



Audit Committee

Minutes

Held on the 21st February 2017 at 5.45 pm in the Shire of Dundas
Council Chambers

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

The following duties and responsibilities are delegated to the Audit Committee by the Council at the Ordinary Meeting of the Council held on the 21st October 2014:-

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. Develop and recommend to the Council a written format for the proposal to tender for the Shires audit. The proposal is to include –
 - the objectives of the audit;
 - the scope of the audit;
 - a plan of the audit;
 - details of the remuneration and expenses to be paid; and
 - the method of communication to be used between the auditor and the Shire.
- 4 Recommend to the Council the person or persons to be appointed as auditor.
- 5 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.
- 6 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.
- 7 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.
- 8 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”.
- 9 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.
- 10 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 21ST October 2014

**Minutes of the Audit Committee Meeting held on
the 21st February 2017 in the Council Chamber,
Shire of Dundas Administration Office, meeting to
commence at 5.45pm.**

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1 Declaration of Opening

The Chairperson welcomed all those in attendance and declared the meeting open at 5:49pm.

1.1 Attendance at meeting by Councillor AR (Rasa) Patupis

The Chief Executive Officer has been advised that Cr Patupis will be in Perth, Western Australia when the meeting is held and has requested attendance by way of instantaneous telephone connection with other Councillors present at the meeting in accordance with Administration Regulation 14A.

Cr Patupis will be at 33The Strand Applecross WA.

The Council must approve of the place that Cr Patupis is located as a "suitable place" that must be in a town site or other residential area and at least 150 kilometers from where the meeting is being held.

Recommendation

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Perth Western Australia on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Moved Cr Hogan
Seconded Cr Bonza

Resolution

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Perth Western Australia on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Carried by: Absolute Majority For: 5 Against: 0

2 Declarations of Financial, Proximity and Impartiality Interests

Nil

3 Records of Attendance / Officers / Apologies

Present:

Cr J Best	Shire President
Cr LW Webb	Deputy Shire President
Cr JEP Hogan	
Cr YH Vicensoni	
Cr R Patupis	
Cr L Bonza	
DC Stead	Chief Executive Officer
G Kohobange	Deputy Chief Executive Officer
SE Ellison	Senior Administration Officer
J Fry	Manager of Works & Services
PL Turner	Manager of Community Development

Public Gallery:

Margaret McEwan & Tracy Dixon

4 Confirmation of Minutes of Previous Meeting**Recommendation**

That the minutes of the Audit Committee meeting held on 18th October 2016 be confirmed as a true and accurate record.

Moved Cr Vicensoni
Seconded Cr Patupis

Resolution

That the minutes of the Audit Committee meeting held on 18th October 2016 be confirmed as a true and accurate record.

Carried by: Simple Majority For: 6 Against: 0

5 Reports of Officers

Agenda Reference & Subject	
5.1 – 2016 Compliance Audit Return	
Location / Address	Shire of Dundas
File Reference	FM.AD
Author	CEO – Doug Stead
Date of Report	9 th February 2017
Disclosure of Interest	Nil

Summary

For the Council to consider the outcomes of the 2016 Compliance Audit return as shown in the papers relating.

Background

The Chief Executive Officer has carried out the 2016 Compliance Audit Return (CAR). The 2016 Compliance Audit return is included as an attachment within this agenda.

Statutory Environment

Section 7.13 (1) (i) of the Local Government Act and Audit Regulations 13 to 15.

In brief the process is: -

- a) a compliance audit must be carried out for the period 1 January to 31 December in each year;
- b) a compliance audit return, in a form approved by the Minister, is to be completed;
- c) the return is to be presented to the Council at a Council meeting;
- d) the return is to be adopted by the Council;
- e) the return is to be recorded in the minutes of the meeting at which it was adopted;

- f) a certified copy of the return, together with a copy of the Council minute adopting the return and any additional information explaining or qualifying the return, is to be sent to the Director General of the Department for Local Government and Regional Development by 31 March. Note – “certified” means signed by the President and the CEO.

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Nil

Consultation

Doug Stead - CEO

Comment

The CAR is one of the tools that allows the Council to monitor how the organisation is functioning in regards to compliance with the Local Government Act 1995. This year's return again places emphasis on the need to bring to the attention of Council any cases on non-compliance or where full compliance was not achieved.

Through a total of 87 questions the 2016 CAR concentrates on the statutory obligations of the local government in the areas of:

• Commercial Enterprises by Local Governments	5
• Delegation of Power/Duty	13
• Disclosure of Interest	16
• Disposal of Property	2
• Elections	1
• Finance	14
• Local Government Employees	5
• Official Conduct	6
• Tenders for providing goods and services	<u>25</u>
	87

Based on the outcome of the return, the Shire of Dundas achieved 93% compliance.

Voting Requirements

Simple majority

Recommendation

That the Audit Committee approve the Compliance Audit Return and refer the matter to the Ordinary Meeting of Council for adoption.

Moved Cr Vicensoni
Seconded Cr Webb

Resolution

That the Audit Committee approve the Compliance Audit Return and refer the matter to the Ordinary Meeting of Council for adoption.

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 5:53pm.