

Date: 3 March 2021

To: Shire President  
Deputy Shire President  
Councillors

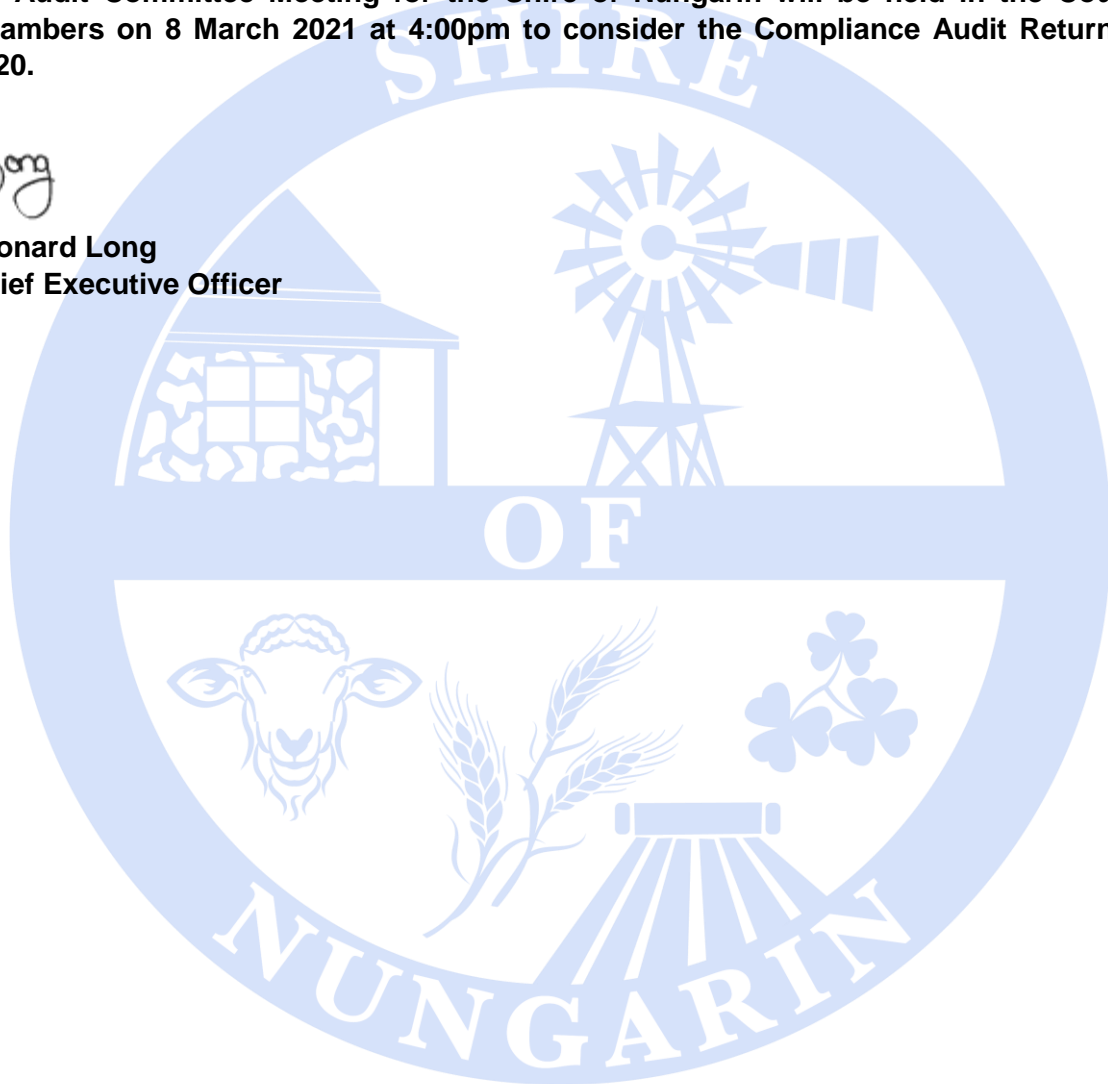


## NOTICE AND AGENDA – AUDIT COMMITTEE MEETING

An Audit Committee Meeting for the Shire of Nungarin will be held in the Council Chambers on 8 March 2021 at 4:00pm to consider the Compliance Audit Return for 2020.

A handwritten signature in black ink that reads "Long".

Leonard Long  
Chief Executive Officer



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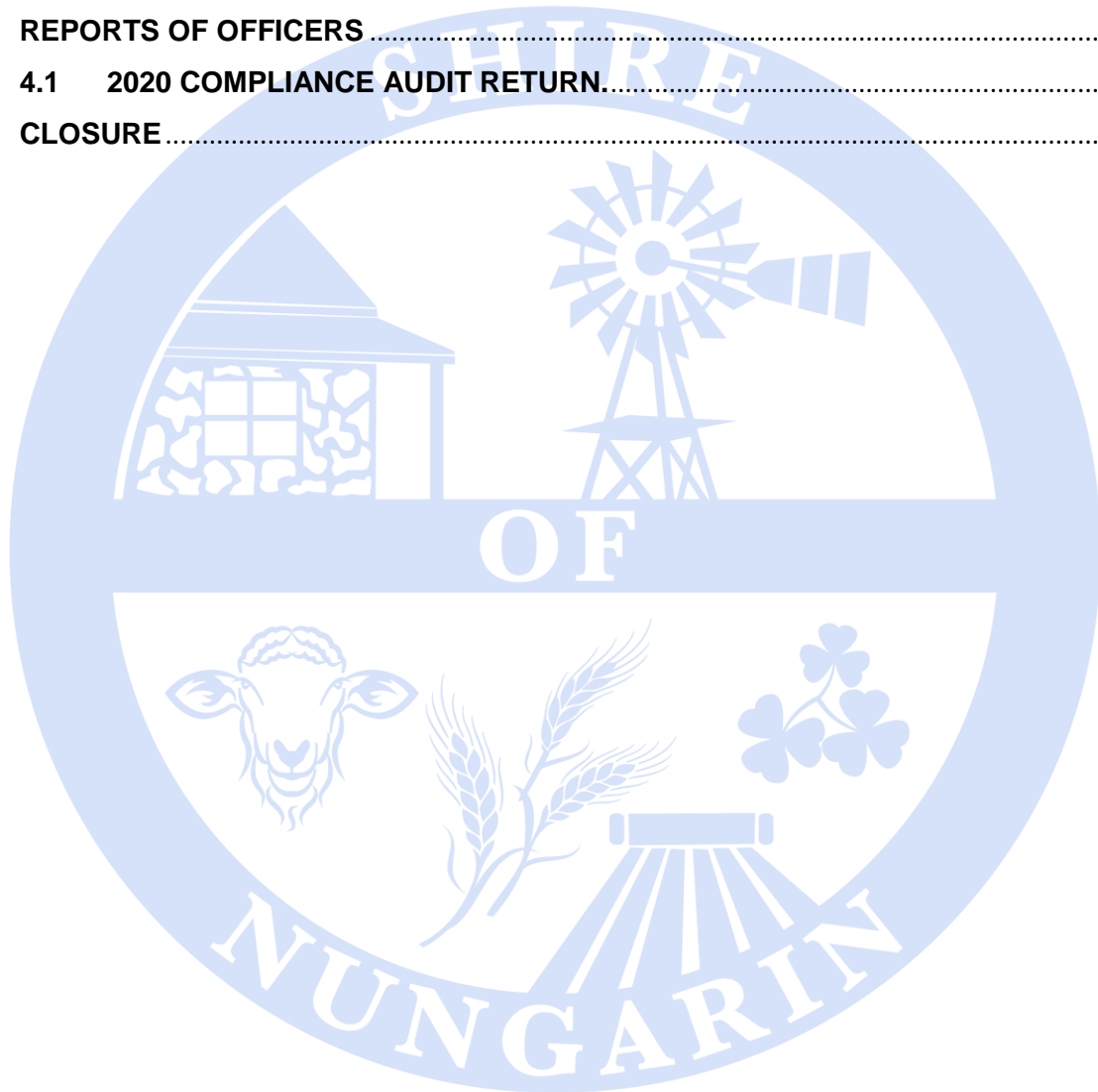
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## AGENDA

**1. DECLARATION OF OPENING**

The presiding member opened the meeting at ..... pm

**2. ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

**2.1 ATTENDANCE**

Shire President (Chairperson)	Cr P de Lacy
Deputy Shire President	Cr G Coumbe
Elected Member	Cr RE O’Connell (Via Zoom)
Elected Member	Cr K Dayman
Elected Member	Cr W Lee
Elected Member	Cr R Mizia

Chief Executive Officer	Mr L Long
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**2.2 APOLOGIES**

Cr J Davis

**3. CONFIRMATION OF MINUTES**

**3.1 MINUTES OF THE SHIRE OF NUNGARIN AUDIT COMMITTEE**

**RECOMMENDATION**

**That the Minutes of the Audit Committee held on 18 March 2020 be confirmed as a true and correct record.**

Moved: .....

Seconded: .....

**4. REPORTS OF OFFICERS**

<b>4.1 2020 COMPLIANCE AUDIT RETURN.</b>	
<b>File Ref:</b>	
<b>Previous Item Ref:</b>	Nil
<b>Applicant:</b>	Nil
<b>Author and Title:</b>	Leonard Long, Chief Executive Officer
<b>Declaration of Interest:</b>	Nil
<b>Voting Requirements</b>	Simple Majority
<b>Appendix Number:</b>	4.1A – 2020 Compliance Audit Report

**RECOMMENDATION**

**The Committee:**

1. **Accepts the Compliance Audit Report for 2020.**
2. **Recommends Council endorse the Compliance Audit Report for 2020 attached as APPENDIX 4.1A.**

**Moved:** .....

**Seconded:** .....

.....

**IN BRIEF**

The Audit Committee is required to consider the annual Compliance Audit Report and to make a recommendation to Council.

**BACKGROUND**

The Audit Committee is required to review the annual Compliance Audit Return (CAR) and report to the Council the results of that review prior to the adoption of the CAR by Council.

The CAR if recommended to be endorsed by Council is to be certified by the Shire President and the Chief Executive Officer and forwarded to the Director General of the relevant department.

**REPORT DETAIL**

The CAR is attached as **APPENDIX 4.1A**, and contains no problematic issues. Areas of the audit that have been responded to as ‘no’ mainly pertain to the annual financial report from the Auditor General’s Office, and have been responded to as ‘no’ as a result of the Auditor General’s Office final approved report not being received by the Shire at the time of writing this report.

*“Disclosure of Interest: Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees.”*

The above has been responded to as ‘no’ due to the new regulations requiring local governments to adopt a new Code of Conduct for Council Members, Committee Members and Candidates. It is anticipated to present a report to the March Ordinary Council Meeting to consider the adoption of the new Code of Conduct for Council Members, Committee Members and Candidates

*“Official Code: Has the local government designated a senior employee as defined by section 5.37 to be its compliance officer.”*

Although the Council has not appointed a senior employee through an official resolution, section 5.120(2) of the act designates in the absence of such a resolution the Chief Executive Officer as the complaints officer.

*“Official Code: Has the CEO published an up-to-date version of the register of complaints on the local government’s official website.”*

The current complaints register is in the process of being finalised and will be uploaded onto the Shires official website as soon as possible.

*“Optional Questions: Did the CEO review the appropriateness and effectiveness of the local government’s financial management system and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes please provide the date of Council’s resolution to accept the report.”*

*“Did the CEO review the appropriateness and effectiveness of the local governments systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within three years prior to 31 December 2020?”*

*If yes, please provide date of Council’s resolution to accept the report.”*

Whilst the current response to this question is ‘no’, the required review was done in 2019 by the Shire’s financial consultant DL Consulting. However, the report has yet to be presented to Council. In this regard it is anticipated the report could be presented to the April / May Ordinary Council Meeting.

*“Optional Questions: Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?”*

*Did the CEO publish an up-to-date version of the attendance at events policy on the local government’s official website?”*

It is anticipated a policy will be presented to Council for consideration at the April / May Ordinary Council Meeting.

*Optional Questions: Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?*

It is anticipated a policy will be presented to Council for consideration at the April / May Ordinary Council Meeting.

*Optional Questions: Did the local government prepare a report on the training completed by council members in the 2019/20 financial year and publish it on the local government’s official website by July 2020?”*

A report will be prepared on the training by council members in the current financial year (2020/21) and presented to council prior to the end of the 2020/21 financial year.

*Optional Questions: Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?”*

Although no written evaluation could be located it must be noted that the Shire is in the process of implementing a record management system which will ensure all documents are correctly recorded.

**SHIRE OF NUNGARIN COMMUNITY STRATEGIC PLAN 2023**

<b>Focus Area</b>	Civic Leadership
<b>Aspiration</b>	A strong local democracy with an actively engaged community and effective partnership.
<b>Objective</b>	16.7 Annually review compliance methods.

**OTHER STRATEGIC LINKS**

Nil

**STATUTORY ENVIRONMENT****Local Government (Audit) Regulations 1996**

14. Compliance audits by local governments –
- (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 sub regulation (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.
15. Certified copy of compliance audit return and other documents to be given to Departmental CEO –
- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
    - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
    - (b) any additional information explaining or qualifying the compliance audit, is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.
  - (2) In this regulation — certified in relation to a compliance audit return means signed by —
    - (a) the mayor or president; and
    - (b) the CEO

**SUSTAINABILITY AND RISK CONSIDERATIONS****Economic – (Impact on the Economy of the Shire and Region)**

Nil

**Social – (Quality of life to community and / or affected land owners)**

Nil

**Policy Implications**

Nil

**Risk Management Implications**

<b>Risk Level</b>	<b>Comment</b>
Medium	The legislative requirements of the Act are clear on the necessity to adopt a Code of Conduct for council members, committee members and candidates within the prescribed time frame. Failing to meet the requirements exposes the Shire to action by the Department of Local Government, Sport and Cultural Industries.

**CONSULTATION**

Nil

**RESOURCE IMPLICATIONS****Financial**

Nil

**Workforce**

Nil

**OPTIONS**

The Committee has the option of:

1. Accepting the officer's recommendation.
2. Amend the officer's recommendation.

**CONCLUSION**

The annual Compliance Audit is a tool used by both Elected Members and the Department of Local Government, Sport and Cultural Industries to determine the Shire's level of compliance with legislative requirements.

**9. CLOSURE**

The being no further business the meeting closed at .....

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 Presiding Member

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 Date