
WYONG SHIRE COUNCIL

MINUTES OF THE WYONG SHIRE GOVERNANCE COMMITTEE HELD IN WILFRED BARRETT AND TIM FARRELL ROOMS, WYONG CIVIC CENTRE, HELY STREET, WYONG ON WEDNESDAY, 13 AUGUST 2008 COMMENCING AT 9:30 AM

INDEX

PRESENT

MR DAVID HOLMES (CHAIRPERSON), COUNCILLORS N T ROSE, R C STEVENS, R E STEWART, W J WELHAM AND MR BRUCE TURNER.

APOLOGY

AN APOLOGY FOR THE INABILITY TO ATTEND THE MEETING WAS RECEIVED ON BEHALF OF THE MANAGER FINANCIAL SERVICES.

IN ATTENDANCE

GENERAL MANAGER, COUNCILLOR G P BEST (10.55 AM), INTERNAL AUDITOR, ACTING DIRECTOR CORPORATE SERVICES, DIRECTOR SHIRE PLANNING, ACTING DIRECTOR SHIRE SERVICES, ACTING MANAGER CONTRACTS, MANAGER CORPORATE PLANNING, MR DENNIS BANICEVIC (COUNCIL'S EXTERNAL AUDITOR) (9.45 AM), AN ACCOUNTING OFFICER AND AN ADMINISTRATION OFFICER

THE GOVERNANCE COMMITTEE MEETING REPORTS WERE DEALT WITH IN THE FOLLOWING ORDER; GC016, GC017, GC018, GC019 GC020, GC022A, GC024, GC025, GC022, GC021, AND GC023. HOWEVER, FOR THE SAKE OF CLARITY, THE REPORTS ARE RECORDED IN THEIR CORRECT AGENDA SEQUENCE.

Minutes of the Governance Committee held on 13 August 2008 (contd)

GC016 Disclosure of Interests

F2004/06507 MW

RECOMMENDATION

That Members now disclose any interests and reasons for declaring such interest in the matters under consideration by Committee at this meeting.

GC023 COUNCIL'S ONLINE (COL) POST IMPLEMENTATION REVIEW (PIR)

DAVID HOLMES DECLARED A NON-PECUNIARY INSIGNIFICANT CONFLICT OF INTEREST FOR THE REASON THAT HE HAS A MINOR SHAREHOLDING IN CAPGEMINI.

DAVID HOLMES STATED:

"I CHOOSE TO REMAIN IN THE COMMITTEE AND PARTICIPATE IN DISCUSSION AND VOTING AS THE CONFLICT HAS NOT INFLUENCED ME IN CARRYING OUT MY PUBLIC DUTY."

GOVERNANCE COMMITTEE RESOLUTION

That the report be received and advice of disclosure noted.

**GC017 Minutes of Wyong Shire Governance Committee –
14 May 2008**

F2004/07245 MW

GOVERNANCE COMMITTEE RESOLUTION

That the report be received and the information noted.

**GC018 Wyong Shire Governance Committee Action Plan –
14 May 2008**

F2004/07245 SW

GOVERNANCE COMMITTEE RESOLUTION

That the report be received and the information noted.

Minutes of the Governance Committee held on 13 August 2008 (contd)

GC019 Update on Extreme and High Corporate Risks

F2007/01725 BR:BR

GOVERNANCE COMMITTEE RESOLUTION*That the report be received and the information noted.***GC020 2007-08 Management Plan – June 2008 Quarter Review**

F2004/07006 BR

GOVERNANCE COMMITTEE RESOLUTION*That the report be received and the information noted.***GC021 Executive Summary Report for Councillors**

F2007/01725 BR:BR

GOVERNANCE COMMITTEE RESOLUTION*That the report be received and the information noted.***GC022 Internal Auditor's Report**

F2004/07245 JS

GOVERNANCE COMMITTEE RESOLUTION

- 1 That the report be received and the information noted.*
- 2 That Council develop a Legislation Compliance Policy and Compliance Plan.*

GC022A Support and Encouragement for Potential Whistleblowers

F2004/07011 MW

GOVERNANCE COMMITTEE RESOLUTION*That the recommendations of Mr Adams contained in his report of 7 August 2008 be adopted.*

Minutes of the Governance Committee held on 13 August 2008 (contd)

GC023 Council's Online (COL) Post Implementation Review (PIR)

GA:MW

GOVERNANCE COMMITTEE RESOLUTION

That the report be received and the information noted.

GC024 Governance and Audit Issues

F2004/07245

NOTICE OF MOTION

- "1 *That Council embrace the principles of good practice for audit committees, internal audit committees and internal audit as espoused by the leading professional bodies and the draft Department of Local Government Guidelines on Audit Committees and Internal Audit by:*
- a amending the Governance Committee Charter to reduce the number of councillor members of the committee to two and increase the number of independent members to three*
 - b having the Internal Auditor report directly to the Governance Committee in accordance with the recommendations contained in the draft Department of Local Government Guidelines on Audit Committees and Internal Audit.*
- 2 *That Council establish a process whereby all Senior Management Team members are required to sign an annual certificate attesting to:*
- a whether all material legislative requirements under their responsibility have been complied with*
 - b whether all non compliance issues have been reported to the General Manager and appropriate actions taken to resolve them.*
- 3 *That Internal Audit conduct an annual review of legislative compliance in key operational areas."*

Minutes of the Governance Committee held on 13 August 2008 (contd)

RECOMMENDATION

That the Notice of Motion be submitted for the Governance Committee's consideration.

It was MOVED by Councillor WELHAM and SECONDED by Councillor STEVENS:

- "1 That consideration of matters that may arise from any Department Local Government guidelines on audit committees and internal audit be deferred until such guidelines are published by the Department.*
- 2 That the Committee note that the discussion paper published by the Department of Local Government in respect of this matter identifies that it is not appropriate for an internal auditor to report directly to and/or take directions from a Mayor and/or Councillors or a Council Committee or the Council.*
- 3 That the Committee note the advice on legislative compliance policies and programs contained in the internal auditor's report that this Council is working with several other Councils and bodies with a view to developing an appropriate policy and program.*
- 4 That a further report be brought to the Committee in November on progress of the legislative compliance initiative."*

GOVERNANCE COMMITTEE RESOLUTION

That the Governance Committee consider the item further at its next Meeting pending the resolution of the legal and internal audit issues.

AT THIS POINT OF THE MEETING, BEING 10.55 AM COUNCILLOR G P BEST ARRIVED.

GC025 Review of Financial Sustainability Policies

F2004/06400 GB

NOTICE OF MOTION

"That Council undertake an independent review of its financial sustainability policies with a report to be provided to Council in readiness for the adoption of the 2009-10 management plan and the consideration of the long term strategic plan."

RECOMMENDATION

That the Notice of Motion be submitted for the Governance Committee's consideration.

Minutes of the Governance Committee held on 13 August 2008 (contd)

It was MOVED by Councillor WELHAM and SECONDED by Councillor BEST:

- 1 That the Committee note that the Council has already embarked on an extensive program to upgrade its asset management systems and to develop a twenty-year Shire Strategic Vision.*
- 2 That the Committee note that the Council had previously agreed that the formulation of a long-term financial strategy was a key process to be carried out when considering asset management policies and the Shire Strategic Vision and in reaching any decision on policies in regard to these.*
- 3 That the Committee note that the project plan to develop Council's long-term financial strategy is utilising a similar methodology to the "Review Today" approach and concentrates on infrastructure, finances and funding.*
- 4 That it would be premature to engage independent consultants to undertake a review given that the long-term financial strategy, basic asset management systems and the Shire Strategic Vision are still under development.*
- 5 That an independent review of the Council's adopted Financial Strategy be considered in the first quarter of 2009-10.*

GOVERNANCE COMMITTEE RESOLUTION

That the Governance Committee review this proposal when the Asset Plan (due in December 2008) and draft Strategic Vision (due in April 2009) are available.

BRUCE TURNER AND DAVID HOLMES THANKED THE COUNCILLORS FOR THEIR CONTRIBUTION TOWARDS THE COMMITTEE AND THEIR VISION TO INTRODUCE INDEPENDENT MEMBERS.

THE COUNCILLORS EXPRESSED THEIR APPRECIATION TO THE INDEPENDENT MEMBERS FOR THEIR EFFORTS TO STRENGTHEN THE COMMITTEE.

THERE BEING NO FURTHER BUSINESS, THE MEETING CLOSED AT 11:47 AM.