



**SHIRE OF ASHBURTON
AUDIT AND RISK MANAGEMENT
COMMITTEE MEETING**

**AGENDA AND ATTACHMENTS
(Public Document)**

**Council Chambers, Onslow Shire Complex, Second
Avenue, Onslow
10 March 2020
9.00 am**

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

SHIRE OF ASHBURTON

AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

Dear Councillor

Notice is hereby given that an Audit and Risk Management Committee of the Shire of Ashburton will be held on 10 March 2020 at the Council Chambers, Onslow Shire Complex, Second Avenue, Onslow commencing at 9.00 am.

The business to be transacted is shown in the Agenda.



Paul Sheedy
ACTING CHIEF EXECUTIVE OFFICER

DISCLAIMER

The recommendations contained in the Agenda are subject to confirmation by the Committee and endorsement by the Council. The Shire of Ashburton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Ashburton for any act, omission or statement or intimation occurring during a Council meeting.

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

1.	DECLARATION OF OPENING.....	4
1.1	ACKNOWLEDGEMENT OF COUNTRY	4
2.	ATTENDANCE	4
2.1	PRESENT	4
2.2	APOLOGIES.....	4
2.3	APPROVED LEAVE OF ABSENCE	4
3.	ANNOUNCEMENT OF VISITORS.....	4
4.	DECLARATION BY MEMBERS.....	5
4.1	DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA	5
4.2	DECLARATIONS OF INTEREST	5
5.	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	6
5.1	AUDIT AND RISK COMMITTEE MEETING HELD ON 17 DECEMBER 2019	6
6.	TERMS OF REFERENCE	6
7.	AGENDA ITEMS	8
7.1	LOCAL GOVERNMENT COMPLIANCE AUDIT RETURN FOR 2019	8
8.	CONFIDENTIAL MATTERS	10
8.1	CONFIDENTIAL ITEM - UPDATE ON WITTENOOM LITIGATION, USE OF DELEGATION, WITTENOOM STEERING COMMITTEE, SENIOR COUNSEL LEGAL ADVICE AND ROEBOURNE - WITTENOOM ROAD	11
9.	NEXT MEETING	12
10.	CLOSURE OF MEETING	12

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at _____ am.

1.1 ACKNOWLEDGEMENT OF COUNTRY

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders both past, present and future.

2. ATTENDANCE

2.1 PRESENT

Members:	Cr P Foster Cr K White Cr D Dias Cr L Rumble Cr M Lynch Cr D Diver Cr M Gallanagh Cr R de Pledge Cr J Richardson	Tom Price Ward (Presiding Member) Onslow Ward Paraburdoo Ward Paraburdoo Ward Tom Price Ward Tom Price Ward Pannawonica Ward Ashburton Ward Tablelands Ward
Staff:	Mr P Sheedy Mr J Bingham Mr B Cameron Mrs K Bartley Mr D Bailey Mrs J Fell Mrs M Lewis Mrs K Cameron	Acting Chief Executive Officer Director Corporate Services Director Property and Development Services Director Community Services Manager Projects and Assets Manager Land and Asset Compliance Council Liaison Officer Governance Officer
Guests:		
Members of Public:	There were _____ members of the public in attendance at the commencement of the meeting.	
Members of Media:	There were _____ members of the media in attendance at the commencement of the meeting.	

2.2 APOLOGIES

Mr Alan McColl Acting Director Infrastructure

2.3 APPROVED LEAVE OF ABSENCE

There were no approved applications for leave of absence for this meeting.

3. ANNOUNCEMENT OF VISITORS

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

4. DECLARATION BY MEMBERS

4.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA

All Councillors are requested to give due consideration to all matters contained in the Agenda presently before the meeting.

4.2 DECLARATIONS OF INTEREST

Councillors to Note

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

NOTES ON DECLARING INTERESTS (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc.), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*, or
 - 6.2 Where the Minister allows the Councillor to participate under s.5.69 (3) of the *Local Government Act*, with or without conditions.

Declarations of Interest provided:

Item Number/ Name	Type of Interest	Nature/Extent of Interest
There were no Declaration of Interests provided.		

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

5.1 AUDIT AND RISK COMMITTEE MEETING HELD ON 17 DECEMBER 2019

Officers Recommendation

That the Unconfirmed Minutes of the Audit and Risk Committee Meeting held on 17 December 2019 (**ATTACHMENT 5.1**) be confirmed as a true and accurate record subject to the following amendments:

That Minute Numbers 687/2019 - 689/2019 for the Unconfirmed Minutes of the Audit and Risk Management Committee be amended to the following - 717/2019 to 719/2019.

Reason for change – Change required due to error in Synergy recording.

6. TERMS OF REFERENCE

Audit and Risk Management Committee

Purpose

The Audit Committee's role in accordance with Regulation 15 of the *Local Government (Audit) Regulations 1995* is to provide assistance and guidance to Council on the discharge of its duties under Part 6 and 7 of the *Local Government Act 1995 (the Act)*. The Audit Committee assists Council to monitor the integrity of the Shire's financial statements, risk management, internal controls and compliance with legislative requirements.

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

Responsibilities

The Audit Committee is responsible for:

- 1.1 Guiding and assisting Council in carrying out its functions under:
 - (a) Part 6 of the Act and its functions relating to other audits and other matters related to financial management; and
 - (b) Part 7 of the Act in relating to auditing the Shire's financial accounts.
- 1.2 Reviewing the CEO's report required under regulation 17(3).
- 1.3 Monitoring and advising the CEO when the CEO is carrying out functions in relation to a review under:
 - (a) regulation 17 (1); and
 - (b) the *Local Government (Financial Management) Regulations 1996*, regulation 5(2)(c).
- 1.4 Support the Auditor conducting an audit and carrying out the Auditor's other duties under the Act.
- 1.5 Oversee the implementation of any action that Council
 - (a) is required to take, has stated it has taken or intends to take in respect to matters raised by the audit report;
 - (b) has accepted should be taken on receipt of the CEO's report of a review under regulation 17(1); and
 - (c) has accepted should be taken on receipt of the CEO's report under regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.
- 1.6 The Audit Committee's duties include;
 - (a) considering the Auditor's interim audit of the Shire's accounting and internal control procedures for the financial year;
 - (b) reviewing the audited financial report for the previous financial year;
 - (c) reviewing the interim and final audit reports for the financial year;
 - (d) reviewing the annual Compliance Audit Return;
 - (e) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's systems and procedures regarding risk management, internal controls and legislative compliance;
 - (f) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's financial management systems and procedures; and
 - (g) considering the proposed timeline for Council to adopt the budget and the ten-year financial plan for the following financial year; and providing a report to council on those matters.

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

7. AGENDA ITEMS

7.1 LOCAL GOVERNMENT COMPLIANCE AUDIT RETURN FOR 2019

FILE REFERENCE:	GV32
AUTHOR'S NAME AND POSITION:	Kathy Cameron Governance Support Officer
NAME OF APPLICANT/RESPONDENT:	Paul Sheedy Acting Chief Executive Officer
DATE REPORT WRITTEN:	25 February 2020
DISCLOSURE OF FINANCIAL INTEREST:	The author and authorising officer have no financial, proximity or impartiality interests in the proposal.
PREVIOUS MEETING REFERENCE:	Agenda Item 9.2.1 Ordinary Meeting of Council 12 March 2019

Summary

Each local government is to carry out a Compliance Audit annually. This Compliance Audit Return is for the period of 1 January to 31 December 2019.

The Return for the year 2019 is presented to the Audit and Risk Committee for review and approval, prior to presentation to Council for Adoption.

Background

The Compliance Audit Return is to assist Council in monitoring its organisational functions. Council is required to note any areas of non-compliance and endorse remedial action.

The Audit is provided by the Department of Local Government, Sport and Cultural Industries through their secure website platform called Smart Hub. The same audit is required to be completed by every WA local government. The Department considers, from a large range of issues it can audit, which ones will be specific to the year in question (i.e. each year the audit questions can change).

For 2019, there were 104 questions over 11 disciplines. The return has been completed by the respective areas and it was noted that the following are non-compliant:

- Item 8 Delegations of Power/Duty;
- Item 2 Optional Questions;
- Item 1 Tenders for providing Goods and Services; and
- Item 27 Tenders for Providing Goods and Services.

All explanations and actions to be taken are stated in **ATTACHMENT 7.1**.

PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING 10 MARCH 2020

Comment

The Return is required to be presented to Council for adoption before its submission to the Department of Local Government and Communities.

Consultation

Executive Management Team

Statutory Environment

Section 7.13 of the *Local Government Act 1995*, and
Regulations 13, 14 & 15 of the *Local Government (Audit) Regulations 1996*.

Financial Implications

There are no known financial implications for this matter.

Strategic Implications

Shire of Ashburton 10 Year Strategic Community Plan 2017 – 2027 (2019 Desktop Review)

Goal 05 Inspiring Governance
Objective 3 Council leadership

Risk Management

Adoption of this item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered to be "High". The high level of risk is being driven by the risk of a compliance breach requiring an internal investigation. As a high risk matter, the Chief Executive Officer and his staff actively monitor these matters.

Policy Implications

There are no known policy implications for this matter.

Voting Requirement

Simple Majority Required

Committee Recommendation

That with respect to the Local Government Compliance Audit Return for 2019, the Audit and Risk Management Committee recommend, Council:

1. Accept the Compliance Audit Return (**ATTACHMENT 7.1**) of the Council for the period 1 January to 31 December 2019 and;
2. Submit a certified copy of the Compliance Audit Return to the Director General of the Department of Local Government Sport and Cultural Industries by 31 March 2020.

8. CONFIDENTIAL MATTERS

Under the Local Government Act 1995, Part 5, and Section 5.23, states in part:

- (2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*
- (a) a matter affecting an employee or employees; and*
 - (b) the personal affairs of any person; and*
 - (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;*
 - (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (e) a matter that if disclosed, would reveal —*
 - (i) a trade secret; or*
 - (ii) information that has a commercial value to a person; or*
 - (iii) information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government; and*
 - (f) a matter that if disclosed, could be reasonably expected to —*
 - (i) impair the effectiveness of any lawful method or procedure for preventing,*
detecting, investigating or dealing with any contravention or possible contravention of the law; or
 - (ii) endanger the security of the local government's property; or*
 - (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;*
 - (g) information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and*
 - (h) such other matters as may be prescribed.*

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

8.1 CONFIDENTIAL ITEM - UPDATE ON WITTENOOM LITIGATION, USE OF DELEGATION, WITTENOOM STEERING COMMITTEE, SENIOR COUNSEL LEGAL ADVICE AND ROEBOURNE - WITTENOOM ROAD

FILE REFERENCE: LS34

AUTHOR'S NAME AND POSITION: Keith Pearson
Special Projects Advisor

Janyce Smith
Executive Officer

Alan Mccoll
Acting Director Infrastructure Services

AUTHORISING OFFICER AND POSITION: Paul Sheedy
Acting Chief Executive Officer

NAME OF APPLICANT/RESPONDENT: Not Applicable

DATE REPORT WRITTEN: 28 February 2020

DISCLOSURE OF FINANCIAL INTEREST: The authors and the authorising officer have no financial proximity or impartiality interests in the proposal.

PREVIOUS MEETING REFERENCE: Confidential Agenda Item 18.5 (Minute No. 757/2020)
Ordinary Meeting of Council 11 February 2020

Confidential Agenda Item 8.1 (Minute No 631/2019) –
Audit and Risk Committee Meeting 18 September 2019

REASON FOR CONFIDENTIALITY

The Acting Chief Executive Officer's Report is confidential in accordance with s5.23 (2) *the Local Government Act 1995* because it deals with matters affecting s5.23 (2):

- (b) *the personal affairs of any person;*
- (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting.*

Officers Recommendation

That with respect to the Confidential Item – Update on Wittenoom Litigation, Use of Delegation, Wittenoom Steering Committee, Senior Counsel Legal Advice and Roebourne - Wittenoom Road, the Audit and Risk Management Committee recommend Council:

1. Receive the Confidential Item – Update on Wittenoom Litigation, Use of Delegation, Wittenoom Steering Committee, Senior Counsel Legal Advice and *Roebourne - Wittenoom Road* (**CONFIDENTIAL ATTACHMENTS 8.1A, 8.1B**) and remain confidential in accordance s5.23 (2)(b) & (d) of the *Local Government Act 1995*; and
2. Ensure that the Shire management continue to provide Wittenoom related reports to the Audit and Risk Management Committee.

**PUBLIC AGENDA - AUDIT AND RISK MANAGEMENT COMMITTEE MEETING
10 MARCH 2020**

9. NEXT MEETING

The next Audit and Risk Committee Meeting will be held on Tuesday 9 June 2020 at the Ashburton Hall, Ashburton Avenue, Paraburdoo at a time to be advised.

10. CLOSURE OF MEETING

The Presiding Member closed the meeting at _____ am.



**SHIRE OF ASHBURTON
AUDIT AND RISK MANAGEMENT
COMMITTEE MEETING**

**AMENDED MINUTES
(Public Document)**

**COUNCIL CHAMBERS, ONSLOW SHIRE COMPLEX,
SECOND AVENUE, ONSLOW**

**17 DECEMBER 2019
10.00 am**

SHIRE OF ASHBURTON
ORDINARY MEETING OF COUNCIL

The Acting Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Meeting of Council.



Mr Steven Deckert
ACTING CEO

Date: 17.12.2019

These minutes were confirmed by Council as a true and correct record of proceedings of the Ordinary Meeting of Council on the 17/12//2019.

Presiding Member: _____

Date: _____

DISCLAIMER

The resolutions contained in the Minutes are subject to confirmation by Council. The Shire of Ashburton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Ashburton for any act, omission or statement or intimation occurring during a Council meeting.

1.	DECLARATION OF OPENING	4
1.1	ACKNOWLEDGEMENT OF COUNTRY	4
2.	ATTENDANCE	4
2.1	PRESENT	4
2.2	APOLOGIES	5
2.3	APPROVED LEAVE OF ABSENCE	5
3.	ANNOUNCEMENT OF VISITORS	5
4.	DECLARATION BY MEMBERS	5
4.1	DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA	5
4.2	DECLARATIONS OF INTEREST	5
5.	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	7
5.1	AUDIT AND RISK COMMITTEE MEETING HELD ON 18 SEPTEMBER 2019	7
6.	TERMS OF REFERENCE	7
7.	AGENDA ITEMS.....	8
7.1	REVIEW OF 2018-19 INDEPENDENT AUDIT REPORT AND MANAGEMENT REPORTS.....	8
7.2	FRAUD AND CORRUPTION CONTROL PLAN.....	11
8.	CONFIDENTIAL MATTERS	15
8.1	CONFIDENTIAL ITEM - UPDATE ON WITTENOOM LITIGATION, WITTENOOM STEERING COMMITTEE, SENIOR COUNSEL LEGAL ADVICE AND ROEBOURNE - WITTENOOM ROAD	16
9.	NEXT MEETING	17
10.	CLOSURE OF MEETING	17

1. DECLARATION OF OPENING

Being the first meeting of the Audit and Risk Management Committee following a biennial election day, the Director assumed the role of Presiding Member until such time as a Presiding Member is elected.

The Director Corporate Services, Mr J Bingham declared the meeting open at 10.01 am.

Mr Bingham advised that a written nomination has been received from Cr P Foster. Mr Bingham then called for any further nominations from the floor, no further nominations were received.

Mr Bingham declared Cr P Foster elected as the Presiding Member for the Audit and Risk Management Committee for the term of 2 years ending in October 2021.

Cr P Foster completed his Declaration by Elected Member of Council for the Chairman of the Shire of Ashburton Audit and Risk Management Committee.

Cr P Foster assumed the Chair at 10.04 am.

1.1 ACKNOWLEDGEMENT OF COUNTRY

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders both past, present and emerging.

2. ATTENDANCE

2.1 PRESENT

Members:	Cr P Foster Cr K White Cr M Lynch Cr D Diver Cr L Rumble Cr M Gallanagh Cr R de Pledge Cr J Richardson	Tom Price Ward (Presiding Member) Onslow Ward Tom Price Ward Tom Price Ward Paraburdoo Ward Pannawonica Ward Ashburton Ward Tablelands Ward
Staff:	Mr S Deckert Mr. J Bingham Mr B Cameron Mr A McColl Mr G Garside Mrs. M Lewis Mrs K Cameron Ms J Smith	Acting Chief Executive Officer Director Corporate Services Director Property and Development Services Director Infrastructure Manager Finance and Administration Council Liaison Officer Governance Officer Executive Coordinator

Guests:	Nil
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.
Members of Media:	There were no members of the media in attendance at the commencement of the meeting.

2.2 APOLOGIES

Mrs S Johnston Acting Director Property and Development Services
Mrs J Fell Manager Land and Asset Compliance

2.3 APPROVED LEAVE OF ABSENCE

Cr D Dias Paraburdoo Ward

3. ANNOUNCEMENT OF VISITORS

Mr Travis Bate – Principal RSM Australia Geraldton,
Mr David Wall – Partner RSM Australia
Ms Efthalia Samaras – Director Financial Audit Office of Auditor General Perth
Phone call to the Audit and Risk Management Committee for Agenda Item 7.1.

4. DECLARATION BY MEMBERS

4.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA

All Councillors noted that they had given due consideration to all matters contained in the Agenda presently before the meeting.

4.2 DECLARATIONS OF INTEREST

Councillors to Note

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting that will be attended by the member must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting
Or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

NOTES ON DECLARING INTERESTS (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc.), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*, or
 - 6.2 Where the Minister allows the Councillor to participate under s.5.69 (3) of the *Local Government Act*, with or without conditions.

Declarations of Interest provided:

Item Number/ Name	Type of Interest	Nature/Extent of Interest
There are no Declarations of Interest for this meeting.		

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

5.1 AUDIT AND RISK COMMITTEE MEETING HELD ON 18 SEPTEMBER 2019

Committee Decision

MOVED: Cr K White

SECONDED: Cr M Lynch

That the Unconfirmed Minutes of the Audit and Risk Committee Meeting held on 18 September 2019 (ATTACHMENT 5.1) be confirmed as a true and accurate record.

CARRIED 8/0

Councillors White, Diver, Rumble, Foster, Lynch, Gallanagh, de Pledge and Richardson voted for the motion

6. TERMS OF REFERENCE

Audit and Risk Management Committee

Purpose

The Audit Committee's role in accordance with Regulation 15 of the *Local Government (Audit) Regulations 1995* is to provide assistance and guidance to Council on the discharge of its duties under Part 6 and 7 of the *Local Government Act 1995 (the Act)*. The Audit Committee assists Council to monitor the integrity of the Shire's financial statements, risk management, internal controls and compliance with legislative requirements.

Responsibilities

The Audit Committee is responsible for:

- 1.1 Guiding and assisting Council in carrying out its functions under:
 - (a) Part 6 of the Act and its functions relating to other audits and other matters related to financial management; and
 - (b) Part 7 of the Act in relating to auditing the Shire's financial accounts.
- 1.2 Reviewing the CEO's report required under regulation 17(3).
- 1.3 Monitoring and advising the CEO when the CEO is carrying out functions in relation to a review under:
 - (a) regulation 17 (1); and
 - (b) the *Local Government (Financial Management) Regulations 1996*, regulation 5(2)(c).
- 1.4 Support the Auditor conducting an audit and carrying out the Auditor's other duties under the Act.
- 1.5 Oversee the implementation of any action that Council
 - (a) is required to take, has stated it has taken or intends to take in respect to matters raised by the audit report;
 - (b) has accepted should be taken on receipt of the CEO's report of a review under regulation 17(1); and

- (c) has accepted should be taken on receipt of the CEO's report under regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.
- 1.6 The Audit Committee's duties include;
- (a) considering the Auditor's interim audit of the Shire's accounting and internal control procedures for the financial year;
 - (b) reviewing the audited financial report for the previous financial year;
 - (c) reviewing the interim and final audit reports for the financial year;
 - (d) reviewing the annual Compliance Audit Return;
 - (e) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's systems and procedures regarding risk management, internal controls and legislative compliance;
 - (f) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's financial management systems and procedures; and
 - (g) considering the proposed timeline for Council to adopt the budget and the ten-year financial plan for the following financial year; and providing a report to council on those matters

7. AGENDA ITEMS

Mr Travis Bate – Principal RSM Australia Geraldton,
 Mr David Wall – Partner RSM Australia
 Ms Efthalia Samaras – Director Financial Audit Office of Auditor General Perth

Called into the meeting by telephone at 10.11 am to discuss the Audit Closing Report in relation to agenda item 7.1.

7.1 REVIEW OF 2018-19 INDEPENDENT AUDIT REPORT AND MANAGEMENT REPORTS

MINUTE: 687/2019–717/2019

FILE REFERENCE:	FM09
AUTHOR'S NAME AND POSITION:	John Bingham Director Corporate Services
AUTHORISING OFFICER AND POSITION:	Steve Deckert Acting Chief Executive Officer
NAME OF APPLICANT/RESPONDENT:	Not Applicable
DATE REPORT WRITTEN:	20 November 2019
DISCLOSURE OF FINANCIAL INTEREST:	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.
PREVIOUS MEETING REFERENCE:	Not Applicable

Summary

The Auditors conducted the Annual Financial Audit for 2018/19 during October and November 2019. This report discusses the outcomes of the Audit including the Independent Auditors Report and Management letter.

Background

This year the Office of the Auditor General (OAG) was appointed as Councils auditor in accordance with the provisions of the *Local Government Amendment (Auditing) Act 2017*. Further to this appointment in February 2019 the OAG went to tender and advised RSM Australia would be the Shires external auditors for 2018/19.

RSM completed their fieldwork during a visit to Tom Price in late September. At a de-brief meeting prior to departure the Auditors confirmed there were no compliance issues nor detected any occurrences of fraud in relation to the *Local Government Act 1995* ("the Act") and the *Local Government (Financial Management) Regulations 2011* ("the Financial Regulations").

A list of outstanding information required by the Auditors plus completion of work papers by Finance Officers was finalised in December resulting in the Financial Report for the year ended 30 June 2019 being completed in the week ending 13 December 2019.

Comment

This year the audit process has been more extensive than prior years and as a result extra time and resources have been put to the task to meet audit requirements. The Finance team are to be acknowledged for their extra efforts and commitment.

As of date of writing please note the following:

On Friday 6 December, Mr. Travis Bate (Principal at RSM Auditors) confirmed the Shire's audit file was scheduled for review with Mr. David Wall (Partner at RSM) on Wednesday 11 December. After this the file is to be sent to the Office of Auditor General on Thursday 12 December for another review.

The Shire will then be issued with the following documents for our Audit Exit Meeting on Friday 13 December:

1. Exit Meeting Report
2. Audit Closing Report
3. Annexure A – Final Audit Management Letter points.

Please note it is these documents will be provided under separate cover and will form the basis of discussion at the Audit and Risk Committee Meeting on Tuesday 17 December in Onslow.

ATTACHMENT 7.1A (as tabled at this meeting)
ATTACHMENT 7.1B (as tabled at this meeting)

The Annual Financial Report includes a Statement of Financial Position as at 30 June 2019, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash-flows and a Statement of Rate Setting Statement for the year ended 30 June 2019 inclusive of accounting policies and other explanatory notes and statements.

The 2018/19 Annual Financial Statements are presented in **ATTACHMENT 7.1C (as tabled at this meeting)**.

The Audit and Risk Committee will be provided the opportunity to meet and discuss the Audit Report and Management Reports with the Auditor at the meeting.

Consultation

Executive Management Team
Finance Team and Manager
RSM Australia (Auditor)

Statutory Environment

The Shire is required to prepare an Annual Report for each financial year in accordance with Part 5 Division 5 of *the Act*. The Report is to be accepted no later than 31 December by an absolute majority in accordance with section 5.54 of *the Act*. Section 7.12 of the *Act* also applies:

7.12A. Duties of local government with respect to audits

- (1) *A local government is to do everything in its power to —*
 - (a) *assist the auditor of the local government to conduct an audit and carry out his or her other duties under this Act in respect of the local government; and*
 - (b) *ensure that audits are conducted successfully and expeditiously.*
- (2) *Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
- (3) *A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to —*
 - (a) *determine if any matters raised by the report, or reports, require action to be taken by the local government; and*
 - (b) *ensure that appropriate action is taken in respect of those matters.*
- (4) *A local government is to —*
 - (a) *prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and*
 - (b) *forward a copy of that report to the Minister, by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time*

Financial Implications

Outcomes of the Report will influence the current Budget as well as the Long Term Financial Plan.

Strategic Implications

Shire of Ashburton 10 Year Strategic Community Plan 2017-2027 (Desktop Review 2019)

Goal 5 Inspiring Governance
Objective 3 Council leadership

Risk Management

Adoption of this item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered to be "Low" and can be managed by routine procedures, and is unlikely to need specific application of resources.

Policy Implications

There are no known policy implications for this matter.

Voting Requirement

Simple Majority Required

Phone call with Auditors was briefly interrupted at 10.25 am. Back online at 10.28 am and completed call at 10.32 am.

Officers Recommendation and Committee Decision

MOVED: Cr D Diver

SECONDED: Cr M Lynch

That with respect to the 2018-19 Audit:

- 1. Note the presentation by the Auditor to the Committee; and**
- 2. Acknowledge and receive the Audit Closing Report for 2019.**

CARRIED 8/0

Councillors White, Diver, Rumble, Foster, Lynch, Gallanagh, de Pledge and Richardson voted for the motion

7.2 FRAUD AND CORRUPTION CONTROL PLAN

MINUTE: 688/2019 **718/2019**

FILE REFERENCE:

FM09

AUTHOR'S NAME AND POSITION:

John Bingham
Director Corporate Services

AUTHORISING OFFICER AND POSITION:

Steve Deckert
Acting Chief Executive Officer

NAME OF APPLICANT/RESPONDENT:

Not Applicable

DATE REPORT WRITTEN:

3 December 2019

DISCLOSURE OF FINANCIAL INTEREST:

The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

PREVIOUS MEETING REFERENCE:

Not Applicable

Summary

The Shire of Ashburton is required to have a Fraud and Corruption Control Plan according to *section 7.12A of the Local Government Act 1995*. This report recommends Committee acknowledge the Office of Auditor General's findings in relation to controlling the Shires fraud risks and adopts the Fraud and Corruption Control Plan to help further control those risks.

Background

As a result of a high profile investigation into fraud in the public sector by the Western Australian Corruption and Crime Commission (CCC), in particular local government entities, the Office of the Auditor General (OAG) has recommended that in line with better practice, all entities should ensure they implement a coordinated approach to manage their fraud risks.

Comment

In August 2019 the OAG conducted an audit to review the systems that entities had in place to manage fraud risks. The result of the sector wide questionnaire was local governments can do more to prevent fraud.

ATTACHMENT 7.2A

Specifically organisations should:

- a. assess fraud risks across their business;
- b. develop a Fraud and Corruption Control Plan and review it at least once every two years;
- c. develop and implement a periodic fraud awareness training program for all staff;
- d. ensure that all conflicts of interest are recorded, assessed and appropriate management plans are in place;
- e. have policies and procedures in place to verify the identity and integrity of employees and suppliers;
- f. document clear internal processes and systems to report any potential fraud, that include anonymous reporting; and
- g. collect and analyse information received about potential fraud to identify any trends or emerging issues.

The Shire currently controls fraud risks in accordance with the requirements of its legislated responsibilities:

<u>Legislation</u>	Fraud related requirements
Local Government Act 1995	<ul style="list-style-type: none"> • Disqualifies individuals from becoming elected members due to insolvency, criminal convictions, or misapplication of funds • Councillor must believe that a person is suitably qualified for the position of CEO, and CEO's must believe that staff are suitably qualified for their positions • All employees must be selected in accordance with the principles of merit and equity • Mandates a general need for good government and the creation of Code of Conduct. • Council members, the CEO and designated staff members must disclose financial interests • Employees must disclose any interests when they are advising or reporting to council • An audit committee must be form Sets out penalties for improper use of information • Sets out penalties for improper use of information
Local Government(Rules of conduct) Regulations 2007	<ul style="list-style-type: none"> • Requires council to act ethically, be open and accountable • Forbids council members from influencing employees or using their office for personal advantage • Council members must declare any interests in matters being discussed at council or audit committee meetings • Sets out restrictions von gifts and travel contributions to councillors and requirements for records to be kept
Local Government (Financial Management) Regulations 1996	<ul style="list-style-type: none"> • CEO's are to establish efficient systems and procedures for collection and custody of money owing to the entity
Local Government(Audit) Regulations 1996	<ul style="list-style-type: none"> • Describes the function of the audit committee • Regulations 17 requires a CEO to review appropriateness and effectiveness of systems and procedures relating to risk management, internal control and legislative compliance. This is then reported top the audit committee
Local Government (Administration) Regulations 1996	<ul style="list-style-type: none"> • Sets out information on disclosure of financial interests • Provides detailed information on what value of gifts must be reported and which are prohibited • Requires a register of gifts to be publicly accessible • Requires Codes of Conduct to contain information on gifts, travel contributions and disclosure interests

The Shire also conducts external audits which ‘*provide reasonable assurance about whether the annual financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.*’

A Fraud and Corruption Control Plan will further assist the Shire commit to the prevention, deterrence, monitoring and investigation of all forms of fraud and corruption.

The Plan is attached for review and recommendation by the Committee to Council.

ATTACHMENT 7.2B

Consultation

Executive Management Team
Office of Auditor General

Statutory Environment

Under section 7.12A of the *Local Government Act 1995*, all audited entities are required to prepare an action plan addressing significant matters relevant to their entity for submission to the Minister for Local Government within three months of the OAG August 2019 report (**ATTACHMENT 7.2A**) being tabled in Parliament and for publication on the entity’s website. This action plan should address the points above in a) to g), to the extent that they are relevant to their entity.

Financial Implications

There are no direct financial implications related to this matter.

Strategic Implications

Shire of Ashburton 10 Year Strategic Community Plan 2017-2027 (Desktop Review 2019)

Goal 5 Inspiring Governance
Objective 1 Effective planning for the future

Risk Management

Adoption of this item has been evaluated against the Shire of Ashburton’s Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered to be “Low” and can be managed by routine procedures, and is unlikely to need specific application of resources.

Policy Implications

The *Public Interest Disclosure Act 2003* (PID Act) requires Council to establish a written policy and procedure for handling of any protected disclosures.

Voting Requirement

Simple Majority Required

Officers Recommendation and Committee Decision

MOVED: Cr K White

SECONDED: Cr M Lynch

That with respect to the Draft Fraud and Corruption Control Plan, the Audit and Risk Committee recommend Council adopt the plan. As appended attachment 7.2B.

CARRIED 8/0

**Councillors White, Diver, Rumble, Foster, Lynch, Gallanagh, de Pledge and Richardson
voted for the motion**

8. CONFIDENTIAL MATTERS

Under the Local Government Act 1995, Part 5, and Section 5.23, states in part:

2. If a meeting is being held by a Council or by a committee referred to in subsection (2)(b), the Council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following:

- (a) a matter affecting an employee or employees;**
- (b) the personal affairs of any person;**
- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;**
- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;**
- (e) a matter that if disclosed, would reveal:**
 - (I) a trade secret;**
 - (II) information that has a commercial value to a person; or**
 - (III) information about the business, professional, commercial or financial affairs of a person.**

Where the trade secret or information is held by, or is about, a person other than the local government.

- (f) a matter that if disclosed, could be reasonably expected to:**
 - (I) Impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;**
 - (II) Endanger the security of the local government's property; or**
 - (III) Prejudice the maintenance or enforcement of any lawful measure for protecting public safety.**
- (g) information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1981; and**
- (h) such other matters as may be prescribed.**

Committee Decision**MOVED: Cr D Diver****SECONDED: Cr L Rumble**

That the Committee move behind closed doors at 10.40 am to consider the following Confidential Items.

18.1 CONFIDENTIAL ITEM - UPDATE ON WITTENOOM LITIGATION, WITTENOOM STEERING COMMITTEE, SENIOR COUNSEL LEGAL ADVICE AND ROEBOURNE - WITTENOOM ROAD

pursuant to sub section 5.23 (2) (d) of the *Local Government Act 1995* which provides:

- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting.

CARRIED 8/0
Councillor White, Diver, Rumble, Lynch, Foster, Gallanagh, de Pledge and Richardson voted for the motion

8.1 CONFIDENTIAL ITEM - UPDATE ON WITTENOOM LITIGATION, WITTENOOM STEERING COMMITTEE, SENIOR COUNSEL LEGAL ADVICE AND ROEBOURNE - WITTENOOM ROAD

MINUTE: ~~689/2019~~ **719/2019**

FILE REFERENCE: LS34

AUTHOR'S NAME AND POSITION: Keith Pearson
Special Projects Advisor

Janyce Smith
Executive Officer

AUTHORISING OFFICER AND POSITION: Steven Deckert
Acting Chief Executive Officer

NAME OF APPLICANT/RESPONDENT: Not Applicable

DATE REPORT WRITTEN: 4 December 2019

DISCLOSURE OF FINANCIAL INTEREST: The authors and the authorising officer have no financial proximity or impartiality interests in the proposal.

PREVIOUS MEETING REFERENCE: Confidential Agenda Item 8.1 (Minute No 631/2019) – Audit and Risk Committee Meeting 18 September 2019

Confidential Agenda 18.2 (Minute No. 687/2019)
Ordinary Meeting of Council 22 October 2019

REASON FOR CONFIDENTIALITY

The Acting Chief Executive Officer's Report is confidential in accordance with s5.23 (2) *the Local Government Act 1995* because it deals with matters affecting s5.23 (2):

- (b) *the personal affairs of any person;*
- (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting.*

Committee Decision 2 - Public

Moved Cr D Diver

Seconded: Cr K White

That with respect to the Confidential Item – Update on Wittenoom Litigation, Wittenoom Steering Committee, Senior Counsel Legal Advice and Roebourne - Wittenoom Road, the Audit and Risk Committee recommend Council:

- 1. Receive the Confidential Item – Update on Wittenoom Litigation, Senior Council Report Roebourne - Wittenoom Road and Wittenoom Steering Committee Report (CONFIDENTIAL ATTACHMENTS 8.1A, 8.1B and 8.1C) and remain confidential in accordance s5.23 (2)(b) & (d) of the Local Government Act 1995; and**
- 2. Ensure that the Shire management continue to provide Wittenoom related reports to the Audit and Risk Management Committee; and**
- 3. Adopt the recommendation contained in the officer's confidential memo dated 15 December 2019, tabled in this agenda item.**

CARRIED 8/0

Councillors White, Diver, Rumble, Foster, Lynch, Gallanagh, de Pledge and Richardson voted for the motion

Committee Decision

MOVED: Cr D Diver

SECONDED: Cr M Lynch

That Council re-open the meeting to the public at 11.12 am.

CARRIED 8/0

Councillor White, Diver, Rumble, Foster, Gallanagh, Lynch, de Pledge and Richardson voted for the motion

On re-opening of the meeting, the Presiding Member noted that there were no members of the public present and did not read aloud the decisions made behind closed doors.

9. NEXT MEETING

The next Audit and Risk Committee Meeting will be held on 10 March 2020 at the Council Chambers, Onslow Shire Complex, Onslow at a time to be advised.

10. CLOSURE OF MEETING

The Presiding Member closed the meeting at 11.12 am.



Department of
**Local Government, Sport
and Cultural Industries**

Ashburton - Compliance Audit Return 2019

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2019?	Yes		KATHY CAMERON
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2019?	N/A		KATHY CAMERON
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2019?	N/A		KATHY CAMERON
4	s3.59(4)	Has the local government complied with public notice and publishing requirements of each proposal to commence a major trading undertaking or enter into a major land transaction for 2019?	N/A		KATHY CAMERON
5	s3.59(5)	Did the Council, during 2019, resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		KATHY CAMERON



Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority?	Yes	ORDINARY MEETING OF COUNCIL 22 OCTOBER 2019	KATHY CAMERON
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	N/A		KATHY CAMERON
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	Yes		KATHY CAMERON
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	N/A		KATHY CAMERON
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	Yes	ORDINARY MEETING OF COUNCIL 22 OCTOBER 2019	KATHY CAMERON
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act?	Yes		KATHY CAMERON
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes	ORDINARY MEETING OF COUNCIL 22 OCTOBER 2019	KATHY CAMERON
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	No	TO BE RECTIFIED IN 2020	KATHY CAMERON
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		KATHY CAMERON
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	ORDINARY MEETING OF COUNCIL 22 OCTOBER 2019	KATHY CAMERON
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes		KATHY CAMERON
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2018/2019 financial year?	Yes		kathy cameron
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required?	Yes		KATHY CAMERON

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)?	Yes		KATHY CAMERON



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings?	Yes		KATHY CAMERON
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made?	Yes		KATHY CAMERON
4	s5.73	Where the CEO had an interest relating to a gift under section 5.71A(1), was written notice given to the Council?	N/A		KATHY CAMERON
5	s5.73	Where the CEO had an interest relating to a gift in a matter in respect of a report another employee is providing advice on under section 5.71A (3), was the nature of interest disclosed when the advice or report was provided?	N/A		KATHY CAMERON
6	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day?	Yes		KATHY CAMERON
7	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day?	Yes		KATHY CAMERON
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes		KATHY CAMERON
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes		KATHY CAMERON
10	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return?	Yes		KATHY CAMERON
11	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76?	Yes		KATHY CAMERON
12	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28?	Yes		KATHY CAMERON
13	s5.89A Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under section 5.71A, in the form prescribed in Administration Regulation 28A?	Yes		KATHY CAMERON
14	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76?	Yes		KATHY CAMERON



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
15	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee?	Yes		KATHY CAMERON
16	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes?	Yes		KATHY CAMERON
17	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report?	Yes		KATHY CAMERON
18	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee?	Yes		KATHY CAMERON
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes		KATHY CAMERON

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))?	N/A		kathy cameron
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A		kathy cameron



Department of
**Local Government, Sport
and Cultural Industries**

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1) (2)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates?	N/A		KATHY CAMERON
2	Elect Reg 30G(3) & (4)	Did the CEO remove any 'disclosure of gifts' forms relating to an unsuccessful candidate or a successful candidate that completed the term of office from the electoral gift register, and retain those forms separately for a period of at least 2 years?	N/A		KATHY CAMERON

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Item 11.4 Ordinary Meeting of Council on 22 October 2019.	KATHY CAMERON
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	The Audit Committee does not have any delegated authority.	KATHY CAMERON
3	s7.3(1)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor, a registered company auditor?	N/A	Shire audit contract expired at 30 June 2018	KATHY CAMERON
4	s7.3(1), 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council?	N/A	Following amendment of the Local Government Act 1995 the State Auditor General is now the auditor for the Shire	KATHY CAMERON
5	Audit Reg 10	Was the Auditor's report(s) for the financial year(s) ended 30 June received by the local government within 30 days of completion of the audit?	Yes	Final report received from OAG on 20 December 2019. Accepted by Council 11 February 2020	KATHY CAMERON
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2019 received by the local government by 31 December 2019?	Yes	Draft Audit Closing Report was received by the Audit Committee on 17 December 2019. Final report was emailed to the Shire on 20 December 2019; and accepted by Council at 11 February meeting (in accordance with section 5.54(2))	KATHY CAMERON



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government, ensure that appropriate action was undertaken in respect of those matters?	Yes	To be confirmed by auditors as 2020 Interim Audit (April or May)	KATHY CAMERON
8	S7.12A (4)	Where the auditor identified matters as significant in the auditor's report (prepared under s7.9(1) of the Act), did the local government prepare a report stating what action had been taken or it intended to take with respect to each of the matters and give a copy to the Minister within 3 months after receipt of the audit report?	N/A		KATHY CAMERON
9	S7.12A (5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A		KATHY CAMERON
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	Yes		KATHY CAMERON
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	Yes	Included in signed agreement (dated 12/03/2019)	KATHY CAMERON
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	Yes	Included in signed agreement (dated 12/03/2019)	KATHY CAMERON
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor?	Yes	Included in signed agreement (dated 12/03/2019)	KATHY CAMERON
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor?	Yes	Included in signed agreement (dated 12/03/2019)	KATHY CAMERON



Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	Adopted OCM 18 June 2018 minute number 391/2018	kathy cameron
2	s5.56 Admin Reg 19DA (4)	Has the local government reviewed the Corporate Business Plan in the 2018-2019 Financial Year. If Yes, please provide date of Council meeting the review was adopted at?	Yes	reviewed 18 June 2019	KATHY CAMERON
3	s5.56 Admin Reg 19C	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	adopted OCM 14 March 2017 minute number 123/2017	kathy cameron
4	s5.56 Admin Reg 19C (4)	Has the local government reviewed the current Strategic Community Plan. If Yes, please provide date of most recent review by Council in Comments. Note: If the current Strategic Community Plan was adopted after 1/1/2016, please respond N/A and provide adoption date in Comments?	Yes	reviewed 18 June 2019	kathy cameron
5	S5.56 Admin Reg 19DA (3)	Has the local government developed an Asset Management Plan(s) that covers all asset classes. If Yes, please provide the date of the most recent Plan adopted by Council in Comments?	Yes	Asset management Strategy adopted by council Sept 2017 OCM	kathy cameron
6	S5.56 Admin Reg 19DA (3)	Has the local government developed a Long Term Financial Plan. If Yes, please provide the adoption date of the most recent Plan in Comments?	Yes	adopted OCM 20 June 2017	kathy cameron
7	S5.56 Admin Reg 19DA (3)	Has the local government developed a Workforce Plan. If Yes, please provide adoption date of the most recent Plan in comments?	Yes	completed in July 2017 but never adopted by council, new plan being developed for adoption by council by December 2020	KATHY CAMERON



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A		KATHY CAMERON
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A?	Yes		KATHY CAMERON
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4)?	N/A		KATHY CAMERON
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)?	N/A		KATHY CAMERON
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	Yes		KATHY CAMERON



Department of
**Local Government, Sport
and Cultural Industries**

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer?	N/A	CEO is the complaints officer	kathy cameron
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)?	Yes	Register is in GV03.01	KATHY CAMERON
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made?	Yes	GV03.01	kathy cameron
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint?	Yes	GV03.01	kathy cameron
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred?	Yes	GV03.01	kathy cameron
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)?	Yes	GV03.01	kathy cameron



Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Local Government (Financial Management) Regulation 5 (2)(c) within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	Yes	June/ July 2019	kathy cameron
2	Audit Reg 17	Did the CEO review 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 Local Government (Audit) Regulation 17 within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	No	CEO change over, to be reviewed by March 2020	kathy cameron
3	Financial Management Reg 5A.	Did the local government provide AASB 124 related party information in its annual report(s) tabled at an electors meeting(s) during calendar year 2019?	Yes	Related Party Disclosure	kathy cameron
4	S6.4(3)	Did the local government submit to its auditor by 30 September 2019 the balanced accounts and annual financial report for the year ending 30 June 2019?	Yes		kathy cameron

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))?	No	Contract extension resulted in \$150,000.00 threshold being extended. Action taken to ensure future extensions don't exceed.	KATHY CAMERON
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract?	Yes	No multiple contracts noted for the avoidance of having to tender	kathy cameron
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	Yes	Documented in Synergy under relevant Tender file. With the exception of tenders via WALGA pre-qualified panels (WALGA eQuotes)	kathy cameron



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16?	Yes	Advertising documents in the Tender Register	kathy cameron
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation?	Yes	Addendum/s issued via Tenderlink portal- this allows for everyone to be notified who sort the Tender document.	kathy cameron
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16?	Yes	Internal procedure complies and followed and signed off on the CEO 101 form for all tender openings.	kathy cameron
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender?	N/A	No late tenders were accepted	KATHY CAMERON
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria?	Yes	yes formal written evaluation completed using the Criteria in FIN12 and presented to council.	kathy cameron
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection?	Yes	Hard copy Tender register located in Procurement Office and complied with Reg 17.	kathy cameron
10	F&G Reg 19	Did the CEO give each tenderer written notice advising particulars of the successful tender or advising that no tender was accepted?	Yes	All tenders notified of the tender outcome via email. Relevant emails saved in each tender folder in Synergy.	kathy cameron
11	F&G Reg 21 & 22	Did the local governments advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22?	Yes		KATHY CAMERON
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice?	Yes	EOI 1219 Late submission rejected.	kathy cameron
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services?	Yes	EOI 12.19	kathy cameron
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest, a notice in writing in accordance with Functions & General Regulation 24?	N/A		KATHY CAMERON
15	F&G Reg 24AC (1) & (2)	Has the local government established a policy on procurement of goods and services from pre-qualified suppliers in accordance with the regulations?	Yes	FIN 12	kathy cameron



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	N/A	No panel invitations conducted in 2019	kathy cameron
17	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE?	N/A	No panel invitations conducted in 2019	kathy cameron
18	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application?	Yes	Internal procedure complies - None completed in 2019	kathy cameron
19	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, given notice of the variation?	N/A		KATHY CAMERON
20	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications?	N/A		KATHY CAMERON
21	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application(s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria?	N/A		KATHY CAMERON
22	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG?	N/A		KATHY CAMERON
23	F&G Reg 24AI	Did the CEO send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted?	N/A		KATHY CAMERON
24	F&G Reg 24E	Where the local government gave a regional price preference, did the local government comply with the requirements of F&G Reg 24E including the preparation of a regional price preference policy?	Yes	FIN 12 Policy already adopted by Council	kathy cameron
25	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy?	Yes	FIN 12 Policy already adopted by Council	kathy cameron



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
26	F&G Reg 11A	Does the local government have a current purchasing policy that comply with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less?	Yes	FIN 12	kathy cameron
27	F&G Reg 11A	Did the local government comply with it's current purchasing policy in relation to the supply of goods or services where the consideration under the contract is, or is expected to be \$150,000 or less or worth \$150,000 or less?	No	Requires assistance from the EMT's for an 'action' as currently nothing is in place for policy breaches	kathy cameron

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Ashburton

Signed CEO, Ashburton