



Audit Committee

MINUTES

Held on the 19th February 2019 at 4:34pm in the Shire of Dundas
Council Chambers

UNCONFIRMED

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 19th February 2019 in the Council Chamber, Shire of Dundas Administration Office, meeting to commence at 4:34pm.

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1 Declaration of Opening

The Chairperson welcomed all those in attendance and declared the meeting open at 4:34pm.

The Shire of Dundas recognises the Ngadju and Mirning People as First Nations People in the Shire of Dundas, acknowledging them as traditional custodians and pay our respects to their Elders, past, present and emerging.

1.1 Attendance at meeting by Councillor AR Patupis.

The Shire President has been advised that Cr Patupis will be in Applecross, Western Australia when the meeting is held and have 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 33 The Strand, Applecross Western Australia 6153.

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 at least 150 kilometres from where the meeting is being held.

Recommendation

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

Moved: Cr Hogan

Seconded: Cr Wyatt

Resolution

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Applecross, 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

The telephone call to Cr Patupis went unanswered.

2 Declarations of Financial, Proximity and Impartiality Interests

Nil

3 Records of Attendance / Officers / Apologies

Present:

Cr L Bonza Shire President

Cr P Hogan

Cr B Bayley

Cr V Wyatt

Cr S Warner

P Fitchat

Chief Executive Officer

G Kohobange
S Ellison

Deputy Chief Executive Officer
Senior Administration Officer

Apologies:

Cr R Patupis

Deputy Shire President

4 Confirmation of Minutes of Previous Meeting

Recommendation

That the minutes of the Audit Committee meeting held on 20th October 2018 be confirmed as a true and accurate record.

Moved Cr Hogan
Seconded Cr Bayley

Resolution

That the minutes of the Audit Committee meeting held on 20th October 2018 be confirmed as a true and accurate record.

Carried by: Simple Majority For: 5 Against: 0

5 Reports of Officers

Agenda Reference & Subject	
5.1 – 2018 Compliance Audit Return	
Location / Address	Shire of Dundas
File Reference	FM.AD
Author	Senior Administration Officer
Date of Report	6 th February 2019
Disclosure of Interest	Nil

Summary

For the Council to consider the outcomes of the 2018 Compliance Audit Return as shown in the papers 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 of Local Government. The CAR is then to be reviewed by the Audit Committee and a report presented to Council prior to the adoption of the CAR.

The 2018 CAR was completed in house by the Senior Administration Officer with the assistance of the Deputy CEO through the inspection of various documents and records including: minutes, tender register, financial interest & returns register, complaints register, delegations register etc.

The CAR is one of the tools that allow Council to monitor how the organisation is functioning in relation to compliance and with the Local Government Act 1995 and its subsidiary regulations. This year's return again places emphasis on the need to bring to the attention of Council any cases of non-compliance or where explicit full compliance was not achieved. Comments are included in the return to provide further clarification where necessary.

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 minutes 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

Chief Executive Officer
Deputy Chief Executive Officer

Comment

Through a total of 95 questions the 2018 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
• Finance	16
• Integrated Planning and Reporting	7
• Local Government Employees	5
• Official Conduct	6
• Tenders for providing goods and services	25

Based on the outcome of the return, the Shire of Dundas achieved 100% compliance, an improvement on the 2017 CAR with 99%.

Voting Requirements

Simple majority

Recommendation

That the Audit Committee resolve to:

- 1) Recommend to Council the adoption of the 2018 Compliance Audit Return and;
- 2) Recommend the Shire President and Chief Executive Officer be authorised to sign the 2018 Compliance Audit Return for submission to the Department of Local Government.

Moved Cr Bayley
Seconded Cr Hogan

Resolution

That the Audit Committee resolve to:

- 1) Recommend to Council the adoption of the 2018 Compliance Audit Return and;
- 2) Recommend the Shire President and Chief Executive Officer be authorised to sign the 2018 Compliance Audit Return for submission to the Department of Local Government.

Carried by: Simple Majority For: 5 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 4:37pm.