



AGENDA

Ordinary Meeting of Council

10 September 2024

Statement of Ethical Obligations

The Mayor and Councillors are reminded that they remain bound by the Oath/Affirmation of Office made at the start of the council term to undertake their civic duties in the best interests of the people of Eurobodalla Shire Council and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act, to the best of their skill and judgement. The Mayor and Councillors are also reminded of the requirement for disclosure of conflicts of interest in relation to items listed for consideration on the Agenda or which are considered at this meeting in accordance with the Code of Conduct and Code of Meeting Practice.

**ORDINARY MEETING OF COUNCIL
TO BE HELD IN THE COUNCIL CHAMBERS, MORUYA**

ON TUESDAY 10 SEPTEMBER 2024

COMMENCING AT 12.30PM

AGENDA

(Proceedings of this meeting will be recorded as per Eurobodalla Shire Council's Code of Meeting Practice)

- 1. WELCOME**
- 2. ACKNOWLEDGEMENT OF COUNTRY**
- 3. APOLOGIES**
Nil
- 4. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**
4.1 Ordinary Meeting held on 20 August 2024
- 5. DECLARATIONS OF INTEREST OF MATTERS ON THE AGENDA**
(Declarations also to be made prior to discussions on each item)
- 6. PUBLIC FORUM**
- 7. MAYORAL REPORTS**
Nil
- 8. NOTICES OF MOTION**
Nil
- 9. QUESTIONS ON NOTICE FROM COUNCILLORS**
Nil
- 10. PETITIONS**
Nil

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- 11. GENERAL MANAGER'S REPORTS**
Nil
- 12. PLANNING AND ENVIRONMENT REPORTS**
Nil
- 13. FINANCE AND CORPORATE SERVICES REPORTS**
FCS24/030 Draft Financial Statements for the year ended 30 June 2024 - Referral
to Audit..... 4
- 14. INFRASTRUCTURE REPORTS**
Nil
- 15. COMMUNITY, ARTS AND RECREATION REPORTS**
Nil
- 16. URGENT BUSINESS**
- 17. DEALING WITH MATTERS IN CLOSED SESSION8**
- 18. CONFIDENTIAL MATTERS**

WARWICK WINN
GENERAL MANAGER

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**FCS24/030 DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024 - REFERRAL TO AUDIT**

**S011-
T00002**

Responsible Officer: Stephanie Speedy - Director of Finance and Corporate Services

Attachments: 1. GPFS by Councillors and Management
2. SPFS Statement by Councillors and Management

Outcome: 5 Our engaged community with progressive leadership

Focus Area: 5.3 Work together to achieve our collective vision

Delivery Program Link: 5.3.1 Provide strong corporate and financial management that is ethical, fair, transparent and accountable

Operational Plan Link: 5.3.1.1 Provide sound and strategic financial management and reporting

EXECUTIVE SUMMARY

The purpose of this report is for Council to resolve to refer the draft Financial Statements for the year ending 30 June 2024 to audit. The audit is being undertaken by Crowe Australasia, on behalf of the NSW Audit Office. The referral to audit is a statutory requirement. A Council resolution is also required as to Council's opinion on the Financial Statements, in an approved form as set out in Section 215 of the *Local Government (General) Regulation 2021*.

RECOMMENDATION

THAT:

1. The draft Annual Financial Statements (including the General-Purpose Financial Statements and the Special Purpose Financial Statements) for the year ended 30 June 2024 be referred to audit.
2. The statement by Councillors and Management be made pursuant to section 413(2)(c) of the *Local Government Act 1993* (as amended) and signed by the Mayor, Deputy Mayor (or Councillor), General Manager and Responsible Accounting Officer with reference to both the General-Purpose Financial Statements and the Special Purpose Financial Statements.

BACKGROUND

Section 413 of the *Local Government Act 1993* (as amended) requires a resolution of Council to refer the draft Financial Statements to audit and requires that the Financial Statements include a statement in the approved form by the Council regarding the basis for preparation of the Financial Statements. Section 215 of the *Local Government (General) Regulation* sets out the form of this statement which is also attached to this report.

The draft Financial Statements are scheduled to be audited during mid to late September 2024.

The annual Financial Statement approval and audit process is largely governed by the requirements of the *Local Government Act 1993* (as amended) having regard to the timing of Council meetings.

The timeline for the process is as follows:

- 10 September 2024 Council resolves its opinion on the draft Financial Statements and refers the Financial Statements to audit.

**FCS24/030 DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024 - REFERRAL TO AUDIT**

**S011-
T00002**

31 October 2024	Lodgement of the audited Financial Statements with the Office of Local Government.
19 November 2024	Presentation of audited Financial Statements at Ordinary Council Meeting.

CONSIDERATIONS

Policy

Local Government Act 1993 and the regulations made thereunder.

Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board.

Local Government Code of Accounting Practice and Financial Reporting.

Other policies as required for preparation of the Special Purposes Financial Statements

Financial

The Annual Financial Statements have been prepared in accordance with the *Local Government Act 1993* (as amended), the Local Government Code of Accounting Practice and Financial Reporting and the Australian Accounting Standards. Council employs professionally qualified staff to ensure compliance with the reporting requirements.

No matters or occurrences have come to attention that would materially affect the Financial Statements or disclosures therein, or which are likely to materially affect the future results or operations of Council. In addition, staff have not been advised by the external Auditor of any significant issues during the interim audit.

Council endorsed the appointment of the Independent Chair of the Audit, Risk and Improvement Committee at the Ordinary Council Meeting held on 20 August 2024. Recruitment of the remaining members is currently underway. It is anticipated the Financial Statements will be presented to the Committee at its first meeting prior to 31 December 2024.

Community and Stakeholder Engagement

The audited Financial Statements will be presented at the Ordinary Council meeting on 19 November 2024. The Financial Statements will be an attachment to the public agenda for this meeting and made available seven days prior to the meeting on Council's website, at Council's three libraries and at the main administration building in Moruya. Submissions can be made to Council for up to seven days after they are presented to the public at the Council meeting in November as per the *Local Government Act 1993* (as amended), s418(2).

CONCLUSION

The draft Financial Statements for year ended 30 June 2024 have been prepared and are ready for referral to audit. On resolution, the Financial Statements can be signed by the Mayor, Deputy Mayor (or Councillor), General Manager and Responsible Accounting Officer as required under the *Local Government Act 1993*.

Eurobodalla Shire Council

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 10 September 2024.

Mathew Hatcher
Mayor
10 September 2024

[Councillor]
Councillor
10 September 2024

Warwick Winn
General Manager
10 September 2024

Stephanie Speedy
Responsible Accounting Officer
10 September 2024

Eurobodalla Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached special purpose financial statements have been prepared in accordance with:

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Planning and Environment, *Water's Regulatory and assurance framework for local water utilities*.

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 10 September 2024.

Mathew Hatcher
Mayor
10 September 2024

[Councillor]
Councillor
10 September 2024

Warwick Winn
General Manager
10 September 2024

Stephanie Speedy
Responsible Accounting Officer
10 September 2024

17. DEALING WITH MATTERS IN CLOSED SESSION

In accordance with Section 10A(2) of the *Local Government Act 1993*, Council can exclude members of the public from the meeting and go into Closed Session to consider confidential matters, if those matters involve:

- (a) personnel matters concerning particular individuals; or
- (b) the personal hardship of any resident or ratepayer; or
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business; or
- (d) commercial information of a confidential nature that would, if disclosed;
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law; or
- (f) matters affecting the security of the council, councillors, council staff or council property; or
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege or information concerning the nature and location of a place; or
- (h) an item of Aboriginal significance on community land.

and Council considers that discussion of the material in open session would be contrary to the public interest.

In accordance with Section 10A(4) of the *Local Government Act 1993*, a council, or a committee of a council, may allow members of the public to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

EUROBODALLA SHIRE COUNCIL

ETHICAL DECISION MAKING AND CONFLICTS OF INTEREST

A GUIDING CHECKLIST FOR COUNCILLORS, OFFICERS AND COMMUNITY COMMITTEES

ETHICAL DECISION MAKING

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Do you stand to gain personally at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

CONFLICT OF INTEREST

A conflict of interest is a clash between private interest and public duty. There are two types of conflict: Pecuniary – regulated by the *Local Government Act* and Department of Local Government; and Non-Pecuniary – regulated by Codes of Conduct and policy, ICAC, Ombudsman, Department of Local Government (advice only).

THE TEST FOR CONFLICT OF INTEREST

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of "corruption" – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest.

IDENTIFYING PROBLEMS

- 1st** Do I have private interests affected by a matter I am officially involved in?
- 2nd** Is my official role one of influence or perceived influence over the matter?
- 3rd** Do my private interests conflict with my official role?

Whilst seeking advice is generally useful, the ultimate decision rests with the person concerned.

AGENCY ADVICE

Officers of the following agencies are available during office hours to discuss the obligations placed on Councillors, Officers and Community Committee members by various pieces of legislation, regulation and Codes.

CONTACT	PHONE	EMAIL	WEBSITE
Eurobodalla Shire Council Public Officer	4474-1000	council@esc.nsw.gov.au	www.esc.nsw.gov.au
ICAC	8281 5999	icac@icac.nsw.gov.au	www.icac.nsw.gov.au
The Office of Local Government	4428 4100	olg@olg.nsw.gov.au	www.olg.nsw.gov.au
NSW Ombudsman	1800 451 524	info@ombo.nsw.gov.au	www.ombo.nsw.gov.au

Reports to Committee are presented generally by 'exception' - that is, only those items that do not comply with legislation or policy, or are the subject of objection, are discussed in a report.

Reports address areas of business risk to assist decision making. Those areas include legal, policy, environment, asset, economic, strategic and financial.

Reports may also include key planning or assessment phrases such as:

- Setback* Council's planning controls establish preferred standards of setback (eg 7.5m front; 1m side and rear);
- Envelope* taking into account the slope of a lot, defines the width and height of a building with preferred standard of 8.5m high;
- Footprint* the percentage of a lot taken up by a building on a site plan.