



Shire of Victoria Plains

**Minutes
Audit Committee Meeting**

On	Wednesday 15 March 2017
At	Council Chambers, Calingiri
Commenced	10.30am

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

Nil

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE GRANTED

President:	Cr D Lovelock	West Ward
Deputy President:	Cr S Penn	South Ward
Councillors:	Cr J Kelly	West Ward
	Cr N Clarke	South Ward

Apologies: Mr G Nixon
Mr G McGill

Chief Executive Officer:	Ms G Teede
Deputy Chief Executive Officer:	Mr I Graham
Executive Assistant:	Ms S Mearns

3 MINUTES 18 January 2017

3.1 Business arising from Minutes – 18 January 2017

Nil

4 GENERAL BUSINESS

4.1 Compliance Audit Return

FILE REFERENCE	F1.4.5
REPORT DATE	9 February 2017
APPLICANT/PROPONANT	Nil
OFFICER DISCLOSURE OF INTEREST	Nil
PREVIOUS MEETING REFERENCES	Nil
AUTHOR	Ian Graham – Deputy CEO
ATTACHMENTS	Compliance Audit Return 2016

PURPOSE OF REPORT

To allow Audit Committee members to review and recommend the adoption of the Compliance Audit Return 2016 by Council.

BACKGROUND

Each year council is requested to complete a Compliance Audit Return to ensure the operations of the organisation are complying with the Local Government Act 1995 and associated Regulations.

COMMENT

The report aims to highlight the areas of non-compliance with the Act and to detail remedial action proposed to be taken to correct such non-compliance.

Council is required to adopt the return and ensure the return is submitted to the Department of Local Government and Communities by 31st March 2017.

POLICY REQUIREMENTS

Nil

LEGISLATIVE REQUIREMENTS

As per the requirements of the Local Government Act 1995, Section 7.13(i) and Local Government (Audit) Regulations 1996 (Regulations 13–15).

STRATEGIC IMPLICATIONS

Corporate Business Plan references and impacts:-

Strategy 4.3.1 “Maintain/retain full compliance with statutory obligations”.

➤ **Environment**

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

➤ **Economic**

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

➤ **Social**

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

FINANCIAL IMPLICATIONS

There are no financial implications to Council in relation to this item.

VOTING REQUIREMENTS

Absolute Majority Required: *No*

RESOLUTION 33/2017

Moved: Cr S Penn

Seconded: Cr N Clarke

That the Audit Committee recommends to Council that Council adopts the Compliance Audit Return for the year 1st January 2016 to 31st December 2016.

Motion Put and Carried: 4/0

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Government of Western Australia
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Victoria Plains - Compliance Audit Return 2016

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 2016.	N/A		Glenda Teede
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 2016.	N/A		Glenda Teede
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 2016.	N/A		Glenda Teede
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 2016.	N/A		Glenda Teede
5	s3.59(5)	Did the Council, during 2016, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Glenda Teede

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	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	No	Council were advise that resident wanted to be on the committee and later by phone call were advised they did not want to be on the committee. I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	No	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede

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No	Reference	Question	Response	Comments	Respondent
5	s5.18	Has Council reviewed delegations to its committees in the 2015/2016 financial year.	No	In progress in line with the Review of legislative compliance and internal controls by Moore Stephens. I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
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	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	N/A	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
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 2015/2016 financial year.	Yes	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede
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.	No	I did not commence with the Shire until the 12 December 2016 the comments are to the best of my knowledge.	Glenda Teede

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
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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 Graham
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 Graham
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 Graham
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 Graham
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 Graham
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2016.	Yes		Ian Graham
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2016.	Yes		Ian Graham
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 Graham
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 Graham
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 Graham
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 Graham
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 Graham

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No	Reference	Question	Response	Comments	Respondent
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 Graham
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.	N/A		Ian Graham
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.	N/A		Ian Graham
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 Graham

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		Ian Graham
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		Ian Graham

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		Glenda Teede

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 Graham

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No	Reference	Question	Response	Comments	Respondent
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.	Yes		Ian Graham
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Ian Graham
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.	Yes		Ian Graham
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2016 received by the local government within 30 days of completion of the audit.	Yes		Ian Graham
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2016 received by the local government by 31 December 2016.	Yes		Ian Graham
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.	Yes	Spreadsheet created for calculation of closing inventory. Issue of timing of travel claims raised with Council.	Ian Graham
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.	No		Ian Graham
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.	No		Ian Graham
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Ian Graham
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Ian Graham
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Ian Graham
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 Graham

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No	Reference	Question	Response	Comments	Respondent
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 Graham

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.	Yes		Ian Graham
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 Graham
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).	Yes		Ian Graham
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).	Yes		Ian Graham
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A		Ian Graham

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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 Graham
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 Graham
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 Graham
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 Graham
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 Graham
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 Graham

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 Graham
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 Graham
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	Yes		Ian Graham
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 Graham

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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.	N/A		Ian Graham
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 Graham
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		Ian Graham
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		Ian Graham
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.	No	The Auditors noted that one of the tenders called during 2015/16 the Tenders Register failed to include a copy of the notice of the invitation to tender.	Ian Graham
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 Graham
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.	N/A		Ian Graham
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 Graham
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 Graham
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 Graham
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 Graham
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 Graham

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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 Graham
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 Graham
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 Graham
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 Graham
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 Graham
22	F&G Reg 24A1	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 Graham
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).	N/A		Ian Graham
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.	N/A		Ian Graham
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 Graham

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5 DECLARATION OF CLOSURE

There being no further business the Chairperson declared the meeting closed at 10.51.