

MINUTES



Strategic Planning Committee Meeting

Held via Zoom

On

Monday 14 September 2020

The Agenda for this meeting is attached in full at the end of the Minutes

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The meeting commenced at 7:10 pm.

PRESENT:

<i>Cr N Seymour (Chairperson)</i>	<i>Tirhatuan Ward</i>
<i>Cr P Lockwood</i>	<i>Baird Ward</i>
<i>Cr J Mortimore</i>	<i>Chandler Ward</i>
<i>Cr M Timmers-Leitch</i>	<i>Collier Ward</i>
<i>Cr A Gill</i>	<i>Dinsdale Ward</i>
<i>Cr J Keogh</i>	<i>Dobson Ward</i>
<i>Cr T Holland</i>	<i>Friberg Ward</i>
<i>Cr L Cooper</i>	<i>Scott Ward</i>
<i>Cr D Pearce</i>	<i>Taylor Ward</i>
<i>Mr T Doyle</i>	<i>Chief Executive Officer</i>
<i>Mr G Thorne</i>	<i>Director - Infrastructure</i>
<i>Mr M Kelleher</i>	<i>Director - City Development, Interim Finance and Governance</i>
<i>Ms T Scicluna</i>	<i>Director - Community Services</i>
<i>Ms S Mazer</i>	<i>Director - Knox Central, Interim Transformation and Customer Service</i>
<i>Ms S Stanton</i>	<i>Executive Manager - Strategy, People and Culture, Interim Information Technology</i>
<i>Mr P McQue</i>	<i>Manager, Governance</i>

1 Apologies and Requests for Leave of Absence

Nil.

2 Declarations of Conflict of Interest

Nil.

3 Confirmation of Minutes

RESOLUTION

MOVED: Councillor Mortimore

SECONDED: Councillor Cooper

Confirmation of Minutes of Strategic Planning Committee Meeting on Monday 10 August 2020.

CARRIED

4 Considering and Ordering Upon Officers' Reports

4.1 Proposed Lease of Council Property - 17 Kevin Avenue, Ferntree Gully

SUMMARY: Acting Senior Property Officer, Paige Kennett

This report recommends the signing of a new 2-year lease, with 2 x 2 year options for the Council property located at 17 Kevin Avenue, Ferntree Gully.

RECOMMENDATION

That Council:

1. Enter into a new lease between Knox City Council (Lessor) and Saliari Group Pty Ltd trading as Anytime Trailer Hire (Lessee) for 17 Kevin Ave, Ferntree Gully commencing 15 September 2020. The lease will be for a period of 2 years, with 2 further 2 x 2 year options, with the annual rental being \$13,300 plus GST and outgoings, increasing annually by 3%, with the first 2 months being rent free; and
2. Authorise the Chief Executive Officer to sign the lease documents required to execute the lease.

RESOLUTION

MOVED: Councillor Keogh

SECONDED: Councillor Holland

That Council:

1. **Enter into a new lease between Knox City Council (Lessor) and Saliari Group Pty Ltd trading as Anytime Trailer Hire (Lessee) for 17 Kevin Ave, Ferntree Gully commencing 15 September 2020. The lease will be for a period of 2 years, with 2 further 2 x 2 year options, with the annual rental being \$13,300 plus GST and outgoings, increasing annually by 3%, with the first 2 months being rent free; and**
2. **Authorise the Chief Executive Officer to sign the lease documents required to execute the lease.**

CARRIED

4.2 Audit Committee Annual Report 2019-20

SUMMARY: Manager Governance, Phil McQue

This report presents the Knox City Council Audit Committee's Annual Report for 2019-20 to Council, in accordance with the adopted Audit Committee Terms of Reference. The Knox City Council Audit Committee Annual Report 2019-20 will be presented by the Committee's Independent Chair, Ms Lisa Tripodi.

RECOMMENDATION

That Council receive the Knox City Council Audit Committee Annual Report 2019-20, shown at Attachment 1.

Ms Lisa Tripodi, Independent Chairperson of the Knox City Council Audit Committee was in attendance for this item and addressed Council, providing an overview of the activities of the committee for the 2019-20 financial year.

RESOLUTION

MOVED: Councillor Mortimore

SECONDED: Councillor Holland

That Council receive the Knox City Council Audit Committee Annual Report 2019-20, shown at Attachment 1.

CARRIED

Councillor Gill left the meeting at 7.17pm and returned at 7.22pm before the vote on Item 4.2
Councillor Holland left the meeting at 7.21pm and returned at 7.22pm before the vote on Item 4.2
Councillor Keogh retired from the meeting at 7.28pm before the vote on Item 4.2

5 Motions for Which Notice has Previously Been Given

Nil.

6 Supplementary Items

6.1 COVID-19 Workforce Impacts Update - Confidential Report

A confidential report will be considered under Item 8 – Confidential Items

7 Urgent Business

7.1 Urgent Business

Nil.

7.2 Call Up Items

Nil.

8 Confidential Items

PROCEDURAL MOTION

CLOSURE OF MEETING

MOVED: Councillor Timmers-Leitch

SECONDED: Councillor Cooper

That Council resolve to close the meeting in accordance with Section 66(2)(a) of the Local Government Act 2020 in order to consider Item 6.1 COVID-19 Staffing. The report has been declared confidential for the purposes of section 77(2)(c) of the Local Government At 1989, as it contains Council business information, that could prejudice Council's position in negotiations with parties affected by COVID-19 restrictions if prematurely released.

CARRIED

THE MEETING WAS CLOSED TO THE PUBLIC AT 7:33 pm

6.1 COVID-19 Workforce Impacts Update - Confidential Report

A confidential report item was resolved in camera

MEETING CLOSED AT 7.36pm

Minutes of Meeting confirmed at the
Strategic Planning Committee Meeting
held on Monday, 14 December 2020

.....
Chairperson

The Agenda for this meeting is attached in full at the end of the Minutes

AGENDA

Meeting of the Strategic Planning
Committee of Council

To be held via Zoom

On

Monday 14 September 2020 at 7:00 pm

knox
your city



Order of Business

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Tony Doyle
Chief Executive Officer

1 Apologies and Requests for Leave of Absence

2 Declarations of Conflict of Interest

3 Confirmation of Minutes

Confirmation of Minutes of Strategic Planning Committee Meeting on Monday 10 August 2020

4 Considering and Ordering Upon Officers' Reports

4.1 Proposed Lease of Council Property - 17 Kevin Avenue, Ferntree Gully

SUMMARY: Acting Senior Property Officer, Paige Kennett

This report recommends the signing of a new 2-year lease, with 2 x 2 year options for the Council property located at 17 Kevin Avenue, Ferntree Gully.

RECOMMENDATION

That Council:

1. Enter into a new lease between Knox City Council (Lessor) and Saliانى Group Pty Ltd trading as Anytime Trailer Hire (Lessee) for 17 Kevin Ave, Ferntree Gully commencing 15 September 2020. The lease will be for a period of 2 years, with 2 further 2 x 2 year options, with the annual rental being \$13,300 plus GST and outgoings, increasing annually by 3%, with the first 2 months being rent free; and
2. Authorise the Chief Executive Officer to sign the lease documents required to execute the lease and to negotiate and execute any extensions.

1. INTRODUCTION

The vacant land located at 17 Kevin Avenue, Ferntree Gully (shown below in red) is 1,018 sqm and was acquired by Council in 2004. The previous tenant, Master Platinum Nissan, vacated early August 2020. The vacant land was advertised for lease by Council's managing agent, with a new lease negotiated with a new tenant, Saliانى Group Pty Ltd, trading as Anytime Trailer Hire.



2. DISCUSSION

The 1,018 sqm property located at 17 Kevin Avenue, Ferntree Gully was acquired by Council in 2004. This vacant land is located in the area earmarked for the Dorset Road extension. The most recent tenant, Master Platinum Nissan, vacated the property early August 2020, having leased the property since 2017. Council recently considered and approved a similar arrangement for land it owns across the road at 16 Kevin Avenue, Ferntree Gully.

The managing agents have negotiated with a new tenant; a two-year lease with 2 x 2 year further options, to commence 15 September 2020. This lease meets the strategic intent of this site. Specific lease terms safeguard the future access requirements of the site for the Dorset Road extension, to be undertaken by Major Road Projects Victoria.

3. CONSULTATION

Council officers have consulted internally, and with Major Road Projects Victoria for future project timelines. As the lease is less than 10 years and the yearly market rental is less than \$50,000, there is no requirement under the Local Government Act 1989 to advertise.

4. ENVIRONMENTAL/AMENITY ISSUES

There are no environmental/amenity issues with this report.

5. FINANCIAL & ECONOMIC IMPLICATIONS

The proposed lease for 17 Kevin Avenue, Ferntree Gully is with Salianni Group Pty Ltd trading as Anytime Trailer Hire for a period of 2 years with 2 x 2 year further options, commencing 15 September 2020. The agreed rental is \$13,300 per annum (plus GST), plus outgoings, increasing annually by 3%.

Consistent with commercial lease negotiations and giving due consideration to the current situation with COVID-19 and the operating impact to commercial businesses, the tenant has been offered 2 months' rent free. This has been considered on the balance of receiving an income on otherwise vacant land.

The rental has been determined by agents appointed by Council in accordance with commercial rentals within this area and in accordance with the condition of the premises. This is a worthwhile opportunity for Council to receive income for vacant land in the lead up to the Dorset Road extension project.

6. SOCIAL IMPLICATIONS

There are no social implications related to this report.

7. RELEVANCE TO KNOX COMMUNITY AND COUNCIL PLAN 2017-2021

Goal 8 - We have confidence in decision making

Strategy 8.1 - Build, strengthen and promote good governance practices across government and community organisations

8. CONFLICT OF INTEREST

Under section 80c of the Local Government Act 1989 officers providing advice to Council must disclose any interests, including the type of interest.

Author – Acting Senior Property Officer, Paige Kennett - In providing this advice as the Author, I have no disclosable interests in this report.

Officer Responsible – Director, City Development - Interim Finance and Governance, Matt Kelleher - In providing this advice as the Officer Responsible, I have no disclosable interests in this report.

9. CONCLUSION

It is recommended to enter into a lease with Salianni Group Pty Ltd trading as Anytime Trailer Hire for 2 years, with 2 x 2 year further options, for an annual rental of \$13,300 plus GST, plus outgoings, increasing annually by 3%, with a 2 months' rent free period, commencing 15 September 2020, having the Chief Executive Officer execute all lease documentation.

10. CONFIDENTIALITY

There are no items of a confidential nature in this report.

Report Prepared By: Acting Senior Property Officer, Paige Kennett

Report Authorised By: Director, City Development - Interim Finance and Governance, Matt Kelleher

Attachments

Nil

4.2 Audit Committee Annual Report 2019-20

SUMMARY: Manager Governance, Phil McQue

This report presents the Knox City Council Audit Committee's Annual Report for 2019-20 to Council, in accordance with the adopted Audit Committee Terms of Reference. The Knox City Council Audit Committee Annual Report 2019-20 will be presented by the Committee's Independent Chair, Ms Lisa Tripodi.

RECOMMENDATION

That Council receive the Knox City Council Audit Committee Annual Report 2019-20, shown at Attachment 1.

1. INTRODUCTION

In accordance with the Knox City Council Audit Committee (Audit Committee) Terms of Reference, an Annual Report is to be provided by the Committee to Council, summarising the activities undertaken during the previous year.

The Audit Committee Annual Report provides an overview of the Committee's activities throughout 2019-20, including an examination of the issues discussed, policies reviewed and independent reports considered.

In addition, the report provides an overview of the scope of each report considered as part of the Internal Audit Program and a summary of its findings and the management response.

2. DISCUSSION

The Audit Committee Annual Report 2019-20 was presented and endorsed at the Audit Committee meeting held on 20 August 2020.

The Audit Committee Chairperson, Ms Lisa Tripodi, has been invited to present the report to Council.

3. CONSULTATION

Audit Committee members were consulted with in the preparation of this Annual Report.

4. ENVIRONMENTAL/AMENITY ISSUES

Nil.

5. FINANCIAL & ECONOMIC IMPLICATIONS

This report relates to the performance of the Audit Committee, which is one of Council's mechanisms for providing oversight to the responsible financial management and custodianship of the community's resources.

6. SOCIAL IMPLICATIONS

Nil.

7. RELEVANCE TO KNOX COMMUNITY AND COUNCIL PLAN 2017-2021

Goal 8 - We have confidence in decision making

Strategy 8.1 - Build, strengthen and promote good governance practices across government and community organisations

8. CONFLICT OF INTEREST

Under section 80c of the Local Government Act 1989 officers providing advice to Council must disclose any interests, including the type of interest.

Author – Manager Governance, Phil McQue - In providing this advice as the Author, I have no disclosable interests in this report.

Officer Responsible – Director, City Development - Interim Finance and Governance, Matt Kelleher - In providing this advice as the Officer Responsible, I have no disclosable interests in this report.

9. CONCLUSION

The Audit Committee's Annual Report provides an overview of the Committee's activities throughout 2019-20 and its presentation to Council is an important part of the transparency and accountability of the work of the Committee.

10. CONFIDENTIALITY

There are no items of a confidential nature in this report.

Report Prepared By: Manager Governance, Phil McQue

Report Authorised By: Director, City Development – Interim Finance and Governance,
Matt Kelleher

Attachments

1. Attachment 1 - Audit Committee Annual Report 2019-20 [4.2.1 - 5 pages]



Knox City Council Audit Committee

Annual Report 2019-2020

Annual Report 2019-20: Knox City Council Audit Committee**Message from the Chairperson**

It is with pleasure that I submit the Annual Report as Chairperson for the Knox City Council Audit Committee.

The key objective of this report is to:

- increase awareness of the purpose, role and objectives of the Audit Committee;
- act as a communication link between the Internal and External Auditors and Council;
- outline the key achievements of the Audit Committee; and
- provide the Council with information on the future objectives of the Committee.

Councillor membership of the Audit Committee for the 2019-20 financial year comprised Councillors Jake Keogh (July 2019 - October 2019), Mayor Nicole Seymour (November 2019 - June 2020), Darren Pearce (July 2019 - June 2020) and Tony Holland (July 2019 - June 2020).

External membership of the Committee comprised Dr John Purcell, Homi Burjorjee and myself.

Crowe continued to support the Audit Committee through an intensive Internal Audit Program.

BDO continued as the Victorian Auditor-General's Office external auditors this year. BDO play a key role in providing the Audit Committee with confidence that the annual financial audits fully reflect the financial performance of Council.

I believe the Audit Committee has performed a valuable oversight role for Council during 2019-20, assisting in Council's accountability, internal controls, risk management and statutory obligations.

It is a highly productive and engaged Committee, adding value through the diverse experience and knowledge of its members.

The Audit Committee is of the view that Council's financial, governance and risk control environment and associated systems are largely strong.

The *Local Government Act 2020* requirement to constitute a new Audit and Risk Committee and adopt a new Charter will be a primary focus for Knox Council and the new Audit and Risk Committee in the first quarter of 2020-21.

I wish to thank Council's Chief Executive Officer, Tony Doyle; Director City Development - Interim Finance and Governance, Matt Kelleher; and Manager Governance, Phil McQue for their valued support and assistance.

Finally, I thank all my fellow Audit Committee members for their participation, diligence, professionalism and contribution throughout 2019-20.

I commend this Annual Report to Council.

**Ms Lisa Tripodi
Independent Chairperson
Knox City Council Audit Committee**



Annual Report 2019-20: Knox City Council Audit Committee

The Audit Committee Terms of Reference

The Terms of Reference set out the purpose of the Audit Committee as follows:

“The Committee’s purpose is to assist the Councillors and Council Management in fulfilling their responsibilities in relation to accounting and reporting practices, management of risk, maintenance of internal controls, operation of good governance practices and facilitation of sound organisational ethics.”

More specifically, the Audit Committee aims to provide independent assurance and assistance to Knox City Council, its Councillors, Chief Executive Officer and Management Team, in fulfilling their responsibilities by undertaking the following:

- To consider matters brought to its attention by Council, Committee members, Management, external auditors, internal auditors and other investigative/regulatory bodies;
- To consider the appropriateness of Council’s accounting policies and procedures, and any changes to them, ensuring they are in accordance with the stated financial reporting framework;
- To review the Council’s draft annual financial and performance statements prior to their approval by the Council;
- To understand the scope of the external audit as outlined to the External Auditor by the Auditor-General and the audit plan including proposed audit strategies as they relate to identified risk areas;
- To receive advice from the external auditors as to whether they have had full and open access to all personnel and information required to complete the audit;
- To discuss matters arising from the external audit with the external auditor and to obtain regular reports from Management and auditors concerning the resolution of the matters raised;
- To be represented on the Committee recommending the appointment of the internal auditor;
- To review the scope (nature, timing and extent) of the internal audit program and the effectiveness of the function;
- To ensure that the Internal Audit Program systematically addresses over time, internal controls over significant areas of risk and over revenue, expenditure, assets and liabilities and major contracts; the efficiency, effectiveness and economy of significant Council programs; and compliance with legislation;
- To review reports of the Internal Auditor and obtain regular advice concerning the resolution of matters raised;
- To monitor the risk exposure of Council by determining if Management have adequate risk management processes over financial and non-financial risks and to monitor the operation of these processes and controls;
- To ensure that the internal audit program contains projects that consider effective governance of Council’s operations, including the primary good governance characteristics of fairness, discipline, independence, accountability, responsibility, transparency and social responsibility;
- To identify and request any specific projects or investigations or advice deemed necessary through the Chief Executive Officer;



Annual Report 2019-20: Knox City Council Audit Committee

- To obtain and review Management and auditor reports and advice concerning the adequacy of management information systems; currency and effectiveness of business continuity and disaster recovery plans; adequacy and timeliness of financial reports received by Council; compliance with statutory requirements for financial and performance reporting and corporate governance practices; the adequacy of the internal control environment, including significant transactions made outside of Council's normal business hours; compliance with statutory obligations relevant to Council's activities and the implementation status of major Council projects;
- To facilitate the enhancement of the credibility and objectivity of internal and external financial and performance reporting; and
- To report to Council all recommendations determined by the Committee, and any other matter or issue considered appropriate and within the Committee's Terms of Reference.

**Audit Committee 2019-20 Meetings and Membership**

Audit Committee Meetings 2019-20:

- 22 August 2019
- 24 October 2019
- 12 December 2019
- 5 March 2020
- 4 June 2020

The following is a table of attendance for each of the Committee Members:

TERM	22 Aug 2019	24 Oct 2019	12 Dec 2019	5 Mar 2020	4 June 2020	
Councillors						
Cr Tony Holland	x	✓	✓	✓	x	3 of 5
Cr Darren Pearce	✓	✓	x	✓	✓	4 of 5
Cr Jake Keogh	✓	x	*	*	*	1 of 2
Cr Nicole Seymour	*	*	✓	✓	✓	3 of 3
Independent Members						
Lisa Tripodi (Chair)	✓	✓	✓	✓	✓	5 of 5
John Purcell	✓	✓	✓	✓	✓	5 of 5
Homi Burjorjee	✓	✓	✓	✓	✓	5 of 5

*Not a member **

Annual Report 2019-20: Knox City Council Audit Committee

Audit Committee Outcomes 2019-20

The Audit Committee established the following new initiatives in 2019-20 to assist in fulfilling its Charter:

- Quarterly Chief Executive Officer Report
- Quarterly Statutory Compliance Report
- Quarterly Report on Compliance with Applicable Laws and Update Improvements on Privacy Related Breaches, Complaints and Improvements

The following are the key items considered by the Audit Committee during 2019-20:

- Annual Audit Committee Work Plan
- Strategic Internal Audit Plan 2020-2022
- Internal Audit – Project Management Governance
- Internal Audit – OHS Employees and Contractors
- Internal Audit – Management of Food and Health Services
- Internal Audit – Contract Management (Major Contracts)
- Internal Audit – Rates Management
- Internal Audit – Business Continuity and Disaster Recovery Plan
- Internal Audit – Procurement (Below Tendering Threshold and Accounts Payable)
- Fraud and Corruption Control – VAGO Office
- Review of Investment Policy
- Untied Funding Allocation Policy
- Contributory Schemes – Special Rates and Charges Policy
- Procurement Policy
- Corporate Purchasing Card Policy
- Child Safe Implementation Plan
- Quarterly Risk Register Review
- Risk Management Updates
- Procurement Review
- Audit Financial Statements and Performance Statement
- Unaudited Financial Statements and Performance Statement 2018-19
- Annual External Audit Report 2018-19
- Quarterly Financial Performance Reports
- Australian Accounting Standards Update – 30 June 2020
- Accounting Policies, Judgements, Estimated and Assumptions Report
- VAGO Audit Strategy – 30 June 2020
- ICT Program, Roadmap and Portfolio Update
- Monitoring Governance Framework
- Audit Committee Annual Survey
- Audit Committee Annual Report

Outlook for 2020-21

We look forward to Knox Council constituting a new Audit and Risk Committee and adopting a new Charter by September 2020.

Ms Lisa Tripodi
Chairperson

5 Motions for Which Notice has Previously Been Given

6 Supplementary Items

6.1 COVID-19 Workforce Impacts Update - Confidential Report

A supplementary confidential report will be circulated under separate cover.

7 Urgent Business

7.1 Urgent Business

7.2 Call Up Items

8 Confidential Items