

Shire of Dundas 2021 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
1 to 10	Disclosure of Interests	<p>A primary return noted for a relevant person contained a blank start date, and therefore we were unable to validate the return had been completed within the required timeframe. No annual returns were recorded on file for this relevant person since the completion of the aforementioned primary return. No acknowledgement of the primary return was recorded as required by s5.77 of the <i>Local Government Act 1995</i>. It is unclear whether this individual is a relevant person who is required to complete primary and annual returns.</p> <p>A primary return for an employee was recorded in the financial interest register dated 6 July 2021. The start date on the primary return was recorded as 18 January 2020. It appears the primary return was prompted by a delegation being made to the employee, and this should be the 'start day' recorded. With the information provided within the primary return, the return has not been submitted within three months of the 'start day'. We noted no annual returns had been filed for this employee.</p> <p>Annual returns received during 2021 contained incorrect reporting period dates (in they were completed noting the period 1 July 2021 to 30 June 2022 or contained blank return dates). Annual returns should be completed in arrears by 31 August each year, with returns relating to the previous financial year. We also noted several returns contained some blank fields.</p> <p>Acknowledgements of annual returns for five relevant persons for the 2020/21 period were not available for our review within the current register of financial interests.</p> <p>We noted a primary return in the financial interest register for an individual who ceased to be a relevant person with the Shire which should have been moved to the non-current register of financial interests as required by s5.88 of the <i>Local Government Act 1995</i>.</p> <p>Improvements:</p> <p>Review systems and procedures relating to the register of financial interests to ensure:</p> <ul style="list-style-type: none"> Records are maintained in accordance with legislation; Returns are appropriately completed by those who are required to do so; Primary and annual returns are properly completed at the time of providing acknowledgement of receipt of the returns; Returns are filed correctly (including current/non-current returns); and Ensure the receipt of returns are acknowledged as required by legislation. <p>For returns received relating to the 2020/21 period, request relevant persons to review and correct annual returns completed to reference the correct year, complete blank fields, and initial changes.</p> <p>If a relevant person fails to lodge their primary return or annual on time the matter will need to be referred to the CCC under Part 5, Division 6 of the Act in accordance with section 28 of the <i>Corruption and Crime Commission Act 2003</i>. Advice on the Department's website also articulates / acknowledges circumstances where relevant persons do not complete their returns within the period. This may occur in circumstances such as extended medical leave, long service leave or maternity leave. It also highlights that in the event of failure to comply nevertheless the relevant return should be completed as soon as possible and a note included in the register detailing reasons for late lodgement. Reports of non-compliance to relevant regulatory authorities should also include the reasons for late lodgement. This will assist in determining if any other action is needed. Ensure future systems and procedures are in place to obtain all returns required under the <i>Local Government Act 1995</i>. Undertake necessary actions to rectify and report this matter as required.</p>	<p>Y</p> <p>Y</p> <p>N</p> <p>Y</p> <p>Y</p>

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11 to 12	Disclosure of Interests (Gifts)	<p>We noted the register of gifts contains record of disclosures made under the former provision of the <i>Local Government Act 1995</i> (sections 5.82 & 5.83). The current register of gifts is maintained in the prescribed form as required but is not currently published on the Shire's website as required.</p> <p>Improvement:</p> <p>Maintain the register of gifts as required by legislation and publish on the official local government website. Any entries recorded on the former register is required to be maintained in the previous 'Form 4'.</p>	Y
21	Disclosure of Interests (Notifiable Gifts)	<p>A notifiable gifts register was not available for our inspection or published on the Shire's website as required by regulation 34B(5) of the <i>Local Government (Administration) Regulations 1996</i>. This requirement ceased from 2 February 2021</p> <p>Improvement:</p> <p>N/A (legislation no longer in force).</p>	Y
23 & 25	Disclosure of Interests (Code of Conduct)	<p>The Code of Conduct for Council members, committee members, and candidates was not adopted by 3 May 2021 as required by regulations and was not published on the official local government website.</p> <p>Regulations gazetted on the 3 February 2021 introduced minimum requirements for an employee code of conduct and introduced a model Code of Conduct for Council members. An updated code of conduct for employees had not yet been prepared at 31 December 2021.</p> <p>Improvements:</p> <p>Publish the Code of Conduct for Council members, committee members, and candidates adopted by Council on its special meeting held 30 July 2021 on the official local government website as required by section 104 of the <i>Local Government Act 1995</i>.</p> <p>Prepare a new Code of Conduct for employees in accordance with s5.51A of the <i>Local Government Act 1995</i> and Part 4A Division 2 of the <i>Local Government (Administration) Regulations 1996</i> and publish it on the official local government website.</p>	Y
3	Elections	<p>The electoral gift register was not published on the local government website as required by legislation.</p> <p>Improvement:</p> <p>Ensure the electoral gift register is published on the local government website in accordance with regulation 30G of the <i>Local Government (Elections) Regulations 1997</i>.</p>	Y
1	Finance	<p>The Audit Committee was last appointed at the Ordinary Meeting of Council held 25 June 2020. The Audit Committee has not been reviewed / appointed since the 2021 ordinary local government elections.</p> <p>Improvement:</p> <p>Council to appoint the Audit Committee by absolute majority of Council as required by s7.1A of the <i>Local Government Act 1995</i>.</p>	Y

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7 to 9	Finance	<p>A significant adverse trend and audit matter were identified during the 2019-20 audit and noted in the auditors report. A report has not:</p> <ul style="list-style-type: none"> • been prepared stating actions intended to be taken; • considered by the audit committee and Council; • submitted to the Minister; or • been published on the official local government website. <p>as required by legislation.</p> <hr/> <p>Improvement:</p> <p>Prepare reporting for consideration by the Audit Committee and Council, forward to the Minister after adoption, and publish the report on the Shire's website. Ensure any future reports are prepared and published as required by section 7.12A of the <i>Local Government Act 1995</i>.</p>	Y
1-3	Integrated Planning and Reporting	<p>2012-2022 Strategic Community Plan last underwent a major review in 2016-17. Legislation requires a major review to be undertaken every four years.</p> <hr/> <p>The Corporate Business Plan 2018-22 was last reviewed in 2018. Legislation requires the Corporate Business Plan to be reviewed annually.</p> <hr/> <p>Improvements:</p> <p>Ensure a major review of the Strategic Community Plan is undertaken as soon as possible, and future reviews are within time periods as required by legislation.</p> <hr/> <p>Ensure the Corporate Business Plan is reviewed annually prior to the adoption of the annual budget, in accordance with the requirements of section 6.2(2) of the <i>Local Government Act 1995</i> and <i>Local Government (Administration) Regulations 1996 19DA (4)</i>.</p>	N
4	Optional Questions	<p>A policy relating to attendance at events has not been prepared / adopted by Council.</p> <hr/> <p>Improvement:</p> <p>Develop and adopt an attendance at events policy as required by section 5.90 of the <i>Local Government Act 1995</i>.</p>	Y

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5	Optional Questions	<p>Details of the type, and the amount or value, of any fees, expenses or allowances paid to each council member during the 2020/21 financial year were not published on the local government website as required by regulation 29C of the <i>Local Government (Administration) Regulations 1996</i>.</p> <p>Local Public notices published in newspapers etc do not appear to be consistently published on the Shire's website as required by legislation.</p> <p>Minutes of the Special Meeting of Council held during 30 July 2021 have not been published on the website.</p> <p>Attachments to support minutes for items considered, tabled or presented at Council and Committee meetings have not been consistently published on the official local government website as required by legislation.</p> <p>The website link for the annual budget relates to the 2020/21 annual budget, rather than the current (i.e. 2021/22) annual budget.</p> <p>Details of individuals lodging a primary or annual return for the financial year beginning on or after 1 July 2020 has not been published on the official local government website as required by legislation.</p> <p>Improvements:</p> <p>Publish details of payments to elected members for the 2020/21 financial to the local government website. Ensure future disclosures are made for each financial year by 14 July immediately following the end of the financial year to which the information relates, as required by legislation.</p> <p>Ensure all notices relating to local public notice and statewide public notice is published on the website to comply with sections 1.7 & 1.8 of the <i>Local Government Act 1995</i>. Consider a mechanism/report trail for future compliance checks to be performed.</p> <p>Publish minutes of all meetings as required by legislation on the official local government website.</p> <p>Publish all papers presented to and / or tabled at council or committee meetings as required by section 5.96A(h) of the <i>Local Government Act 1995</i>.</p> <p>Publish up to date version of the annual budget on the official local government website as required by 5.96A(c) of the <i>Local Government Act 1995</i>.</p> <p>Publish details of individuals lodging a primary or annual return for the financial year beginning on or after 1 July 2020 as required by regulation 29C of the <i>Local Government (Administration) Regulations 1996</i> to the official local government website, and ensure it is within the timeframes required by legislation.</p>	Y
6	Optional Questions	<p>A general policy for Councillors attending conferences etc was adopted in 1999. This policy has not been updated since that time</p> <p>Improvement:</p> <p>Review and prepare a policy which satisfies s5.128 of the <i>Local Government Act 1995</i> for Ongoing Elected Member Professional Development.</p>	Y

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7	Optional Questions	<p>A report detailing training for elected members is not available on the Shire website as required by legislation.</p> <hr/> <p>Improvement:</p> <p>Prepare and publish report on local government website detailing training completed by elected members during 2020/21 as required by s5.127 of the <i>Local Government Act 1995</i>. Ensure future reports are published to the local government website within one month of the EOFY to which the report relates.</p>	Y
2	Tenders for Providing Goods and Services	<p>Non-compliance between procurement thresholds and purchasing requirements for low value purchases has possibly occurred during the review period. It was noted with management it is very difficult 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.</p> <hr/> <p>The tender register as required by regulation 17 of the <i>Local Government (Function and General) Regulations 1996</i> was not uploaded to the official local government website. We noted a tender register had been maintained in the format required by legislation, however the tender information published on the website was a summary list of tenders, rather than the official tender register.</p> <hr/> <p>Improvements:</p> <p>Review systems and controls to minimise risks of non compliance with adopted purchasing policy.</p> <hr/> <p>Publish the tender register required by regulation 17 of the <i>Local Government (Function and General) Regulations 1996</i> to the official local government website.</p>	Y
-	2019/20 Annual Report	<p>The 2019/20 Annual Report does not appear to contain all information required by legislation, including (but not limited to) the auditor's report relating to the annual financial report contained within the annual report.</p> <hr/> <p>Improvement:</p> <p>Ensure future annual reports are prepared with all information required by legislation. A copy of the annual report is also required to be uploaded to the website within 14 days after being accepted by Council.</p>	N

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-	Council Minutes	<p>We noted the following minutes included items for Council consideration which required an absolute majority decision, however the officer's report indicated only a simple majority was required, or the minutes recorded the decision as being carried by a simple majority:</p> <ul style="list-style-type: none"> • OMC 21 January 2021 (items 10.3.2, 10.4.6) • OMC 17 April 2021 (item 10.4.6) • OMC 15 June 2021 (item 10.4.5) <p>Although the items presented for Council consideration were carried unanimously in each instance and the vote recorded indicates an absolute majority decision of Council was reached, care should be taken to ensure voting requirements in Council reports accurately reflect statutory requirements and to minimise the risk of legislative non-compliance.</p>	N
		Evidence of a Council resolution confirming the minutes of the Special Meeting of Council held 30 July 2021 were not recorded in the minutes of the next meeting of Council held 24 August 2021.	N
		The recording of gifts in the minutes refers to superseded legislation, and may not align with current legislative requirements. References for disclosure obligations for elected members and employees in this form does not provide clarity to comply with legislation.	N
		<p>Improvements:</p> <p>Ensure minutes are recorded to comply with statutory requirements and to accurately reflect decisions and business of meetings.</p> <p>Undertake a review of guidance documentation relating to disclosure requirements and update to ensure it complies with and is relevant to current legislation.</p>	
-	Optional Questions	<p>A review of the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) was last undertaken in August 2019. These reviews are required to be undertaken every three years.</p>	N
		<p>A review of the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 was last undertaken in August 2019. These reviews are required to be undertaken every three years.</p>	N
		<p>Improvements:</p> <p>Ensure the next review of financial management systems and procedures is undertaken during 2022 to comply with regulation 5(2)(c) of the <i>Local Government (Financial Management) Regulations 1996</i>.</p> <p>Ensure the next review of systems and procedures in relation to risk management, internal control and legislative compliance is undertaken during 2022 to comply with regulation 17 of the <i>Local Government (Audit) Regulations 1996</i>.</p>	