# Shire of Plantagenet

# AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

# MINUTES

## SECTION 5.9(2)(a) LGA 1995

### *Committee Brief*

1.  *Provide guidance and assistance to the local government -*
    a)  *as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
    b)  *as to the development of a process to be used to select and appoint a person to be an auditor; and*

2.  *May provide guidance and assistance to the local government as to -*
    a)  *matters to be audited; and*
    b)  *the scope of audits; and*
    c)  *its functions under Part 6 of the Act; and*
    d)  *the carrying out of its functions relating to other audits and other matters related to financial management; and*

3.  *Is to review a report given to it by the CEO under Regulation 17(3) (the CEO's report) and is to -*
    a)  *report to the Council the results of that review; and*
    b)  *give a copy of the CEO's report to the Council.*

A Meeting of the Audit and Risk Management Committee was held
in the Committee Room, Lowood Road, Mount Barker WA 6324,
at 10.00am Tuesday 3 March 2015.

**Rob Stewart**
**CHIEF EXECUTIVE OFFICER**

*Committee Members*
*Cr K Clements, Cr L Handasyde, Cr J Moir and Cr C Pavlovich (Council 244/13)*

# TABLE OF CONTENTS

# 1   DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

10.10 am      The Presiding Member declared the meeting open.

# 2   RECORD OF ATTENDANCE / APOLOGIES

<u>Members Present</u>

Cr Ken Clements
Cr Len Handasyde
Cr Jeff Moir
Cr Chris Pavlovich

<u>Staff</u>

Mr Rob Stewart - Chief Executive Officer
Mr John Fathers - Deputy Chief Executive Officer

# 3   CONFIRMATION OF MINUTES

**Moved Cr C Pavlovich, seconded Cr J Moir:**

**That the Minutes of the Meeting of the Audit and Risk Management Committee, held on 9 December 2014 as circulated, be taken as read and adopted as a correct record.**

**CARRIED**

# 4   DISCLOSURE OF INTEREST

Nil

# 5  REPORTS OF COMMITTEE MEMBERS AND OFFICERS

## 5.1  COMPLIANCE AUDIT RETURN - 2014

| | |
|---|---|
| **File No:** | **N33210** |
| **Attachment:** | **Compliance Audit Return** |
| **Responsible Officer:** | **John Fathers**<br>**Deputy Chief Executive Officer** |
| **Author:** | **Donna McDonald**<br>**Senior Administration/Human Resources Officer** |
| **Proposed Meeting Date:** | **3 March 2015** |

### PURPOSE

The purpose of this report is to recommend to the Council the adoption of the Compliance Audit Return for the calendar year 1 January 2014 to 31 December 2014 and to enable the Council to fulfil its statutory obligations with regard to the Compliance Audit.

### BACKGROUND

A Compliance Audit is required to be completed once in each calendar year.

### STATUTORY ENVIRONMENT

The Compliance Audit is required pursuant to Section 7.13 of the Local Government Act 1995.  The Local Government (Audit) Regulations 1996 includes the following sub regulations in Regulation 14:

*'(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.'*

After the Compliance Audit return has been presented to the Council, a certified copy of the return together with:

(a)     A copy of the relevant section of the minutes referred to in the regulations; and

(b)     Any additional information explaining or qualifying the Compliance Audit is to be submitted to the Department of Local Government and Communities by 31 March 2015.

### FINANCIAL IMPLICATIONS

There are no financial implications for this report.

## POLICY IMPLICATIONS

There are no policy implications for this report.

## STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2013 – 2023 provides at Outcome 4.1 (Effective governance and leadership) the following Strategy:

Strategy 4.1.3

*Ensure the Council's decision making process is effective and transparent.'*

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

## OFFICER COMMENT

The completed Compliance Audit Return is attached to the report.  The 2014 Compliance Audit revealed one area of non-compliance, namely that one councillor was late in submitting their annual return.

## VOTING REQUIREMENTS

Simple Majority

## OFFICER RECOMMENDATION / COMMITTEE DECISION

**Moved Cr J Moir, seconded Cr L Handasyde:**

**That it be a recommendation to the Council:**

**That the Compliance Audit Return for the calendar year 1 January 2014 to 31 December 2014 be adopted and submitted to the Department of Local Government and Communities.**

**CARRIED**

# 6  ORGANISATIONAL RISK MANAGEMENT

In line with a previous Committee request, this item is listed as a permanent fixture on the agenda. The current Organisational Risk Register is attached for information.

*Members noted that the matter raised at previous meetings in regard to a report from Carbon IQ was the subject of a report to the Council meeting held on 3 March 2015.*

*Following discussion on the circumstances of that report, the view was expressed that the Strategic Risk Register should include a point relating to the risks of entering into contracts for works and services. Where appropriate, contracts should incorporate a scope of works and timelines in order to protect the Shire's interests and ensure desired outcomes are met. Consideration should also be given to seeking legal advice on complex or high value contracts.*

# 7  GENERAL BUSINESS

# 8  NEXT MEETING

To be advised.

# 9  CLOSURE OF MEETING

11.00 am     The Presiding Member declared the meeting closed.


**CONFIRMED:  PRESIDING MEMBER_____DATE:_____/_____/_____**