



Audit and Risk Committee Meeting

Wednesday 17 March 2021
Commencing at 5.30pm

Held at the Council Chambers, 6177 Great Northern Highway, Bindoon



Membership

The committee shall consist of all elected members. All members shall have full voting rights.

The Chief Executive Officer and employees are not members of the committee.

The Chief Executive Officer and Executive Manager Corporate Services (or their nominee) is to attend all meetings to provide advice and guidance to the committee.

The local government shall provide secretarial and administrative support to the committee.

Functions of an Audit Committee

As per the *Local Government (Audit) Regulations 1996 Section 16*, an audit committee has the following functions —

- (a) to guide and assist the local government in carrying out —
 - (i) its functions under Part 6 of the Act; and
 - (ii) its functions relating to other audits and other matters related to financial management;
- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;
- (c) to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
 - (i) report to the council the results of that review; and
 - (ii) give a copy of the CEO's report to the council;
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
 - (i) regulation 17(1); and
 - (ii) the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
- (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - (iv) has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (g) to perform any other function conferred on the audit committee by these regulations or another written law.

[Regulation 16 inserted: Gazette 26 Jun 2018 p. 2386-7.]

Delegated Authority

Nil

PUBLIC QUESTION TIME

1. Time Permitted

A minimum of 15 minutes is permitted for Public Question Time at Committee Meetings. If there are not sufficient questions to fill the allocated time, the Presiding Member will move to the next item. If there are more questions to be considered within 15 minutes, the Presiding Member will determine whether to extend Public Question Time. Each person seeking to ask questions during Public Question Time may address the Committee for a maximum of two minutes each.

2. Protocol

No member of the public may interrupt the Committee Meeting proceedings or enter into conversation.

Members of the public wishing to participate in Public Question Time at the Committee Meeting who wish to submit written questions, are requested to lodge them with the Chief Executive Officer the Tuesday by **5pm on the day before the meeting**

The Presiding Member will control Public Question time and ensure that each person wishing to ask a question is given a fair and equal opportunity to do so. Members of the public wishing to ask a question must state his or her name and address before asking a question. If the question relates to an item of the Agenda, the item number and title should be stated.

3. General Rules

The following general rules apply to Public Question Time:

- Public Questions should only relate to the business of the local government and should not be a personal statement or opinion.
- Only questions relating to matters affecting the local government will be considered at a Committee Meeting.
- Questions may be take on notice and responded to after the meeting.
- Questions may not be directed to specific Committee Members or a Shire employee.
- Questions are not to be framed in such a way as to reflect adversely on a particular Committee Member or Shire employee.
- First priority will be given to persons who have submitted their questions in writing.
- Second priority will be given to persons who are asking questions relating to items on the current Committee Meeting Agenda.

During the meeting, no member of the public may interrupt the meetings proceedings or enter into conversation.

Members of the public shall ensure that their mobile telephone and/or audible pager is not switched on or used during any meeting of the Committee.

Members of the public are hereby advised that use of any electronic, visual or audio recording device or instrument to record proceedings of the Committee is not permitted without the permission of the Presiding Member.



Notice is hereby given that the next Audit and Risk Committee meeting of the **Shire of Chittering** will be held on **Wednesday 17 March 2020** in the Council Chambers, Bindoon commencing at **5.30pm**.

MATTHEW GILFELLON
Chief Executive Officer
11 March 2021

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* indicates separate attachments

Good evening Councillors, staff, ladies and gentlemen, we wish to acknowledge the traditional custodians of the land we are meeting on, the Yued people. We would like to pay respect to the Elders of the Nyoongar nation, past and present, who have walked and cared for the land, we acknowledge and respect their continuing culture, and the contributions made to this region.

1. DECLARATION OF OPENING OF MEETING / ANNOUNCEMENTS OF VISITORS

2. RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE / ANNOUNCEMENTS

2.1 Attendance

Cr Kylie Hughes	Chairperson
Cr Carmel Ross	
Cr Peter Osborn	
Cr Mary Angus	
Cr John Curtis	

Matthew Gilfellon	Chief Executive Officer
Melinda Prinsloo	Executive Manager Corporate Services

2.2 Apologies

2.3 Approved leave of absence

3. DISCLOSURE OF INTEREST

Members of the Committee are bound by the provisions of the Local Government Act 1995, Section 5.65 with respect to disclosure of financial, impartiality or proximity interests.

4. PUBLIC QUESTION TIME

4.1 Response to previous public questions taken on notice

Nil

4.2 Public question time

Meetings shall be generally open to the public pursuant to the Local Government Act 1995, s5.23 and include question time for members of the pursuant to the Local Government Act 1995, s5.24.

5. CONFIRMATION OF MINUTES: 11 March 2020

5.1 OFFICER RECOMMENDATION

That the minutes of the Audit and Risk Committee Meeting held on Wednesday 11 March 2020 be confirmed as a true and correct record of proceedings.

6. PURPOSE OF MEETING

6.1 Local Government Compliance Audit Return for 2020

Applicant	Shire of Chittering
File ref	04/02/0002
Prepared by	Support Officer Governance
Supervised by	Chief Executive Officer
Voting requirements	Simple Majority
Attachments	1. Compliance Audit Return for 2020

Executive Summary

The Audit Committee is requested to review the Compliance Audit Return for 2020 and present to Council for adoption prior to 31 March 2021.

Background

Each local government is to carry out a Compliance Audit for the period 1 January to 31 December against certain requirements included within a Compliance Audit Return (CAR) provided by the Department of Local Government. The CAR, once completed, is to be presented to the Audit Committee and then a report is to be presented to Council for adoption of the return. A copy of the completed CAR is included as **Attachment 1**.

Consultation/Communication Implications

Local

Chief Executive Officer
Executive Manager Technical Services

State

Nil

Legislative Implications

State

Local Government Act 1995
Local Government (Functions and General) Regulations
Local Government (Administration) Regulations
Local Government (Rules of Conduct) Regulations
Local Government (Elections) Regulations
Local Government (Audit) Regulations

Local

Nil

Policy Implications

State

Nil

Local

Nil

Financial Implications

Nil

Strategic Implications

Local

Nil

State

Nil

Site Inspection

Not applicable

Triple Bottom Line Assessment

Economic implications

There are no known significant economic implications associated with this proposal.

Social implications

There are no known significant social implications associated with this proposal.

Environmental implications

There are no known significant environmental implications associated with this proposal.

Officer Comment/Details

The CAR for the 2020 calendar year has been completed by the Support Officer Governance. It is recommended that the Audit Committee review the CAR and recommend to Council that the CAR be adopted by Council at the next Ordinary meeting to be held on 17 March 2021.

OFFICER / COMMITTEE RECOMMENDATION

That the Audit Committee reviews the Local Government Compliance Audit Return for the period 1 January 2020 to 31 December 2020 and presents to Council for adoption at the Ordinary Meeting of Council on 17 March 2021.

Attachment 1

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

Chittering - Compliance Audit Return 2020

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 the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Reas 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Michelle Nagel
2	s3.59(2)(b) F&G Reas 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Michelle Nagel
3	s3.59(2)(c) F&G Reas 7,8,10	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 2020?	N/A		Michelle Nagel
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A		Michelle Nagel
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A		Michelle Nagel
2	s5.16	Were all delegations to committees in writing?	N/A		Michelle Nagel
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Michelle Nagel
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Michelle Nagel
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	N/A		Michelle Nagel
6	s5.42(1) & s5.43 Admin Req 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Michelle Nagel
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Michelle Nagel
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Michelle Nagel
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Michelle Nagel
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Michelle Nagel
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Michelle Nagel
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes		Michelle Nagel
13	s5.46(3) Admin Req 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Req 19?	Yes		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	No	Cr John Davis did not leave the November 2020 meeting - however he resigned at a later point in the meeting	Michelle Nagel
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	Yes		Michelle Nagel
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Michelle Nagel
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Michelle Nagel
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Michelle Nagel
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Michelle Nagel
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Michelle Nagel
8	s5.88(1) & (2)(b) 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, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Michelle Nagel
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Michelle Nagel
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Michelle Nagel
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Michelle Nagel
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Michelle Nagel
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the	Yes		Michelle Nagel

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		CEO remove from the register all records relating to that person?		
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	Michelle Nagel
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes	Michelle Nagel
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11(2) was the nature of the interest recorded in the minutes?	Yes	Michelle Nagel
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	Michelle Nagel
18	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	Michelle Nagel
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A	Michelle Nagel
20	s5.103 Admin Reg 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Reg 34B and 34C to be observed by council members, committee members and employees?	Yes	Michelle Nagel
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes	Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 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 donors 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 forms relating to each candidate?	Yes		Michelle Nagel
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	Yes		Michelle Nagel
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A		Michelle Nagel

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Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	N/A		Michelle Nagel
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		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 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 donors 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 forms relating to each candidate?	Yes		Michelle Nagel
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	Yes		Michelle Nagel
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A		Michelle Nagel

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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		Michelle Nagel
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes		Michelle Nagel
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	Yes		Michelle Nagel
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	Yes		Michelle Nagel
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	No	Auditors wrote to DLG informing them of this	Michelle Nagel
6	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		Michelle Nagel
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	Yes		Michelle Nagel
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	Yes		Michelle Nagel
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?	Yes		Michelle Nagel
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	Yes		Michelle Nagel
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted: 21 June 2017 Reviewed: 15 July 2020	Michelle Nagel
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted: 21 June 2017 Reviewed: 15 July 2020	Michelle Nagel
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A		Michelle Nagel
2	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	Yes		Michelle Nagel
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Michelle Nagel
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	Yes		Michelle Nagel
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A		Michelle Nagel
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Michelle Nagel

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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes		Michelle Nagel
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes		Michelle Nagel
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2)?	Yes		Michelle Nagel
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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 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.	No	Due to COVID-19 the review was delayed - which moved it outside of the 3 year period. This was via a Council Resolution - April 2020 - Resolution 070420.	Michelle Nagel
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 Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	No	Due to COVID-19 the review was delayed - which moved it outside of the 3 year period. This was via a Council Resolution - April 2020 - Resolution 070420.	Michelle Nagel
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	Yes		Michelle Nagel
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	Yes		Michelle Nagel
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes		Michelle Nagel
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes		Michelle Nagel
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes		Michelle Nagel
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes		Michelle Nagel
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes		Michelle Nagel
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	Yes		Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies 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, \$250,000 or less or worth \$250,000 or less?	Yes		Michelle Nagel
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Michelle Nagel
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all 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 F&G Reg 11(1)?	Yes		Michelle Nagel
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Michelle Nagel
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	Yes		Michelle Nagel
6	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		Michelle Nagel
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Michelle Nagel
8	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 and publish it on the local government's official website?	N/A	No requests for Tender were made in the past year	Michelle Nagel
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A	No requests for Tender were made in the past year	Michelle Nagel
10	F&G Reg 18(4)	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?	N/A	No requests for Tender were made in the past year	Michelle Nagel

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	N/A	No requests for Tender were made in the past year	Michelle Nagel
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A	No requests for Tender were made in the past year	Michelle Nagel
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	No requests for Tender were made in the past year	Michelle Nagel
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A	No requests for Tender were made in the past year	Michelle Nagel
15	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 as an acceptable tenderer?	N/A	No requests for Tender were made in the past year	Michelle Nagel
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A	No requests for Tender were made in the past year	Michelle Nagel
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Regs 24AD(4) and 24AE?	N/A	No requests for Tender were made in the past year	Michelle Nagel
18	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 notice of the variation?	N/A	No requests for Tender were made in the past year	Michelle Nagel
19	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 pre-qualified supplier panel application?	N/A	No requests for Tender were made in the past year	Michelle Nagel
20	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	No requests for Tender were made in the past year	Michelle Nagel
21	F&G Reg 24AH(1)	Did the local government reject any 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		Michelle Nagel
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Michelle Nagel

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23	F&G Req 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	Michelle Nagel
24	F&G Reqs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Reqs 24E and 24F?	Yes	Michelle Nagel

I certify this Compliance Audit Return has been adopted by council at its meeting on _____

Signed Mayor/President, Chittering

Signed CEO, Chittering

6.2 Financial Management Review

Applicant	Shire of Chittering
File ref	12/01/1
Author	Executive Assistant
Authorising Officer	Chief Executive Officer
Disclosure of interest	Neither the Author nor Authorising Officer have any Impartiality, Financial or Proximity Interests that requires disclosure
Voting requirements	Simple Majority
Attachments	1. Financial Management Review

Executive Summary

Council is requested to receive the Financial Management Review (**Attachment 1**).

Background

At the Ordinary Council Meeting held on 15 April 2020, Council resolved to ...*"defer the engagement of Butler Settineri (Audit) Pty Ltd to fulfil our regulatory requirements pursuant to the Local Government (Financial Management) Regulations 1996, section 5.2 to carry out the requisite Financial Management Review until 2020/21 financial year."* (Resolution 070420).

In August 2020, the Shire engaged the services of Butler Settineri (Audit) Pty Ltd to conduct a review of the systems covering key financial management areas. Refer to "Officer Comments/Details" for a summary of the Financial Management Review (the "Review").

Consultation/Communication Implications

Local

Executive Manager Corporate Services
Executive Manager Development Services
Executive Manager Technical Services
Coordinator Financial Services

State

Butler Settineri

Legislative Implications

State

- Local Government (Financial Management) Regulations 1996
The financial management responsibilities of the Chief Executive Officer are established under Regulation 5 of the *Local Government (Financial Management) Regulations 1996*:
 - (1) *Efficient systems and procedures are to be established by the CEO of a local government:*
 - (a) *for the proper collection of all money owing to the local government;*
 - (b) *for the safe custody and security of all money collected or held by the local government;*
 - (c) *for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);*

- (d) to ensure proper accounting for municipal or trust:
 - (i) revenue received or receivable;
 - (ii) expenses paid or payable; and
 - (iii) assets and liabilities;
- (e) to ensure proper authorisation for the incurring of liabilities and the making of payments;
- (f) for the maintenance of payroll, stock control and costing records; and
- (g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these Regulations.

In addition, the Chief Executive Officer is to:

- (2) (a) ensure that the resources of the local government are effectively and efficiently managed;
- (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
- (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 4 financial years) and report to the local government the results of those reviews).

Local

Nil

Policy Implications

State

Nil

Local

Nil

Financial Implications

Nil

Strategic Implications

Local

- Strategic Community Plan 2017-2027
 - Focus area: Strong leadership
 - Objective: S5.3 Accountable governance
 - Strategy: S5.3.1 Good governance which supports efficient and effective service delivery

State

Nil

Site Inspection

Not applicable

Triple Bottom Line Assessment

Economic implications

Where not applicable, insert “There are no known significant economic implications associated with this proposal.”

Social implications

Where not applicable, insert “There are no known significant social implications associated with this proposal.”

Environmental implications

Where not applicable, insert “There are no known significant environmental implications associated with this proposal.”

Officer Comment/Details

The Review process was carried out covering the period 1 July 2019 to 30 June 2020.

OFFICER RECOMMENDATION

That the Audit and Risk Committee accept the findings contained in the ‘Financial Management Review’, as per Attachment 1.

7. CLOSURE