

# Audit & Risk Committee Minutes

March 2023



**Minutes of an Audit & Risk Committee Meeting of Council held in the Council Chambers on Wednesday 15 March 2023 commencing at 1:02pm**

**1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

President Grant Robins declared the meeting open at 1:02pm

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

**ATTENDANCE**

**In Person**

G Robins	President	Central Ward
R Bowey	Councillor	Town Ward
B West	Councillor	West Ward
B Smoker	Deputy President	West Ward
J Noble	Councillor	Town Ward
C Mullan	Councillor	West Ward
T Gangell	Councillor	Town Ward
L Varone	Councillor	East Ward
M Lucchesi	Councillor	Central Ward
A Leeson	Acting Chief Executive Officer	

**APOLOGIES**

F Murphy, C Lewis

**3. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

3.1 Audit & Risk Committee Meeting Minutes – 18 January 2023

**4. MATTERS REQUIRING DECISION**

4.1 Compliance Audit Return 2022 - Adoption

**5. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**6. DATE AND TIME OF NEXT MEETING**

**7. CLOSURE OF MEETING**

### 3. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

3.1 Shire of Kulin Audit & Risk Committee Meeting – 18 January 2023

**AR 01/0323**

**Moved Cr Bowey Seconded Cr Smoker that the minutes of the Audit & Risk Committee Meeting held on 18 January 2023 be confirmed as a true and correct record.**

**Carried 9/0**

### 4. MATTERS REQUIRING DECISION

#### 4.1 Compliance Audit Return 2022 – Adoption

**NAME OF APPLICANT:** ACEO  
**RESPONSIBLE OFFICER:** ACEO  
**FILE REFERENCE:** 04.02 Local Government Act & Returns  
**STRATEGIC REFERENCE/S:** CBP 4.1 Civic Leadership, 4.1.8 Compliance methods  
**AUTHOR:** Cassi Lewis  
**DISCLOSURE OF INTEREST:** NIL

**SUMMARY:**

To present the Compliance Audit Return to the Audit and Risk Committee who adopt the report and make recommendation to Council.

**BACKGROUND:**

Each year all local governments across the State are required by legislation to undertake a compliance audit for the period 1 January to 31 December. This audit is performed against the requirements of the Compliance Audit Return prepared by the Department of Local Government covering the following business areas considered to be 'high risk':

- Commercial Enterprises by Local Government;
- Delegation of Power / Duty;
- Disclosure of Interest;
- Disposal of Property;
- Elections;
- Finance;
- Local Government Employees;
- Official Conduct; and
- Tendering for Providing Goods & Services
- Optional Questions

The Officer notes one area of non-compliance relating to the establishment of the audit committee. After each election, Council appoint Councillors to various committees and portfolios. Section 7.1A requires the audit committee to be appointed by absolute majority. The voting requirement for this item was a simple majority. It should be noted that the item passed with 9 affirmative votes which would constitute an absolute majority.

**COMMENT:**

The Audit and Risk Committee's consideration and endorsement of the Compliance Audit Return (addressing those areas identified as high risk) is required prior to the report being submitted to the Department of Local Government and Communities. A completed return for the year ended 31 December 2022 is due to the Department by the 31 March 2023.

Please note that the Risk and Audit Committee is required to review the completed CAR and report the results to the Council, prior to the CAR's adoption by Council and submission to the Department by 31 March 2023.

The Compliance Audit Return is attached for the Committee's and Council's consideration. Note the report was prepared by Cassi Lewis.

**STATUTORY IMPLICATIONS:**

Regulation 14 of the Local Government (Audit) Regulations 1996 provides:

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under sub-regulation (3A), the compliance audit return is to be —
  - (a) presented to the council at a meeting of the council; and
  - (b) adopted by the council; and
  - (c) recorded in the minutes of the meeting at which it is adopted.

Regulation 15 provides that:

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

**FINANCIAL IMPLICATIONS:**

Nil

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY STRATEGIC PLAN IMPLICATIONS:**

Nil

That the Audit and Risk Committee consider the Officer's recommendation and make recommendation to the Council.

**COMMITTEE RECOMMENDATION:**

That the Audit and Risk Committee recommend to Council that;

1. Council adopt the Compliance Audit Return 2022, as presented;
2. The Chief Executive Officer and the Shire President be authorised to sign the Compliance Audit Return 2022;
3. Endorse the return for submission to the Department of Local Government, Sport and Cultural Industries by 31 March 2023.

**VOTING REQUIREMENTS:**

Absolute Majority Required

**AR 02/0323**

**Moved Cr Mullan Seconded Cr Gangell that the Audit and Risk Committee recommend to Council that;**

- 1. Council adopt the Compliance Audit Return 2022, as presented;**
- 2. The Chief Executive Officer and the Shire President be authorised to sign the Compliance Audit Return 2022;**
- 3. Endorse the return for submission to the Department of Local Government, Sport and Cultural Industries by 31 March 2023**

**Carried by Absolut Majority**

## **5. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

Nil

## **6. DATE AND TIME OF NEXT MEETING**

No date set

## **7. CLOSURE OF MEETING**

There being no further business the meeting was closed at 1:05pm