, for the period from 5 July 2018 to 19 October 2019.</p> <p>That the Audit Committee recommend to Council that Phillip Draber be considered as an external audit committee member, subject to their acceptance of the appointment, from 20 October 2019 to 30 June 2020.</p>	<p>5 July 2018</p> <p>11.4 1) That Council appoint Phillip Draber as the MRC external audit committee member, subject to his acceptance of the appointment, for the period from 5 July 2018 to 19 October 2019, the date of the next Local Government Elections.</p> <p>2) That Council endorse that Phillip Draber be considered as a candidate for the role of MRC external audit committee member for the period from 20 October 2019 to 30 June 2020.</p>
1 March 2018	<p>6.1 That the Audit Committee recommends that Council endorse the Compliance Audit return for the 2017 calendar year, as presented.</p>	<p>22 March 2018</p> <p>9.4 That Council:</p> <p>1. adopt the Local Government Compliance Audit Return in the form approved by the Minister for the period 1 January to 31 December 2017 as contained within the Appendices in accordance with the provisions of <i>Regulation 14(3) of the Local Government (Audit) Regulations 1996</i> and in line with the recommendation from the Audit Committee;</p>
Date of Audit Committee meeting	Audit Committee Recommendation	OCM where tabled as a separate agenda item
14 November 2017	<p>6.1 That the Audit Committee recommends that Council adopt the Financial Report for year ended 30 June 2017.</p>	<p>14 December 2017</p> <p>9.6 That the Council:</p> <p>1. notes the recommendation of the Audit Committee meeting held on 14 November 2017 to adopt the Financial Report for the year ended 30 June 2017;</p>

In addition, the minutes of each Audit Committee meeting are included in the Members' Information Bulletin which is presented as part of the agenda at the next Ordinary Council Meeting to be received by Council.

Minutes of each Audit Committee meeting are also published on the MRC's website.

CONSULTATION

The MRC has approached all its member councils to confirm whether:

- a) their Audit Committee has any delegation from their council
- b) whether reports and recommendations requiring council endorsement are presented to council
- c) whether their Audit Committee meeting minutes are presented as a separate item to council.

POLICY IMPLICATIONS

Based on the officer's recommendation, no changes to the MRC's existing Terms of Reference of the Audit Committee would be required.

Where Council wishes to have the minutes of Audit Committee meetings included as a separate item on the agenda for Ordinary Council Meetings, it is suggested that the following addition – marked in red - be made to the Terms of Reference, under Section 5:

“5. Reporting

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

Minutes of each committee meeting shall be presented to the next ordinary meeting of the Council.”

STATUTORY

Under the *Local Government Act 1995* the Audit Committee is required to submit its meeting minutes to the next ordinary meeting of the Audit Committee for confirmation (section 5.22), as follows.

5.22. Minutes of council and committee meetings

(1) The person presiding at a meeting of a council or a committee is to cause minutes to be kept of the meeting's proceedings.

(2) The minutes of a meeting of a council or a committee are to be submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

(3) The person presiding at the meeting at which the minutes are confirmed is to sign the minutes and certify the confirmation.

Section 5.22 would be interpreted as requiring the minutes of a council meeting to be presented to the next council meeting, and the minutes of a committee meeting to be presented to the next committee meeting for confirmation.

STRATGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

COMMENT

Under the existing Audit Committee Terms of Reference, there is no requirement to include the Audit Committee meeting minutes in the agenda for an Ordinary Council Meeting in any form.

Equally though, there is nothing preventing Council from directing that the minutes of the Audit Committee meetings be presented to Council as a separate agenda item. This would however, be inconsistent with the practice of the majority of the MRC's member councils.

While there is unlikely to be any issue with bringing the minutes of Audit Committee Meetings from meetings prior to December 2019 to a future Ordinary Council Meeting for noting by the Council, there is presently no requirement or need to do so under legislation or under the Audit Committee's Terms of Reference.

VOTING REQUIREMENT

Absolute majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

- 1) Not amend the Audit Committee Terms of Reference in respect of reporting minutes of the Audit Committee to Council as a separate agenda item; and**
- 2) Endorse the current compliant practice under the existing Terms of Reference, of presenting reports and recommendations of each Audit Committee meeting to the next ordinary meeting of the Council, and of presenting the minutes of the Audit Committee to Council as part of the Members' Information Bulletin for receiving.**

Cr Shannon moved, Cr Vernon seconded.

AMENDED RECOMMENDATION:

That Council: -

- (a) DIRECTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**
- (b) DIRECTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**
- (c) REQUESTS the CEO to write to the Office of the Auditor General to obtain guidance as to the status of all previous Audit Committee meeting minutes, which were contained in previous Member Information Bulletins for noting, and seeks guidance as to whether they should be brought to the next Ordinary meeting of Council for endorsement.**

The Chair indicated the 3 recommendations would be dealt with separately as follows:

That the Council:

- (a) DIRECTS the practice of incorporating the Audit Committee meeting minutes in the Members Information Bulletin cease immediately.**

MOTION LOST 5/7

For: Cr Shannon, Cr Newton, Cr Cvitan, Cr Vernon, Cr Kosova

Against: Cr Topelberg, Cr Jacobs, Cr Hollywood, Cr Sargent, Cr Proud, Cr Ferrante, Cr Boothman

That the Council:

- (b) DIRECTS the Audit Committee meeting minutes be listed as a separate agenda item for approval by the Council in accordance with the Audit Committee Terms of Reference.**

PROPOSED AMENDMENT

Amendment to clarify the term 'minutes'.

- (b) DIRECTS the confirmed Audit Committee meeting minutes be listed as a separate agenda item to be presented to the Council in accordance with the Audit Committee Terms of Reference.**

Cr Shannon moved, Cr Vernon seconded.

MOTION LOST 6/6+1

For: Cr Shannon, Cr Newton, Cr Cvitan, Cr Vernon, Cr Kosova, Cr Topelberg

Against: Cr Jacobs, Cr Hollywood, Cr Sargent, Cr Proud, Cr Ferrante, Cr Boothman (Cr Boothman)

The Chairman executed his presiding members' second vote to break the deadlock and achieve a result.

That the Council:

- (c) REQUESTS the CEO to write to the Office of the Auditor General to obtain guidance as to the status of all previous Audit Committee meeting minutes, which were contained in previous Member Information Bulletins for noting, and seeks guidance as to whether they should be brought to the next Ordinary meeting of Council for endorsement.**

RESOLVED

(CARRIED UNANIMOUSLY 12/0)

ATTACHMENT 1 – Member Council practices

Member Council	Delegated Authority	Reports and Recommendation requiring Council endorsements presented to Council	Minutes Reported to Council as a separate item
City of Joondalup	NO	YES	NO
City of Perth	YES	<i>Terms of Reference silent on matter</i>	NO
City of Stirling	NO	YES	NO
City of Vincent	NO	YES	YES
City of Wanneroo	NO	YES	NO
Town of Cambridge (no response received)	NO	<i>Terms of Reference states: Reports and recommendations of each committee meeting shall be presented to the next OCM</i>	What appears to be minutes of the Audit Committee Meetings are tabled in the form of a report
Town of Victoria Park	NO	YES	NO

12 URGENT BUSINESS

Nil

13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

14 NEXT MEETING

Next meeting to be held on Thursday 27 February 2020 in the Council Chambers at the City of Joondalup commencing at 6.30 pm.

15 CLOSURE

The Chairman closed the meeting at 7.16 pm and thanked the City of Perth for their hospitality and use of their meeting rooms.

These minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of Council held on 12 December 2019.

Signed Chairman

Dated thisday of 2019
