



# LATROBE CITY COUNCIL

## MINUTES FOR THE COUNCIL MEETING

HELD IN KERNOT HALL, MORWELL AND VIA  
AUDIO-VISUAL LINK

AT 6:00PM ON 07 OCTOBER 2024

CM610

**PRESENT:**

<b>Councillors:</b>	Cr Darren Howe, Mayor	East Ward
	Cr Tracie Lund, Deputy Mayor	Central Ward (Virtual)
	Cr Graeme Middlemiss	Central Ward
	Cr Dan Clancey	East Ward (Virtual)
	Cr Dale Harriman	East Ward
	Cr Kellie O'Callaghan	East Ward
	Cr Melissa Ferguson	South Ward (Virtual)
	Cr Brad Law	West Ward
	Cr Sharon Gibson	West Ward
<b>Officers:</b>	Steven Piasente	Chief Executive Officer
	Jody Riordan	General Manager Regional City Planning & Assets
	Tim Ellis	General Manager Regional City Strategy & Transition
	James Rouse	Acting General Manager Community Health & Wellbeing
	Nathan Kearsley	General Manager Organisational Performance
	Zoe Speck	Manager Governance
	Peter Schulz	Coordinator Council Business
	Kaitlyn Boram	Governance Officer

**Apologies:** Nil

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Resolutions in this minutes document should be read in conjunction with the published agenda for the 07 October 2024 Council Meeting.

**1. ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND**

The Mayor read the acknowledgement of the traditional owners of the land.

**2. APOLOGIES AND LEAVE OF ABSENCE**

Nil

**3. ADOPTION OF MINUTES**

**MOTION**

**Moved:** Cr Gibson

**Seconded:** Cr Middlemiss

**That Council confirm the minutes of the Council Meeting held on 2 September 2024.**

**CARRIED UNANIMOUSLY**

**4. DECLARATION OF INTERESTS**

Nil

**5. PUBLIC PARTICIPATION TIME**

**Public Questions on Notice**

In Accordance with the Governance Rules, members of the public can lodge a question on notice before 12 noon on the Friday before the day of the Council meeting in order for the question to be answered at the meeting. There were two public questions on notice.

**Question 1:**

**From:** Damian Andrews

**Topic:** Transparency in consultant expenditure and conflict of interest processes.

**Question:**

Public financial reports show consultant expenditure exceeded budget by an average of \$2.135m annually, totalling \$12.814m over budget 2018 to 2024. What processes ensure transparency and proper disclosure of potential conflicts of interest between consultants and councillors / council staff?

**Response:**

I would like to thank Mr Andrews for his question as it provides the opportunity to clarify the amount of expenditure related to consultants that has occurred over the six financial years from 2018/19 through to 2023/24.

I will deal with the question in two parts with the first part relating to processes to ensure transparency.

Consultants expense as a percentage of total actual expenditure over the financial years 2019 to 2024 averaged 1.8% per annum.

As part of our transparent reporting, Council is presented a report on the Accumulated Cash Surplus for the year with actuals measured against the adopted budget.

Council has delivered a cash surplus at the end of each financial year for the past six years.

The variance between budgeted and actual consultant expenses was driven by a number of factors, with some examples including:

- Expenses incurred for capital works projects where the budgeted costs could not be capitalised and had to be categorised as consultant costs. In these instances the budgets were part of a capital works program rather than consultancy budget, creating the variance, and the funding utilised was within available funding.
- Expenses to support externally funded programs where grant funding was received following the adoption of the budget. In these instances the grant income and consultancy expenses net each other off and again remained within available funding.
- Use of consultants (for example, to cover staff vacancies or strategic / specialist planning matters) was funded from other operating budgets. Again, this occurred within available funding.
- Costs for strategies where funding may have been allocated from a prior year budget, the midyear budget review or quarterly budget review process. These occurred again within available funding and reported publicly to Council.

The above examples highlight that the financial statements and supporting commentary should be considered in its entirety, rather than one expense category in isolation.

In relation to transparency of budget variations, these are publicly reported as part of the quarterly budget reports (for the September, December and March quarters) which are presented at an open Council meeting after quarter end.

In order to ensure further transparency, the annual financial statements are reviewed by the Audit and Risk Committee and externally audited by the Victorian Auditor General. The financial statements are also presented to an open Council meeting. Council is transparently and regularly informed of all expenditure and revenue movements against budget, including with the presentation of public reports for Council's adoption.

In relation to the second part of the question regarding the disclosure of conflicts of interest, I can advise that, in all procurement decisions, Councillors and officers are bound to declare and manage conflicts of interest as specified in the *Local Government Act 2020* (“the Act”).

Council’s adopted Procurement Policy aims to ensure that all procurement activities are performed with integrity and in a manner able to withstand the closest possible scrutiny, including a requirement that Councillors and Council officers will deal with suppliers, such as consultants, in an honest and impartial manner that does not allow conflicts of interest to take place.

Additionally, there is a requirement for all officers participating in tender evaluation panels to make a declaration that they do not have a conflict of interest. In the event that a conflict of interest is identified, officers will recuse themselves from the panel to ensure the integrity of the process and compliance with the requirements of the Act.

This is further supported by the Conflict of Interest Operational Policy that sets out how conflicts of interest are to be identified, avoided, declared, managed and monitored to ensure compliance with the requirements of the Act and Council’s Governance Rules, and impartiality in decision making by Councillors and Council officers.

For example, officers are required to declare conflicts of interest in all reports that are presented to Council and Councillors must, in turn, declare any conflicts at the commencement of the Council meeting which are formally recorded in the minutes.

Council regularly reviews its procurement processes to ensure that they remain robust and transparent. This includes undertaking a review of the Procurement Policy at least once every Council term, as required by section 108 of the Act, with the next review due to be undertaken in December 2025.

## **Question 2**

**From:** Damian Andrews

**Topic:** Public reporting of project financial performance and budget impacts.

### **Question:**

Can Council provide a public report detailing the financial performance of individual projects compared to their original budgets, including cost over runs, variations, and the impact on other planned projects to ensure transparency in how Council funds are allocated and spent?

### **Response:**

As detailed in the response to the first question from Mr Andrews, a variety of reports are presented to Council in open Council meetings to ensure transparency in decision making and the efficient allocation of financial resources.

Council has, and will continue to receive, transparent public reports that detail Council's financial performance against the available budget.

The suite of reports provided publicly detailing the financial performance of Council include:

- Quarterly Budget Report prepared in accordance with section 97(1) of the *Local Government Act 2020*.
- Quarterly Contract Variations Report prepared in accordance with the Procurement Policy.
- Audit & Risk Committee minutes presented in accordance with the Audit & Risk Committee Charter.
- Audit & Risk Committee Chairperson Bi-Annual Report.
- Annual Report prepared in accordance with sections 98 to 100 of the *Local Government Act 2020*.
- Annual Financial Report and Performance Statements audited by the Victorian Auditor General's Office (VAGO).
- Mid-Year Budget Review Report and Accumulated Cash Surplus Report.

Additionally, Council prepares and publicly adopts an Annual Budget in June of each year and presents its Annual Report each year.

Each of these reports presented to Council are publicly available, with the agendas and minutes of the relevant meetings accessible through the Latrobe City Council website.

As noted in my response to the earlier question, Council has delivered a cash surplus over the past six financial years and all major projects have been delivered within the available funding.

### **Public Speakers**

There were no public speakers.

# **STRATEGIC ITEMS FOR DECISION**

**6. STRATEGIC ITEMS FOR DECISION**

Nil reports



# **STATUTORY PLANNING**

## **7. STATUTORY PLANNING**

Nil reports

# **CORPORATE ITEMS FOR DECISION**

## 8. CORPORATE ITEMS FOR DECISION

Item Number 8.1      07 October 2024

Organisational Performance

# AUTHORISATION OF COUNCILLORS FOR CERTIFICATION OF THE 2023/24 FINANCE REPORT AND PERFORMANCE STATEMENT

### **MOTION**

**Moved:**      Cr Law

**Seconded:** Cr Middlemiss

### **That Council:**

- 1. Provide “in principle” approval to the performance and financial statements for the year ended 30 June 2024 as attached to this report; and**
- 2. Authorise Councillors Howe and Law to certify the performance statement and financial statements in their final form on behalf of Council for the year ended 30 June 2024.**

**For**                      Crs Clancey, O'Callaghan, Law, Middlemiss, Howe and Lund

**Against:**              Crs Harriman, Ferguson and Gibson

**CARRIED**

### **Attachments - Refer to Council Meeting Agenda**

1. 2023/24 Finance Report
2. 2023/24 Performance Statement

# **URGENT BUSINESS**

## **9. URGENT BUSINESS**

Nil reports

# REPORTS FOR NOTING

## 10. REPORTS FOR NOTING

Item Number 10.1 07 October 2024

Regional City Strategy & Transition

# PRESENTATION OF THE AUDIT AND RISK COMMITTEE MINUTES - 29 AUGUST 2024 & 19 SEPTEMBER 2024.

### **MOTION**

**Moved:** Cr Law

**Seconded:** Cr Harriman

**That Council receive and note the attached Audit and Risk Committee Minutes for 29 August 2024 and 19 September 2024 meetings.**

**CARRIED UNANIMOUSLY**

### **Attachments - Refer to Council Meeting Agenda**

1. Audit & Risk Committee Minutes - 29 August 2024
2. Audit & Risk Committee Minutes - 19 September 2024



## TABLING OF AUDIT AND RISK COMMITTEE BI-ANNUAL REPORT

### **MOTION**

**Moved:** Cr Law

**Seconded:** Cr Middlemiss

**That Council receive and note the Bi-Annual Report prepared by the Audit and Risk Committee Chairperson.**

**CARRIED UNANIMOUSLY**

### **Attachments - Refer to Council Meeting Agenda**

1. Audit and Risk Committee Biannual Report 2024 (January to June)

**11. QUESTIONS ON NOTICE**

Nil reports

# **NOTICES OF MOTION**

## 12. NOTICES OF MOTION

Latrobe City Council entered the Local Government election period at 12noon on Tuesday, 17 September 2024. Election period will end at 6pm Saturday, 26 October 2024.

During this time, Council must comply with regulations set in the Election Period Policy and *Local Government Act 2020*, therefore Notices of Motion requests could not be accepted for this meeting.

# ITEMS FOR TABLING

**13. ITEMS FOR TABLING**

Nil reports

## **14. ACKNOWLEDGEMENTS**

Cr O'Callaghan acknowledged the passing of Ella Hunter.

Cr O'Callaghan acknowledged the passing of Sue Briggs.

Cr Harriman acknowledged the Traralgon Football & Netball Club on winning the Gippsland League Grand Final.

Cr Harriman acknowledged the Woodside Football Club for winning the North Gippsland Football League Grand Final.

**MEETING CLOSED TO  
THE PUBLIC TO  
CONSIDER  
CONFIDENTIAL  
INFORMATION**



**15. MEETING CLOSED TO THE PUBLIC TO CONSIDER CONFIDENTIAL INFORMATION**

Section 66 of the *Local Government Act 2020* enables Council to close the meeting to the public to consider *confidential information* as defined in that Act.

Nil reports

**There being no further business the meeting was declared closed at 6.24pm.**

**I certify that these minutes have been confirmed.**

**Mayor:** \_\_\_\_\_

**Date:** \_\_\_\_\_