

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	City of Melville Community Annual Report 2019-2020
Customer Index	:	Not Applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	M19/5712 City of Melville Community Annual Report 2018-2019 – Ordinary Meeting of the Council 19 November 2019
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officers	:	Alan Ferris Director Corporate Services

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- This report presents the finalised City of Melville Community Annual Report 2019-2020, including Parts A and B (Annual Financial Report) for the Council's acceptance by absolute majority.
- The text and design component of the Community Annual Report 2019-2020 Part A, excluding the financial data and updates to the enabling legislation and regulatory reporting requirements, was provided to the Council through the Elected Member Bulletin (EMB) in October 2020.
- Part B has been externally audited by the Office of the Auditor General (OAG) and was considered by the Financial Management Audit, Risk and Compliance Committee (FMARCC), at its meeting held on 23 November 2020, along with the OAG's Audit Findings Report and Part of the Report.
- The FMARCC noted Part B and the Office of the Auditor General's Audit Finding Report and resolved to recommend that Council accept the Community Annual Report 2019-2020, including Parts A and B, at the 8 December Council Meeting.
- The Community Annual Report 2019-2020 including Part A and Part B includes all the information required by the *Local Government Act 1995* (WA) and other relevant legislation.
- In accordance with the *Local Government Act 1995* (WA) section 5.54, the annual report is to be accepted by absolute majority decision no later than 31 December after the close of the financial year.

BACKGROUND

In accordance with Section 5.53(1) of the *Local Government Act 1995* (WA) (the Act), a local government is required to prepare an annual report for each financial year. Section 5.54 of the Act requires that the annual report be accepted by the local government no later than 31 December after that financial year, and that that decision is to be by absolute majority decision.

Section 5.27 of the Act specifies that a General Meeting of Electors is to be held within fifty-six (56) days after the local government accepts the annual report for the previous financial year. The annual report is required to be prepared and printed in time for that meeting.

Consistent with previous years, the format of this year's report consists of two parts which together comprise the City's community annual report:

- Part A: a full text summary and unaudited extracts from the annual financial report;
- Part B: the audited annual financial report

DETAIL

The Community Annual Report 2019-2020 has been prepared and meets the requirements of the Act. It is designed to report against the *City of Melville Corporate Business Plan 2016-2020*. It also references and reinforces the importance of the *Strategic Community Plan 2016-2026*, which aligns with the Department of Local Government, Sport and Cultural Industries integrated planning framework.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

Section 5.53 of the Act requires the annual report to contain the following:

- a report from the Mayor;
- a report from the CEO;
- an overview of the plan for the future including major initiatives that are proposed to commence or to continue in the next financial year;
- the financial report for the financial year;
- such information as may be prescribed in relation to the payments made to employees;
- the auditor's report for the financial year;
- a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993 (WA)*;
- details of entries made under section 5.121 regarding complaints against Council Members;
 - the number of complaints recorded in the register of complaints; and
 - how the recorded complaints were dealt with; and
 - any other details that the regulations may require.

The Local Government (Administration) Regulations 1996 (WA) also requires the following information to be included in the Annual Report:

- the number of employees of the local government entitled to an annual salary of \$100,000 or more;
- the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000
- if a modification is made during a financial year to a local government's strategic community plan;
- if a significant modification is made during a financial year to a local government's corporate business plan.

The text of this annual report was developed from information gathered from all areas of the organisation and various corporate documents. This text was reviewed by the Chief Executive Officer and Executive Leadership Team.

The text and design component of the Community Annual Report 2019-2020 Part A, excluding the financial data and updates to the enabling legislation and regulatory reporting requirements, was provided to the Council through the Elected Member Bulletin (EMB) in October 2020.

Electors will be made aware that the full version of the annual report consists of two parts and they can access them in the following ways:

- Part A: online on the City's website and limited numbers in hard-copy, available at the AGM and on request.
- Part B: online on the City's website and available in hard copy on request.

As per last year, Part A and Part B will not be professionally printed.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

Part B (Annual Financial Report) was audited by Office of the Auditor General and reviewed by the Financial Management, Audit, Risk and Compliance Committee on 23 November 2020. The financial extract included in Part A is taken from the audited Annual Financial Report and used to present a summary of what are considered to be the key aspects of the audited financial information. In order to save on costs the financial report extract in Part A is not separately audited and this is stated clearly in the report.

The Council is required to, by Absolute Majority Decision, accept the complete version of Community Annual Report 2019-2020 which includes Parts A and B [5785 Annual Report 2019-2020](#). This is to be done by 31 December and prior to the Annual General Meeting of Electors, which must be held within 56 days after the local government accepts the annual report for the previous financial year.

STAKEHOLDER ENGAGEMENT

In accordance with section 5.55 of the Act the Chief Executive Officer (CEO) is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government. The notice will include comment that the full annual financial report is available on request.

I. COMMUNITY

No external public consultation has been carried out as the annual report is a report on the business activities of the City of Melville.

II. OTHER AGENCIES / CONSULTANTS

No consultation with other agencies/consultants has been carried out.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.27 of the Act specifies that a General Meeting of the Electors is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

Section 5.53 of the Act specifies requirements for information to be included in the annual report as noted within the detail of this report.

Regulations 19B and 19CA of the Local Government (Administration) Regulations 1996 (WA) require additional information to be included in the Annual Report.

Section 5.54 of the Act specifies that the annual report for the financial year is to be accepted by the local government no later than 31 December after that financial year.

Section 5.55 of the Act specifies that the Chief Executive Officer is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

FINANCIAL IMPLICATIONS

Funds have been provided in the 2019-2020 budget for graphic design, internal printing, promotion and distribution of Part A of the annual report. As per last year, minimal hard copy will be published and they will not be printed professionally. More sustainable methods such as access via the City's website will be used.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement & Consequence	Level of Risk	Risk Treatment
Not publishing an annual report in accordance with all relevant legal requirements and accounting standards would result in non-compliance with required legislative and regulatory requirements.	Moderate consequences which are likely, resulting in a High level of risk	Ensure the annual report conforms to all requirements through review of report by Executive Leadership Team, managers and Governance.

POLICY IMPLICATIONS

There are no policy implications for the Council to consider as part of this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

There are no alternate options as the production and acceptance of the annual report is a legislative requirement.

CONCLUSION

The text of this annual report is a succinct and accurate reflection of the activities undertaken by the City of Melville in the 2019-2020 financial year, and has been prepared in accordance with legislative and regulatory requirements.

The Annual Financial Report (Part B) has externally audited by the Office of the Auditor General and considered by the Financial Management, Audit, Risk and Compliance Committee at its meeting held on 23 November 2020, along with the Office of the Auditor General's Findings Report and Part A of the Community Annual Report. The FMARCC noted Part B and the Office of the Auditor General's Audit Finding Report and resolved to recommend that Council accept the Community Annual Report 2019-2020, including Parts A and B, at the 8 December Council Meeting.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

An abridged financial extract has been integrated into Part A, along with further explanatory comment to enhance the financial information presented to the community. The full annual report is presented in this report for the Council's acceptance by Absolute Majority Decision.

Following the Council's acceptance, this document will be edited appropriately and made available for all stakeholders on the City's website and in limited numbers in hard copy.

COMMITTEE RECOMMENDATION (5785)**ABSOLUTE MAJORITY**

That the Council, by Absolute Majority Decision, accepts the City of Melville Annual Report 2019-2020 which includes Parts A and B.

[5785 Community Annual Report 2019-2020 Parts A & B](#)