



Norseman Woodlands to Eucla Coast

Minutes Certification

I certify that the Minutes of the 29 March 2022 Audit Committee Meeting were presented to the Council and confirmed at the 26 April 2022 Audit Committee Meeting.

A handwritten signature in blue ink, appearing to be "L Bonza", is written over a horizontal line.

Cr L Bonza
President

17-10-22

Date



Norseman Woodlands to Eucla Coast

Confirmed Minutes

**Audit Committee Meeting
29th March 2022**

Shire of Dundas**Audit Committee****Delegated Duties and Responsibilities**

The following duties and responsibilities are delegated to the Audit Committee by the Council.

1. Provide guidance and assistance to the Council in carrying out the functions of the Shire in relation to audits which includes risk management, internal controls and legislative compliance.
2. Develop and recommend to the Council an appropriate process for the selection and appointment of a person as the Shires auditor.
3. Liaise with the CEO to ensure that the Shire does everything in its power to:
 - assist the auditor to conduct the audit and carry out his or her other duties under the Local Government Act 1995; and
 - ensure that audits are conducted successfully and expeditiously.
4. Examine the reports of the auditor after receiving a report from the CEO on the matters and –
 - determine if any matters raised require action to be taken by the Shire; and
 - ensure that appropriate action is taken in respect of those matters.
5. Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and present the report to the Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.
6. Review the relevant audit process annually to ensure that it is effective and meets the objectives of the Shires "Internal Audit and Risk Management Policy".
7. Oversee the Shires Risk Management Plan and
 - support the implementation of the risk management and culture development program throughout the Shire;
 - make recommendation of the risk tolerance level for the Council to consider and adopt as appropriate;
 - bring to the attention of the Council the high to extreme identified risks and their recommended treatment;
 - establish the risk management plan which is aligned with the strategic planning process; and
 - actively promote risk management throughout the Shire.
8. To meet with the auditor at least once in every year in accordance with Section 7.12A(2) of the Local Government Act 1995.

Delegation reviewed and adopted without amendment at Ordinary Meeting of Council held 20th October 2020.

CONFIRMED MINUTES for the Audit Committee Meeting to be held in the Council Chambers at the Shire of Dundas Administration Office, Prinsep Street Norseman on the 29th March 2022 commencing at 4.15pm.

Table of Contents

| | |
|--|---|
| Delegated Duties and Responsibilities | 2 |
| 1 Declaration of Opening | 4 |
| 2 Declarations of Financial, Proximity and Impartiality Interests..... | 4 |
| 3 Records of Attendance / Officers / Apologies | 4 |
| 4 Confirmation of Minutes of Previous Meeting | 4 |
| 5 Reports of Officers | 4 |
| 5.1 – 2021 Compliance Audit Return | 4 |
| 6 Next Meeting | 6 |
| 7 Closure of Meeting | 6 |

1 Declaration of Opening

The Chairperson welcomed all those in attendance and declared the meeting open at: **4:09 pm**

2 Declarations of Financial, Proximity and Impartiality Interests

Nil

3 Records of Attendance / Officers / Apologies

Present:

| | |
|--------------|------------------------|
| Cr L Bonza | Shire President |
| Cr R Patupis | Deputy Shire President |
| Cr P Hogan | |
| Cr V Wyatt | |
| Cr S Warner | |
| Cr J Maloney | |

| | |
|-----------|--|
| P Fitchat | Chief Executive Officer |
| P Turner | Manager Corporate and Community Services |

Apologies:

4 Confirmation of Minutes of Previous Meeting

Recommendation

That the minutes of the Audit Committee meeting held on 30 March 2021 be confirmed as a true and accurate record.

Moved: Cr. Hogan

Seconded: Cr. Wyatt

Resolution

Carried by: Simple Majority For: 6 Against 0

5 Reports of Officers

| Agenda Reference & Subject | |
|---|---|
| 5.1 – 2021 Compliance Audit Return | |
| Location / Address | 88-92 Prinsep Street, Norseman |
| File Reference | FM.AD.21/22 |
| Author | Chief Executive Officer – Peter Fitchat |
| Date of Report | 25 March 2022 |
| Disclosure of Interest | Nil |

Summary

For the Audit and Risk Committee to consider the outcomes of the 2020 Compliance Audit Return as shown in the paper relating.

Background

Each year, Council is required to complete an annual compliance audit return (CAR) for the calendar year immediately preceding (1st January to 31st December) as published by the Department for Local Government and Communities. The CAR is then to be reviewed by the Audit Committee and a report presented to Council prior to the adoption of the CAR.

This year, the CAR was reviewed and completed by Moore Australia. Tanya Browning, Associate Director, and Samantha Bresciani, Manager, Local Government Services from Moore Australia attended the Shire offices on 31 January 2022, during which time the CAR was completed through interviews with senior staff and the inspection of various documents and records including:

- Minute books
- Tender Register
- Financial Interest & Return Register
- Complaints Register
- Delegations Register
- Council's website

The CAR is one of the tools that allow Council to monitor how the organisation is functioning in regards to compliance with the Local Government Act 1995 and provides the Audit and Risk Committee the opportunity to report to Council any cases of non-compliance or where full compliance was not achieved.

This process also provides opportunity for the Audit and Risk Committee to consider matters that may require further review within ongoing risk framework assessments and actions.

Through the completion of the 2021 CAR, there were instances of non-compliance noted, particularly relating to matters which arising from changes to legislation. In relation to procurement, whilst systems and processes should be in place to ensure compliance with the purchasing policy and legislation, it is impossible to certify compliance in every instance without a complete examination of all purchases. Instances of non compliance were noted by management to have occurred during the reporting period, as well as the difficulty to declare during the review period the appropriate number of quotations had been obtained for every purchase (particularly low value purchases) in accordance with the purchasing policy.

A summary of the matters noted during the completion of the 2021 CAR is attached for information. The attached summary also notes general improvement opportunities to systems and processes identified through the completion of the CAR. These improvements may assist the Shire in its risk management activities and continual improvement of administrative and compliance functions..

Statutory Environment

Regulation 14 of the *Local Government (Audit) Regulations 1996* provides:

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

Regulation 14 of the *Local Government (Audit) Regulations 1996* details the requirements with regard to certifying the CAR and issuing to the Departmental CEO

Section 7.13(1)(i) of the *Local Government Act 1995* refers to the provisions within regulations with regard to audits.

Regulation 14 of the *Local Government (Audit) Regulations 1996* details the requirements with regard to certifying the CAR and issuing to the Departmental CEO

Section 7.13(1)(i) of the *Local Government Act 1995* refers to the provisions within regulations with regard to audits.

Policy Implications

There are no policy implications resulting from the recommendation of this report.

Financial Implications

There are no financial implications resulting from the recommendation of this report.

Strategic Implications

There are no strategic implications resulting from the recommendation of this report.

Risk Management

This item has been evaluated against the Shire's Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is medium prior to treatment.

Voting Requirements

Simple Majority

Officer Recommendation

That the Audit and Risk Committee resolve to:

1. Recommend the adoption of the 2021 Compliance Audit Return as attached in the papers relating; and
2. Recommend to Council that the Shire President and Chief Executive Officer be authorised to sign the Compliance Audit Return for submission to the Department of Local Government.

Moved: Cr. Warner

Seconded: Cr. Hogan

Resolution

Carried by: Simple Majority

For: 6

Against 0

6 Next Meeting

The next meeting of the Audit Committee will be called as required.

7 Closure of Meeting

There being no further matters for discussion the Chairperson closed the meeting at **4:18 pm**