



Shire of Ravensthorpe

MINUTES

Audit Committee Meeting

held on Thursday 1st February 2018

Commencing at 12.43 pm

In the Council Chambers Ravensthorpe

AUDIT COMMITTEE MEETING

HELD IN THE COUNCIL CHAMBERS, RAVENSTHORPE.

THURSDAY 1st FEBRUARY 2018 AT 12.43PM

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1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISITORS**2. ATTENDANCE/ APOLOGIES****MEMBERS:**

Cr Julianne Belli (Deputy Shire President)

Cr Kerry Dickinson

Cr Ian Goldfinch

Cr Tom Major

Cr Graham Richardson

STAFF:

Ian Fitzgerald (Chief Executive Officer)

Jenny Goodbourn (Manager Corporate & Community Services)

Darryn Watkins (Manager of Engineering Services)

Portia Chambers (Executive Assistant)

LEAVE OF ABSENCE:**APOLOGIES:**

Cr Keith Dunlop (Shire President)

Cr Peter Smith

VISITORS:

Russell Harrison – Lincolns Accountants

3. CONFIRMATION OF MINUTES – 13 MARCH 2017

OFFICER RECOMMENDATION AND COMMITTEE DECISION	ITEM 3
Moved: Cr Dickinson	Seconded: Cr Belli
That the minutes of the Audit Committee meeting held on the 13 th March 2017 be confirmed as a true and correct recording of proceedings.	
Carried: 5/0	

4. 2016/17 AUDIT REPORT

The Audit Committee is to hold discussions with Mr. Russell Harrison from Lincolns in relation to the 2016/17 Audit Report and any associated questions.

A copy of the audit report is attached.

Russell gave a detailed and constructive talk regarding auditor reports and compliance. He explained the new auditing system local government will now have to comply with in 2018/2019.

He also discussed strategic planning and ratios.

Questions were also put forward to him from staff and councillors and discussed.

1.30PM *Cr Tom Major left the meeting.*

5. COMPLIANCE AUDIT RETURN - 2017

File Ref:	Audit
Applicant:	Not applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	25 January, 2018
Author:	Ian Fitzgerald – Chief Executive Officer
Authorising Officer:	
Attachments:	Completed Compliance Audit Return – 2017 to be provided prior to meeting

Summary:

This report deals with the Local Government Compliance Audit Return for the period 1 January 2017 to 31 December 2017 and recommends adoption of same.

Background:

The Local Government Act, 1995 requires each Local Government to complete a Compliance Audit Return each year.

The document is produced by the Department of Local Government and is designed to be a tool for Local Government, allowing it to identify areas where compliance with the Local Government Act, 1995 and other legislation has not been met and then to implement processes to ensure that instances of non-compliance do not continue.

Comment:

The Compliance Audit Return for 2017 continues in a reduced format as it has over the past few years. The areas of compliance were restricted to those considered high risk, including such areas as Delegations, Disclosure of Interest, Disposal of Property, Elections, Finance, Official Conduct and Tender processes.

There has been 1 instances of non-compliance identified in the preparation of the 2017 Compliance Audit Return.

- 1) not all financial interest returns were submitted by 31 August 2017

Consultation:

Not applicable – Public consultation not required.

Statutory Obligations:

Regulations 14 and 15 of the Local Government (Audit) Regulations provide for the completion, adoption and certification of the Return. The Regulations require the certified return to be submitted to the Department of Local Government by 31 March 2018.

Policy Implications:

Nil

Budget / Financial Implications:

Nil

Strategic Implications:

Nil

Sustainability Implications:

- **Environmental:**

There are no known significant environmental considerations.

- **Economic:**

There are no known significant economic considerations.

- **Social:**

There are no known significant social considerations.

Voting Requirements:

Simple majority

OFFICER RECOMMENDATION AND COMMITTEE DECISION		ITEM 5
Moved: Cr Goldfinch	Seconded: Cr Richardson	
That the Audit Committee recommend to Council the adoption of the Local Government Compliance Audit Return for the period 1 January 2017 to 31 December 2017 and that it be forwarded to the Department of Local Government and Communities.		
Carried: 4/0		

6. OTHER MATTERS

7. CLOSURE – 2.04PM

These minutes were confirmed at the meeting of the _____

Signed: _____
(Presiding Person at the meeting of which the minutes were confirmed.)

Date: _____



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

Ravensthorpe - Compliance Audit Return 2017

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 2017.	N/A		Ian Fitzgerald
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 2017.	N/A		Ian Fitzgerald
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 2017.	N/A		Ian Fitzgerald
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2017.	N/A		Ian Fitzgerald
5	s3.59(5)	Did the Council, during 2017, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Ian Fitzgerald



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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.	N/A	No delegations to Committee	Ian Fitzgerald
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	N/A		Ian Fitzgerald
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	N/A		Ian Fitzgerald
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	N/A		Ian Fitzgerald
5	s5.18	Has Council reviewed delegations to its committees in the 2016/2017 financial year.	N/A		Ian Fitzgerald
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		Ian Fitzgerald
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Ian Fitzgerald
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Ian Fitzgerald
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Ian Fitzgerald
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	N/A		Ian Fitzgerald
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Ian Fitzgerald
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 2016/2017 financial year.	Yes		Ian Fitzgerald
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		Ian Fitzgerald

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		Ian Fitzgerald
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		Ian Fitzgerald



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No	Reference	Question	Response	Comments	Respondent
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		Ian Fitzgerald
4	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		Ian Fitzgerald
5	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.	N/A		Ian Fitzgerald
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2017.	No	Some returns were received during September	Ian Fitzgerald
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2017.	No	Some returns were received during September	Ian Fitzgerald
8	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		Ian Fitzgerald
9	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		Ian Fitzgerald
10	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		Ian Fitzgerald
11	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		Ian Fitzgerald
12	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		Ian Fitzgerald
13	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		Ian Fitzgerald
14	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		Ian Fitzgerald



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No	Reference	Question	Response	Comments	Respondent
15	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		Ian Fitzgerald
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Ian Fitzgerald

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)).	Yes		Ian Fitzgerald
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.	Yes		Ian Fitzgerald

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	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.	Yes		Ian Fitzgerald

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		Ian Fitzgerald
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		Ian Fitzgerald
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Ian Fitzgerald
4	s7.3, 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	Appointed in 2014	Ian Fitzgerald



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No	Reference	Question	Response	Comments	Respondent
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2017 received by the local government within 30 days of completion of the audit.	Yes		Ian Fitzgerald
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2017 received by the local government by 31 December 2017.	Yes		Ian Fitzgerald
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 by the local government, was that action undertaken.	N/A	No matters raised	Ian Fitzgerald
8	S7.12A (4)	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 by the local government, was a report prepared on any actions undertaken.	N/A		Ian Fitzgerald
9	S7.12A (4)	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 by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A		Ian Fitzgerald
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Ian Fitzgerald
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Ian Fitzgerald
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald



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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. This question is optional, answer N/A if you choose not to respond.	Yes	22 May 2014	Ian Fitzgerald
2	s5.56 Admin Reg 19DA (6)	Has the local government adopted a modification to the most recent Corporate Business Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	No		Ian Fitzgerald
3	s5.56 Admin Reg 19C (7)	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	Yes	21 July 2016	Ian Fitzgerald
4	s5.56 Admin Reg 19C (7)	Has the local government adopted a modification to the most recent Strategic Community Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	No		Ian Fitzgerald
5	S5.56	Has the local government adopted an Asset Management Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	22 May 2014	Ian Fitzgerald
6	S5.56	Has the local government adopted a Long Term Financial Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	22 May 2014	Ian Fitzgerald
7	S5.56	Has the local government adopted a Workforce Plan. If Yes, in Comments please provide date of the most recent Plan plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	15 May 2013	Ian Fitzgerald



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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		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald
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	Senior position advertised 2017 but process completed 2018	Ian Fitzgerald
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A	Senior position advertised 2017 but process completed 2018	Ian Fitzgerald



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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		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald
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		Ian Fitzgerald

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)).	Yes		Ian Fitzgerald
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.	N/A		Ian Fitzgerald
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	Yes		Ian Fitzgerald
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		Ian Fitzgerald



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No	Reference	Question	Response	Comments	Respondent
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		Ian Fitzgerald
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		Ian Fitzgerald
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.	Yes		Ian Fitzgerald
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	Some with assistance from external consultants	Ian Fitzgerald
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.	Yes		Ian Fitzgerald
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Ian Fitzgerald
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	Yes		Ian Fitzgerald
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.	N/A		Ian Fitzgerald
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.	N/A		Ian Fitzgerald
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Ian Fitzgerald
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice.	N/A		Ian Fitzgerald
16	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		Ian Fitzgerald



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No	Reference	Question	Response	Comments	Respondent
17	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.	N/A		Ian Fitzgerald
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		Ian Fitzgerald
19	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		Ian Fitzgerald
20	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		Ian Fitzgerald
21	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		Ian Fitzgerald
22	F&G Reg 24AI	Did the local government 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		Ian Fitzgerald
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	Yes		Ian Fitzgerald
24	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		Ian Fitzgerald
25	F&G Reg 11A	Does the local government have a current purchasing policy 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		Ian Fitzgerald



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

Signed Mayor / President, Ravensthorpe

Signed CEO, Ravensthorpe