



AGENDA

Dear Committee Members

I respectfully advise that **AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING** will be held in the **Council Chambers, Civic Centre, McGregor St, Port Hedland**, on **Tuesday, 12 November 2019**, commencing at 5:30pm

MEETING AGENDA ATTACHED

Yours faithfully

A handwritten signature in black ink, appearing to read "David Pentz".

David Pentz
Chief Executive Officer

07 November 2019

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement or intimation occurring during Council Meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.

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DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71

Local Government (Administration) Regulation 34C

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Administration) Regulation 34C</i>			
Name			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ **Date:** _____

Important Note: Should you declare a **Financial or Proximity Interest**, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”

TERMS OF REFERENCE

1. Purpose of the Terms of Reference

The purpose of the terms of reference is to facilitate the operation of the Audit, Risk and Governance Committee.

2. Introduction

The Audit, Risk and Governance Committee has been established in accordance with Part 7 of the *Local Government Act 1995*.

The Audit, Risk and Governance Committee is an advisory committee formally appointed by the Council and is responsible to the Council. The Audit, Risk and Governance Committee does not have executive powers or authority to implement actions in areas over which management has responsibility and does not have any financial responsibility. The Audit, Risk and Governance Committee does not have any management functions and is therefore independent of management.

The Committee will primarily focus on relevant matters relating to Audit (internal and external), Risk and Governance.

The Audit, Risk and Governance Committee objective is to assist the Town of Port Hedland Council in liaising with the auditor and overseeing the external audit function and promoting the transparency and accountability of the Town's financial management systems and reporting. The role of the Committee is to report to the Council and provide appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate decision making by the Council in relation to the discharge of its responsibilities.

3. Objectives

The objectives of the Audit, Risk and Governance Committee are to oversee:

- 3.1 The integrity of external financial reporting, including accounting policies.
- 3.2 The scope of work, objectivity, performance and independence of the external auditor.
- 3.2 The establishment, effectiveness and maintenance of controls and systems to safeguard the Town's financial and physical resources.
- 3.3 The systems or procedures that are designed to ensure that the Town and its subsidiaries comply with relevant statutory and regulatory requirements.
- 3.5 The process for recognising risks arising from the Town's operations and strategies, and consider the adequacy of measures taken to manage those risks.

- 3.6 The process and systems which protect the Council against fraud and irregularities.

The Audit, Risk and Governance Committee must also add to the credibility of Council by promoting ethical standards through its work.

4. Authority

The Audit, Risk and Governance Committee has the authority to:

- 4.1 Review and suggest improvements to the internal and external auditor's annual audit plans and the outcomes/results of all audits undertaken.
- 4.2 Formally meet with the Town's appointed external auditor as necessary.
- 4.3 Seek resolution on any disagreements between management and the external auditors on financial reporting.
- 4.4 Advise Council on any or all of the above as deemed necessary.

5. Composition

- 5.1 The Audit, Risk and Governance Committee will comprise of eleven members, nine Elected Members and two independent members.
- 5.2 The Council will appoint Audit, Risk and Governance Committee members.
- 5.3 The Presiding Member and Deputy Presiding Member will be appointed by the Audit, Risk and Governance Committee, biennially by election by all committee members after the Ordinary Local Government Election.
- 5.4 The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Town. At least one member of the committee will have accounting or related financial management experience with an understanding of accounting and auditing standards in a public sector environment.
- 5.5 Independent members will be appointed until the next Ordinary Local Government Election.
- 5.6 A quorum will be a minimum of 50% of the membership.
- 5.7 Audit, Risk and Governance Committee members are required by the *Local Government Act 1995* and Code of Conduct in observing the requirements of declaring any proximity, financial or impartiality interests that relate to any matter to be considered at each meeting.

- 5.8 New members will receive relevant information and briefings on their appointment to assist them to meet their committee responsibilities.

6. Meetings

- 6.1 Meetings may be called by the Presiding Member of the Audit, Risk and Governance Committee, or at the request of the Mayor or Chief Executive Officer.
- 6.2 The Audit, Risk and Governance Committee meetings are generally open to the public unless the Presiding Member or Chief Executive Officer deem it necessary to proceed behind closed doors pursuant to Section 5.23 of the *Local Government Act 1995*.
- 6.3 All Elected Members are invited to attend each Audit, Risk and Governance Committee meeting.
- 6.4 All Audit, Risk and Governance Committee members are expected to attend each meeting in person.
- 6.5 The Chief Executive Officer will facilitate the meetings of the Audit, Risk and Governance Committee and invite members of management, internal and external auditors or others to attend meetings as observers and to provide pertinent information, as necessary.
- 6.6 The Audit, Risk and Governance Committee will develop a forward meeting schedule that includes the dates, location, and proposed work plan for each meeting for the forthcoming year, that cover all the responsibilities outlined in these terms of reference.
- 6.7 Meeting agendas will be prepared and provided at least one week in advance to members, along with appropriate briefing materials.
- 6.8 Minutes will be taken at each meeting and presented to the subsequent meeting for confirmation.

7. Responsibilities

The Audit, Risk and Governance Committee will carry out the following responsibilities:

7.1 Risk management

- 7.1.1 Review and suggest improvements to whether management has in place a current and comprehensive enterprise risk management framework and associated procedures for effective identification and management of the Town's business and financial risks, including fraud.

- 7.1.2 Determine whether a sound and effective approach has been followed in managing the Town's major risks including those associated with individual projects, program implementation, and activities.
- 7.1.3 Assess the impact of the Town's enterprise risk management framework on its control environment and insurance arrangements.
- 7.1.4 Review and suggest improvements to the process of developing and implementing the Town's fraud control arrangements and satisfy itself the Town has appropriate processes and systems in place to detect, capture and effectively respond to fraud-related information.

7.2 Business continuity

- 7.2.1 Determine whether a sound and effective approach has been followed in establishing the Town's business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.

7.3 Internal Control

- 7.3.1 Review and suggest improvements to whether management's approach to maintaining an effective internal control framework is sound and effective.
- 7.3.2 Review and suggest improvements to whether management has in place relevant policies and procedures and that they are periodically reviewed and updated.
- 7.3.3 Determine whether the appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with.
- 7.3.4 Review and suggest improvements to whether appropriate policies and supporting procedures are in place for the management and exercise of delegations.
- 7.3.5 Consider how management identifies any required changes to the design or implementation of key internal controls.

7.4 Financial Report

- 7.4.1 Review and suggest improvements to significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- 7.4.2 Review with management and the external auditors the results of the audit, including any difficulties encountered, and suggest improvements if required.

- 7.4.3 Review and suggest improvements to the annual financial report and performance report of the Town of Port Hedland and its subsidiaries, and consider whether it is complete, consistent with information known to Audit, Risk and Governance Committee members, and reflects appropriate accounting principles.
- 7.4.4 Review and suggest improvements to the process for the consolidation of financial information of the Town related entities into the financial reports of the Town.
- 7.4.5 Review with management and the external auditors all matters required to be communicated to the Audit, Risk and Governance Committee under the Australian Auditing Standards, and suggest improvements if required.
- 7.4.6 Review and suggest improvements to the draft Annual Financial Statements and recommend the adoption of the Annual Financial Statements to Council.
- 7.4.7 Receive the quarterly budget review.

7.5 Compliance

- 7.5.1 Review and suggest improvements to the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- 7.5.2 Keep informed of the findings of any examinations by regulatory agencies and any auditor (internal or external) observations and monitor management's response to these findings.
- 7.5.3 Obtain regular updates from management about compliance matters.
- 7.5.4 Review and suggest improvements to the annual Compliance Audit Return and report to the Council the results of the review.

7.6 Internal Audit

- 7.6.1 Review with management and the internal auditor the terms of reference, activities and resourcing of the internal audit function and suggest improvements if required.
- 7.6.2 Review, suggest improvements to and recommend the annual internal audit plan for approval by the Council and all major changes to the plan.
- 7.6.3 Monitor that the internal auditor's annual plan is linked with and covers the material business risks.

- 7.6.4 Monitor processes and practices to ensure that the independence of the audit function is maintained.
- 7.6.5 Annually review the performance of the internal audit including the level of satisfaction with internal audit function having consideration of the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and suggest improvements if required.
- 7.6.6 Review and suggest improvements to all audit reports and provide advice to the Council on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice.
- 7.6.7 Monitor management's implementation of internal audit recommendations.

7.7 External Audit

- 7.7.1 Review and suggest improvements to the external auditor's proposed audit scope and approach for financial performance audits, including any reliance on internal auditor activity.
- 7.7.2 Consider the findings and recommendations of relevant Performance Audits undertaken by the external auditor and ensure the Town implements relevant recommendations.
- 7.7.3 Provide an opportunity for the Audit, Risk and Governance Committee to meet with the external auditors to discuss any matters that the Audit, Risk and Governance Committee or the external auditors believe should be discussed privately.
- 7.7.4 Annually review and suggest improvements to the performance of external audit including the level of satisfaction with external audit function.
- 7.7.5 Monitor management's implementation of external audit recommendations.

7.8 Reporting Responsibilities

- 7.8.1 Report regularly to the Council about Audit, Risk and Governance Committee activities, issues, and related recommendations through circulation of minutes.
- 7.8.2 Monitor that open communication between the internal auditor, the external auditors, and the Town's management occurs.

7.9 Other Responsibilities

- 7.9.1 Perform other activities related to these terms of reference as requested by the Council.

- 7.9.2 Annually review, suggest improvements to and assess the adequacy of the Audit, Risk and Governance Committee terms of reference, request Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.

*(Adopted by Council at its Ordinary Meeting held 16 November 2011.
Amended by Council at its Ordinary Meeting held 23 October 2013.
Amended by Council at its Ordinary Meeting held on 11 December 2013.
Amended by Council at its Ordinary Meeting held on 27 May 2015.
Amended by Council at its Ordinary Meeting held on 28 October 2015.
Amended by Council at its Ordinary Meeting held on 22 June 2016.
Amended by Council at its Ordinary Meeting held on 24 May 2017.
Re-Adopted by Council at its Ordinary Meeting held on 1 November 2017.)*

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Item 1 Opening of Meeting

The Commissioner is to declare the meeting open at [Enter Time](#).

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The Commissioner acknowledge the Kariyarra people, on whose lands we are meeting, and pays his respects to Elders past, present and emerging.

Item 3 Recording of Attendance

3.1 Attendance

Present: Commissioner Fredrick Riebeling Presiding Member
 Arnold Carter Community Member

In Attendance: David Pentz Chief Executive Officer
 Anthea Bird Director Corporate Performance
 Craig Watts Director Regulatory Services
 Peter Chandler Acting Director Infrastructure Services
 Josephine Bianchi Director Community Services

3.2 Attendance by Telephone / Instantaneous Communications

3.3 Apologies

3.4 Approved Leave of Absence

3.5 Disclosure of Interests

Name	Item No.	Interest	Nature

Item 4 Applications for Leave of Absence

Item 5 Response to Previous Questions

5.1 Response to questions taken on notice from Public at the Audit, Risk and Governance Committee Meeting held on Tuesday 13 August 2019

Nil

5.2 Response to questions taken on notice from Committee Members at the Audit, Risk and Governance Committee Meeting held on Tuesday 13 August 2019

What is the total cost to date of the repairs to the Gratwick Aquatic Centre?

The Manager Financial Services advised that the costs charged to Gratwick Aquatic Centre - Remedial Works from financial year 16/17 to 5 September 2019 is \$1,265,686.44.

Item 6 Public Time

Important note:

This meeting is being recorded on audio tape. If you do not give permission for recording your participation please indicate this at the meeting. In accordance with the Town's Standing Orders nobody shall record the proceedings of any meeting unless that person has been given permission by the chairperson to do so and mobile telephones must be switched off.

Unless the Presiding Member determines otherwise, a person may ask up to three questions at a meeting. The time to be allocated for the asking of and responding to questions raised by members of the public is up to 15 minutes but the Presiding member may extend question time for up to 60 minutes after the end of the minimum time for questions. Members of the public are required to complete a question form and place the completed form in the tray provided.

In accordance with the Town's Standing Orders, if the Presiding Member determines that questions and statements are out of order due to the use of an offensive or objectionable expression, or are defamatory, they will not be recorded or responded to.

6.1 Public Question Time

6.2 Public Statement Time

6.3 Petitions/Deputations/Presentations/Submissions

Item 7 Questions from Members without Notice

Item 8 Announcements by Presiding Member without Discussion

Item 9 Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting

The following Committee members declared that they had given due consideration to all matters contained in the agenda.

Item 10 Confirmation of Minutes of Previous Meeting

Disclaimer

Members of the public are cautioned against taking any action on Council decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.

OFFICER'S RECOMMENDATION

That Council confirm that the Minutes of the Audit, Risk and Governance Committee Meeting held on Tuesday 13 August 2019 are a true and correct record.

SIMPLE MAJORITY VOTE REQUIRED

Item 11 Reports of Officers

11.1 Corporate Services

11.1.1 ADOPTION OF THE 2019/2020 BUDGET FIRST QUARTER REVIEW
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Author: Management Accountant
Authorising Officer: Director Corporate Services
Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION

That the Committee endorse the 2019/2020 Budget First Quarter Review for the period ended 30 September 2019 for adoption by Council, resulting in a projected closing municipal surplus of \$393,980 as at 30 June 2020.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for the Audit, Risk and Governance Committee (Committee) to consider and endorse the 2019/2020 budget first quarter review for adoption by Council. The terms of reference for the Committee provide for quarterly budget reviews.

DETAIL

This budget review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

The budget review is an opportunity to evaluate and update the current budget which may have been impacted by various factors since the original 2019/2020 was adopted on by Council on 26 June 2019. The projected closing municipal surplus of \$393,980 is a reduction from the original budget surplus of \$875,802. This is mainly attributable to an increase in capital works programmes.

Council adopted the reporting of the following material variances to be used in the statements of financial activity and the annual budget review.

1. With regards to expenditure classified as capital projects, a variance of 10% or \$10,000, whichever is greater, of the year to date budget, with individual project as the level that requires explanation
2. With regards to all other items excluding capital projects identified above, a variance of 10% or \$50,000, whichever is greater, of the year to date budget, with Nature and Type as the level that requires explanation.

Features of the Q1 budget review include:

Operational Program Amendments - Revenue	
Increase in budgeted revenue for waste collection to agree with charges on rates.	\$333,230
Increase in reimbursed income for the Airport Master Plan review – funds have been received but were not included in original budget.	\$31,720
Reduction in budgeted income from Pound fees	(\$33,500)
Operational Program Amendments - Expenses	
Reduction in the budget for expected payments for materials and parts expenses for the operation of the Retirement Village.	\$35,000
Increase in the budget for Landfill Management Consultants – this will be funded by the reduction in the Fire Suppression capital project budget of \$80K.	(\$80,000)
Reduction in budgeted allowances for Members of Council due to the suspension of elected members.	\$60,000
Increase in the budgeted lease expense to allow for the annual expensing of prepaid TAG fees not included in the original budget.	(\$31,611)
Increase in the expected expenses for software licences	(\$30,000)
Increase in budget for executive recruitment – recruitment of 3 directors.	(\$75,000)
Reduction for foreshore coast works planning and design stage 2 – delayed due to TC Veronica.	\$100,000
Reduction in consulting costs for Depot Master Plan with initial work completed in-house.	\$200,000
Operational Program New Initiatives - Expenses	
Increase in Town Planning & Development for the Port Hedland Urban Development Area Planning. To be funded from the Financial Risk Reserve resulting in a nil impact to the Municipal surplus. Adopted at Council on 23 October 2019.	(\$335,000)
Increase in the budget for mandatory building audits conducted on staff housing. To be funded from the Financial Risk Reserve.	(\$100,000)
Shredding of green waste at the landfill avoiding a potential fire hazard. To be funded from the Waste Reserve.	(\$200,000)
Capital Programme Amendments	
Reduction in the budget for the Child Care Strategy Implementation, to align with tender adopted at Council on 23 October 2019.	\$721,530
Increase to the budget for staff housing for the construction of new dwellings to replace old and costly housing stock. Funded from PHIA long term lease proceeds reserve.	(\$1,500,000)
Increase in the costs for staff housing renewal and upgrade program.	(\$180,000)
Budget reduction for Sustainable Landscaping not going ahead.	\$80,000
Increase in the budget for the Spoilbank Marina Landside Buildings. Budget increase due to increased scope including additional project management fees, indigenous engagement and heritage surveys. To be funded from the Spoilbank Reserve resulting in nil impact to the Municipal surplus.	(\$250,000)

Capital Programme Amendments	
Increase in the budget for the Community Facilities Renewal program. Budget increase due to increased scope for the GAC Gym Expansion, McGregor Street Change rooms and the South Hedland Library.	(\$450,000)
Reduction in the budget for the Yakira ablutions due to tender submissions.	\$50,000
Reduction in the budget for the YMCA transition.	\$100,000
Increase in the budget for the Depot Works implementation plan – transfer of Records Shed which is to be included as part of the plan.	(\$150,000)
Reduction in the budget for the Records Shed at Depot – to be included in the Depot Works Implementation plan.	\$150,000
Reduction in the budget for the Fire Suppression Project.	\$80,000
Increase for Waste - Public place bin enclosures renewal project to include installation costs.	(\$41,435)
Reduction in the Traffic Calming Program due to FY20 programming.	\$100,000
Preliminary Works, Road Safety Audit and Compliance improvement to be reduced to \$20k for this year due to reduced programme.	\$130,000
South Hedland Main street - Throssell Road Verge Upgrade – additional costs to complete project.	(\$50,000)
CCTV JD Hardie internal cameras – works completed under Safe Communities Grant.	\$50,000
CCTV - Marquee Park federation into Town's CCTV network – works completed under Safe Communities Grant.	\$60,000
Gym renovation at Gratwick Aquatic Centre reduced as project will be completed under Commercial Renewal Budget.	\$100,000
Reduction in the budget for the South Hedland Aquatic Centre Security program as the project did not receive Federal Government funding approval.	\$297,000
Telecommunications renewal & upgrade project – budget increased and funded by the reduction in budget of other projects.	(\$110,000)
Capital Programme New Initiatives	
Budget for Light Vehicles required - 2 x Manager, 1 x Director and 1 x Ranger vehicle to be funded by the Plant Reserve resulting in a nil impact to the Municipal surplus.	(\$200,000)
Kevin Scott Oval - new ablution facility at the park. Partly funded by a reduction in the budget of the Yakira ablution project.	(\$150,000)
Wilson Street shared path project – community has been vocal regarding the construction of a path to link Port and South. Partly funded by a \$30K grant from Main Roads.	(\$60,000)
Infocouncil – This project was included in the budget for FY19. Additional costs incurred to finalise project.	(\$30,000)
Port Hedland Baseball Association - re-establishment of dugouts and scorers box. This project was budgeted for in the 18/19 Capital but was not completed, nor transferred to unfinished works reserve for FY19/20.	(\$130,000)
Blackspot - The Town was successful in its Black Spot Grant application for North Circular Road of which the Town is required to make a 1/3 contribution. The project is to be funded by the Town with a 2/3 recoup at completion.	(\$195,000)
Colin Matheson Tank – this budget request is to carry out emergency work identified after the failure of the existing tank in September 2019.	(\$130,000)

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, because budget reviews are vital to ensure the Town is forecasting expected expenditure and revenue in line with current conditions and commitments. Budget reviews are used as a tool for decision making for current and future activities and they are a key component of prudential financial management practices in order to mitigate financial risk exposure to Council.

CONSULTATION

Internal

The 2019/20 current budget has been reviewed by all Managers and the Executive Leadership Team. They have collectively considered the impact of the budget amendments presented, to benefit the community as a whole and keep within the budget guidelines of a balanced budget.

External Agencies

Nil

Community

Nil

LEGISLATION AND POLICY CONSIDERATIONS

A local government is required to carry out a budget review between the 1 January and 31 March of each financial year in accordance with regulation 33A (1) of the *Local Government (Financial Management) Regulations 1996*. The review must consider the financial performance between 1 July to 31 December, the financial position at the date of the review, and review the outcomes for the end of financial year forecast as stipulated in regulation 33A(2A).

Although there is no statutory requirement to present the review to the Committee, the Committee's terms of reference under 7.4.7 require the Committee to receive quarterly budget reviews. It is the Committee's role to provide comment and feedback on the review in terms of the overall aspects of the review. This review was prepared as at 30 September 2019 to provide the Committee and Council with overview and insight to expenditure against the budget, and amendments identified throughout the financial year.

Any budget review must be submitted to Council within 30 days of completion, with Council to determine whether or not to adopt the review by absolute majority as required by regulation 33A (2) and (3). The budget review will be presented to Council for adoption at the Ordinary Council Meeting scheduled for 27 November 2019.

FINANCIAL AND RESOURCES IMPLICATIONS

The 2019/2020 Budget First Quarter Review for the period ended 30 September 2019 has identified increased operating revenue of \$392,190 and increased operating expenditure of \$1,060,866, resulting in a net increase to the operating deficit of \$668,676. Capital programmes have increased by \$1,707,905 to a total estimated \$41,998,520.

To fund the additional operating deficit and capital programme, it is proposed that reserves be drawn down by an additional \$3,215,649.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

The following sections of the Town's Strategic Community Plan 2018-2028 are applicable in the consideration of this item:

4.b.1 Sound long-term financial planning is implemented

4.b.2 Transparent and regular financial reporting and communication to the community is undertaken

Economic

There are significant benefits to the local economy including investment in local infrastructure and the utilisation of local trades and businesses where possible, practical and available.

Social

Significant social impacts will be achieved including the investment into community infrastructure and programs and the promotion of the Town as a great place to live and work.

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', there is a risk rating of medium (6) assigned to the risk that the review not be submitted to Council within 30 days after the review has been finalised. This risk has an unlikely (2) possibility and a moderate (3) impact in relation to compliance with significant regulatory requirements imposed.

There is a risk rating of medium (9) assigned to the risk that the Council do not adopt the 2019/2020 Budget First Quarter Review for the period ended 30 September 2019, resulting in the delay or inability to perform specific capital works which are essential but do not currently have an approved budget item line. This risk is possible (3) with a moderate (3) impact in relation to compliance with significant regulatory requirements imposed.

OPTIONS

Option 1 – Adopt officer's recommendation

Option 2 – Amend officer's recommendation

Option 3 – Do not adopt officer's recommendation

CONCLUSION

This report presents a summary of the 2019/2020 Budget First Quarter Review for the period ended 30 September 2019. A number of variations are proposed as part of this review to meet community and organisational requirements.

The outcome of the review presents an estimated municipal surplus of \$393,980 as at 30 June 2020.

ATTACHMENTS

1. Statement of Financial Activity by Programme Q1 Budget Review
2. Statement of Financial Activity by Nature & Type Q1 Budget Review
3. Operational Projects Q1 Budget Review
4. Capital Projects Q1 Budget Review
5. Reserves Q1 Budget Review

11.2 Community Services

Nil

11.3 Regulatory Services

Nil

11.4 Infrastructure Services

Nil

Item 12 Motions of Which Previous Notice Has Been Given

Item 13 New Business of an Urgent Nature (Late items)

13.1 FINANCIAL STATEMENTS FY19

Item 14 Matters for Which Meeting May Be Closed (Confidential Matters)

Item 15 Closure

15.1 Date of Next Meeting

The 2020 Audit, Risk and Governance Committee Meeting schedule will be presented to Council for adoption at the 27 November 2019 Ordinary Council Meeting.

15.2 Closure

There being no further business, the Commissioner declared the meeting closed at [enter time](#)