



ATTACHMENTS

Audit Committee Meeting

23 March 2022



SHIRE OF VICTORIA PLAINS

AUDIT COMMITTEE – TERMS OF REFERENCE

August 2021

Preliminaries

The Audit Committee Terms of Reference defines the membership, authority, purpose, operational guidelines, responsibilities and resources of the Shire of Victoria Plains Audit Committee, established by Council pursuant to division 1A, section 7.1A of the *Local Government Act 1995* (the Act) and the *Local Government (Audit) Regulations 1996* (the Regulations).

Structure

Name

The name of this Committee is 'Shire of Victoria Plains Audit Committee'. All references to 'Committee' in this Terms of Reference mean 'Shire of Victoria Plains Audit Committee'.

Establishment

This Committee is established under the provisions of the Act, particular division 1A, section 7.1A.

Guiding Principles

This Committee is established with the guiding principles prescribed in the Act, the Regulations and the *Local Government (Financial Management) Regulations 1996*.

Purpose

The purpose of the Audit Committee is to:

- Guide and assist the Shire of Victoria Plains in carrying out its financial management and audit functions;
- Monitor and advise the Chief Executive Officer in reviews conducted into financial management and audit systems and procedures. This also includes the Shire's risk management, internal controls and level of compliance and integrated planning and reporting (IPR) and training;
- Oversee the implementation of any resulting Council recommendations so as to support better decision-making, greater accountability to the community and ensure a more efficient and effective Local Government.

Committee Functions

Regulation 16

Under regulation 16 of the *Local Government (Audit) Regulations 1996*, an audit committee has the following functions:

- *to guide and assist the local government in carrying out:*
 - *its functions under Part 6 of the Act; and*
 - *its functions relating to other audits and other matters related to financial management;*
- *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;*
- *to review a report given to it by the CEO under regulation 17(3) (the **CEO's report**) and is to:*

- *report to the council the results of that review; and*
- *give a copy of the CEO's report to the council;*
- *to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under:*
 - *regulation 17(1); and*
 - *the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);*
- *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;*
- *to oversee the implementation of any action that the local government:*
 - *is required to take by section 7.12A(3); and*
 - *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
 - *has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
 - *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);*
- *to perform any other function conferred on the audit committee by these regulations or another written law.*

Regulation 14(3A)

Under section 14(3A) of the Regulations, the Audit Committee:

(3A) The local government's audit committee is to review the compliance audit return (CAR) and is to report to the council the results of that review.

Notes - Regulation 17 Review

17. CEO to review certain systems and procedures:

(1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

- (a) risk management; and
- (b) internal control; and
- (c) legislative compliance.

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.

Notes – Regulation 5 (2)(c) – Review of Financial Management Systems

(2) The CEO is to:

- (a) ensure that the resources of the local government are effectively and efficiently managed; and
- (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 3 financial years) and report to the local government the results of those reviews.

Notes – Section 7.12A(3) and 7.12A(4)(a) – Examine and Action Audit Report and Significant Matters

7.12A. Duties of local government with respect to audits:

(3) A local government must:

- (aa) examine an audit report received by the local government; and
- (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
- (b) ensure that appropriate action is taken in respect of those matters.

(4) A local government must:

- (a) prepare a report addressing any matters identified as **significant** by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters

Notes – Local Government Amendment Auditing Act 2017

The Auditor General became responsible for conducting local government audits from 27 October 2017. Local governments were required to take up the Auditor General as their auditor by 2020/21 once their current audit contract ceased. For the Shire of Victoria Plains this legislative requirement was effective from 2018/2019.

Membership

Pursuant to division 1A, section 7.1A of the Act:

- *The members of the audit committee of a local government are to be appointed* by the local government and at least 3 of the members, and the majority of the members, are to be council members.*
- **Absolute majority required.*
- *A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent the CEO as a member of an audit committee.*
- *An employee is not to be a member of an audit committee.*

The Committee consists of three (3) members and two (2) deputy members:

1. The members and deputy members are made up from the Elected Members of Council;
2. There is required to be a Presiding Member;
3. The deputy member:
 - a. Fills in for the office of audit committee member when a member is unavailable, or the office is vacant.
 - b. Has the same responsibilities as a member when attending an audit committee meeting in the capacity of a member as established in 3.a.

Meetings

a. Committee Meetings

The Committee shall meet four times a year, unless a special meeting of the Committee is called for a specified purpose. Meetings are conducted according to the Shire of Victoria Plains Meeting Procedures Local Law. The content of the agenda is set out in Appendix 1.

b. Quorum

The quorum for any meeting of this Committee shall be 50 percent of members as endorsed by Council at the time of the meeting.

c. Voting

Shall be in accordance with section 5.21 of the Act, with all members endorsed as voting members entitled and required to vote, subject to the provisions of the Act which deal with Financial and Proximity Interests.

d. Minutes

The Minutes of the meeting shall be recorded and prepared as per the provisions of section 5.22 of the Act.

The content of the minutes shall be in accordance with the *Local Government (Administration) Regulations 1996* section 11.

The content of minutes of a meeting of a council or a committee is to include:

- (a) the names of the members present at the meeting; and*
- (b) where a member enters or leaves the meeting during the course of the meeting, the time of entry or departure, as the case requires, in the chronological sequence of the business of the meeting; and*
- (c) details of each motion moved at the meeting, the mover and the outcome of the motion; and*
- (d) details of each decision made at the meeting; and*
- (da) written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70 (but not a decision to only note the matter or to return the recommendation for further consideration); and*
- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question; and*
- (f) in relation to each disclosure made under section 5.65 or 5.70 in relation to the meeting, where the extent of the interest has also been disclosed, the extent of the interest.*

The above is an extract of the Regulations. The criteria regarding questions raised by the public (e) is not applicable as the Audit Committee meetings are not open to the public. If the Committee resolves, the minutes may include a table of 'action items', summarising the agreed actions.

e. Who acts if the presiding member is unavailable?

Shall be in accordance with section 5.14 of the Act i.e. a committee member elected by the

Committee.

f. Meeting Not Open to the Public

Meetings are not open to the public as per the provisions of section 5.23 of the Act.

g. Public Question Time

As the Committee has no delegated powers (section 5.24 of the Act), there is no specific provision for public question time.

h. Members' Conduct

Council Members of the Committee shall be bound by the following

- i. The provisions of section 5.65 of the Act;
- ii. *Shire of Victoria Plains Meeting Procedures Local Law 2018*;
- iii. Shire of Victoria Plains Code of Conduct;
- iv. *Local Government (Rules of Conduct) Regulations 2007*; and
- v. Regulation 34C of the *Local Government (Administration) Regulations 1996*, with respect to their conduct at meetings and their duty of disclosure.

Council Members and Officers of the Shire of Victoria Plains will be bound by these provisions, relating specifically to their participation in the Committee, at all times.

i. Executive Support

The Chief Executive Officer (or their nominated representative) shall undertake the following executive support:

- i. Prepare and distribute meeting papers as required.
- ii. Attend and record the Minutes of the meeting.
- iii. Provide the administrative support required to present the outcomes of the meeting to Council for consideration where required.

j. Presiding Member

The members (voting) will elect a presiding member at the first meeting after these positions become vacant for any reason. The voting on and appointment of the presiding member shall be in accordance with the provisions of section 5.12 of the Act.

k. Meeting attendance fees

Nil

Delegated Authority

This committee has no delegated authority.

Adoption

The Terms of Reference were adopted by the Council at its meeting on 28 October 2020.

The Terms of Reference were amended on 2 August 2021 re Membership.

Appendix 1

Agenda

The reports to the Audit Committee shall consist of the following:

Agenda	Explanation/Detail/Example of Report Type
Declaration of Opening	
Record of Attendance	<ul style="list-style-type: none"> • Members • Staff • Apologies • Approved Leave of Absence • Visitors
Interest	<ul style="list-style-type: none"> • Financial • Proximity • Impartiality
Confirmation of Minutes	Confirmation of the previous committee meeting minutes.
Reports Requiring Decision	<p>The following will require reporting on from time to time:</p> <ol style="list-style-type: none"> 1. Updates on the Functions of the Audit Committee. 2. External Audits e.g. Interim Audit, Annual Audit and the corresponding actions plans. 3. Internal Audits e.g. three yearly financial management systems review, three yearly Reg 17 Review, the CAR, other internal audits (as per the compliance calendar), and so on. 4. Financial Reporting e.g. best practice, status of ratios from time to time. 5. Risk Management Issues e.g. quarterly updating and reporting on key risks from time to time. 6. Controls, Systems and Procedures e.g. policy considerations, procedural considerations, 7. Matters of Compliance: as per the compliance calendar. 8. Integrated Planning and Reporting. 9. Training and Development (Elected Member Training, Committee Member Training and Staff training). 10. Status Report.
Member Motions of Which Previous Notice Has Been Given	
New Business of an Urgent Nature	
Closure of Meeting	



REFERENCES AND ACKNOWLEDGEMENTS

Reference to the following documents or sources were made during the preparation of the Audit Committee Terms of Reference:

- *Local Government (Audit) Regulations 1996;*
- *Local Government (Financial Management) Regulations 1996;*
- Departmental Guideline No 9 - Audit in Local Government;
- Departmental Circular No 2 2018;
- Guide to Local Government Auditing Reforms – June 2018

Disclaimer

The Terms of Reference has been prepared in accordance with the relevant legislation and guidelines. The Terms of Reference replace those adopted by Council on 16 May 2018.

Review of the Audit Committee Terms of – Reference

The Committee Terms of Reference will be updated annually.

Document Management

Version:	October 2020 V1
Status:	Adopted by Council
OCM Date:	28 October 2020
Next Review by Committee	October 2021
Responsible Officer	Governance Officer

RFQ - 2022

FINANCIAL MANAGEMENT SYSTEMS REVIEW &
AUDIT REGULATION 17 REVIEW

*“Better Business
People”*

SHIRE OF VICTORIA PLAINS

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Real People.
Better **Business**

EXECUTIVE SUMMARY

Butler Settineri (Audit) Pty Ltd provides assurance and audit services to a range of clients in a wide variety of industries with a particular focus on our people, technology and innovation.

We understand that the Shire of Victoria Plains is seeking assurance as to the appropriateness and effectiveness of the Shire's systems and procedures in relation to financial management, risk management, internal controls and legislative compliance.

As a result, the Shire is looking to appoint a suitably qualified consultant to undertake the Financial Management Systems Review and Audit Regulation 17 Review in order for the CEO to satisfy Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996* and Regulation 17 of the *Local Government (Audit) Regulations 1996*.

Our audit team has extensive experience in the external audit of Local Government entities in WA as well as the conduct of Financial Management Reviews, Audit Regulation 17 Reviews and Compliance Annual Returns. We have also acted as internal auditors to the City of Vincent, Southern Metropolitan Regional Council and a number of Not-for-Profit organisations.

As a firm that values our clients and people, you will have a great experience in dealing with our friendly staff and as one of our clients put it *"Butler Settineri are auditors with personality – and they are good at what they do too!"*

As such, we believe we have the expertise, skills and experience to provide you with a clear understanding as to the appropriateness and effectiveness of the Shire's current systems and processes and to articulate any areas for improvements.

We believe our final report containing the full list of areas reviewed, details of testing, findings and results, risk and recommendations for a prioritised improvement plan will add significant value to your corporate governance, internal controls and financial reporting processes.



OUR PEOPLE

A team of highly qualified, dedicated professionals beats at the heart of our renowned client service model.

Our combination of years of invaluable industry experience and staying at the forefront of professional skills and training, leads to excellence in client service outcomes.



MARCIA JOHNSON

BCom (Hons) CA (Director)

Position

Director
Butler Settineri (Audit) Pty Ltd

Registered Company Auditor Number

494341

Capacity in which each person is to act

Engagement Director

Expertise and Experience

Marcia has approximately 16 years’ experience in public practice both in South Africa and Australia. She trained with a mid-tier national firm in Cape Town South Africa rising from Auditor to Director. She qualified as a Chartered Accountant in 2008 and was appointed Director in 2010 a position she retained until she migrated to Australia in 2013.

Since arriving in Australia she has become an approved SMSF auditor and a Registered Company Auditor.

Marcia has experience in providing assurance services for entities such as local government, state government, listed and private companies, large and small not for profit entities, and AFSL Licences in various industries in Australia.

Marcia joined Butler Settineri in June 2017 and is responsible for an extensive audit portfolio, including the local government portfolio.

Qualifications

- Member of Chartered Accountants Australia and New Zealand;
- Registered Company Auditor with the Australian Securities and Investment Commission;
- Approved Self Managed Superannuation Fund Auditor; and
- Bachelor of Honours Accounting Degree from the University of Kwa-Zulu Natal.



MARIUS VAN DER MERWE

B.Com (Hons) CA (Partner)

Position

Director
Butler Settineri (Audit) Pty Ltd

Registered Company Auditor Number

404957

▀ **Expertise and Experience**

Marius trained with a mid-tier accounting firm in South Africa. He qualified as a Chartered Accountant in 2000 and specialises in the external audit field.

He acted as audit principal in his own practice for over ten years, delivering external audit and taxation services to a broad range of clients across a variety of industries, including government and government controlled agencies.

On arrival in Perth, Marius worked as a senior audit manager at a large mid-tier firm in Perth and has audit knowledge at a senior level in a range of industries, including several State and Local government authorities.

Marius joined Butler Settineri in December 2010 as an external audit specialist. He has a key role in the audit and corporate services team. He was admitted to the partnership on 1 July 2012.

▀ **Qualifications**

- Member of Chartered Accountants Australia and New Zealand;
- Registered Company Auditor with the Australian Securities and Investment Commission;
- Member Institute of Internal Auditors Australia;
- Registered SMSF Auditor; and
- Honours Bachelor of Accounting Science Degree (Hons B Compt) from the University of South Africa.



LUCY GARDNER

B. Sc (Hons) CA (Director)

Position

Director
Butler Settineri (Audit) Pty Ltd

Registered Company Auditor Number

280101

▀ **Expertise and Experience**

Lucy trained with BDO – Binder Hamlyn, a medium sized firm of Chartered Accountants in Newbury, England before immigrating to Australia. She qualified as a Chartered Accountant in 1995 and specialises in the external audit field.

On arrival in Perth, Lucy worked as an audit senior at one of the “big four,” Ernst & Young. She was promoted to manager as of January 1996 and has experience auditing at a senior level in a range of industries.

Lucy joined Butler Settineri in August 1999 as an external audit specialist. Lucy has a key role in the audit and corporate services team and is instrumental in ensuring that the firm’s internal standards, checklists and work papers satisfy Australian and international best practice.

She was admitted to the partnership on 1 July 2007.

▀ **Qualifications**

- Member of Chartered Accountants Australia and New Zealand;
- Registered Company Auditor with the Australian Securities and Investment Commission;
- Registered SMSF Auditor;
- Graduate Diploma in Applied Corporate Governance; and
- Bachelor of Science (Hons) in Geological Sciences from Durham University, UK.



ROBERT HALL

BCom (Hons) CA (Director)

Position

Director
Butler Settineri (Audit) Pty Ltd

Registered Company Auditor Number

521380

Expertise and Experience

Robert trained with a small accounting firm in South Africa and qualified as a Chartered Accountant in 2004 before moving to a small to medium-sized audit and accounting practice to head up the audit division. After settling in Australia he joined a boutique audit and accounting practice specialising in the not-for-profit sector to add to his experience in audit and assurance ranging from large, listed corporates to privately owned and managed businesses across a range of industries from retail and manufacturing to service and not for profits.

Robert joined Butler Settineri in June 2016, and is responsible for an extensive audit portfolio, including the local government portfolio and assisting with regular in-house technical training events.

Qualifications

- Member of Chartered Accountants Australia and New Zealand;
- Registered Company Auditor with the Australian Securities and Investment Commission;
- Honours Bachelor of Accounting Science Degree (Hons B Com) from the University of Kwa Zulu Natal; and
- Higher Diploma in Auditing from the University of South Africa.



DANIELLE CAVANAGH

MAAT (Supervisor)

Position

Audit Supervisor

Capacity in which each person is to act

External Audit Supervisor

▀ **Expertise and Experience**

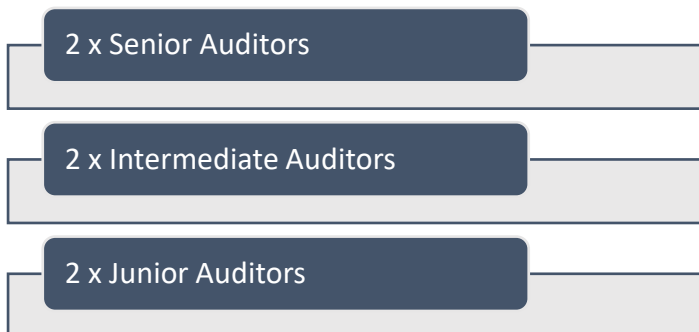
Danielle gained most of her experience in a mid-tier public practice in Glasgow UK, where over ten years she gained experience in both external and internal audits in many industries. She then moved to a larger firm to undertake the role of audit supervisor and further her leadership skills.

Since moving to Australia in 2013 Danielle has been managing the large property management and superannuation audit portfolio, where she collaborates with clients and staff continuously in order to achieve the best outcomes for all involved.

▀ **Qualifications**

- Member of Association of Accounting Technicians UK

In addition to our management team we have a team of highly skilled professionals who will make up 50% of the expected audit hours and have experience working on local government engagements.



Audit and Assurance



Culture drives Quality
not fees

PROPOSED FEE STRUCTURE

Butler Settineri's fee structure is based on transparency and understanding client needs. Should additional services be required, a separate fee will be proposed for each service before commencement, to be clearly discussed with the client before engagement.

Lump Sum Fee:

No	Service Description	Price Tendered (ex. GST)	GST	Price Tendered (inc. GST)
1	Review of the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance, as required under Regulation 17 of the Local Government (Audit) Regulations 1996. (includes travel, accommodation and all expenses associated with fulfilling the requirements of this Contract)	\$6,500	\$650	\$7,150
2	Financial Management Review, including a review of the appropriateness and effectiveness of the financial management systems and procedures, as required under Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996. (includes travel, accommodation and all expenses associated with fulfilling the requirements of this Contract)	\$9,500	\$950	\$10,450
	Total	\$16,000	\$1,600	\$17,600

There are no "hidden" costs or fees and management will be communicated with throughout the process in regard to any fee variations, in order to avoid any "last minute changes" to the fee structure.

A separate audit quotation can be provided upon request for any additional services requested by the Council.

Schedule of Rates:

Audit Director	\$325	Excl GST
Senior Auditor	\$180	Excl GST
Auditors	\$120	Excl GST

Disbursements:

Description	Unit	Rate \$(inc.GST)	Total (inc. GST)
Accommodation 4 nights 2 team members	Per night	175	\$1,400
Meals for 5 days – 2 team members	Per day	120	\$1,200
KM travelled from our office to Shire Office and back – 2 vehicles due to COVID requirements – 290km	Per km	.72	\$418
Total Disbursements			\$3,018

TIMEFRAME FOR COMPLETION

Details of our proposed timeline are below:

<p>▼ Pre-engagement and Planning</p>	<p>We will conclude a formal engagement letter with the CEO setting out the agreed upon terms within 3 days of our appointment.</p> <p>We will start planning procedures by requesting information to review prior to our field visit so that we can obtain an understanding of the Shire's relevant processes and risk profile.</p>
<p>▼ Commencement of work and visits</p>	<p>Fieldwork to commence 21 March 2022</p> <p>This will entail a 5 day site visit to document the systems and perform walk through procedures as well as gather evidence on compliance.</p> <p>Completion of fieldwork by 25 March 2022.</p> <p>Evaluation, assessment and queries completed by 1 April.</p> <p>Engagement Director review 8 April 2022.</p> <p>Resolve queries and finalise 15 April 2022</p> <p>Delivery of draft report to the CEO for review by 20 April 2022.</p> <p>Delivery of final report with responses to findings to the CEO for submission to the Audit Committee by 4pm 30 April 2022.</p>
<p>▼ Commitment to meet with the Shire of Victoria Plains' Audit Committee</p>	<p>In addition to the above, the Engagement Director will attend the Audit Committee meeting to present the report and answer questions from the Audit Committee.</p>

SCOPE OF WORK

The scope of work is covered in our review process which has several phases as follows:

1. *Pre-engagement activities;*
2. *Planning and risk assessment;*
3. *Performing review procedures; and*
4. *Reporting and communication.*

▀ Pre-engagement Activities

This initial phase provides consensus as to the terms of the engagement.

The agreed upon terms are then recorded in the engagement letter.

▀ Planning and Risk Assessment

At the commencement of this phase we will provide a comprehensive engagement plan, including a full list of areas to be reviewed and a proposed timetable.

▀ Performing Review Procedures

This phase involves performing the review procedures designed to gather sufficient and appropriate evidence on which to base our report.

This phase of the review process will involve a 5 day site visit involving the discussion and consultation with relevant Shire staff and accessing systems, sourcing information and knowledge gathering.

Financial Management Review

The duties and key areas the Shire would like reviewed (but not limited to) for the period to 1 January 2021 to 31 December 2021 include:

- Bank reconciliations and Petty Cash
- Trust Funds
- Receipts and receivables
- Rates
- Fees and Charges
- Purchases, payments and payables (Including Purchase Orders)
- Salaries and wages
- Credit Card procedures
- Fixed Assets (Including acquisition and disposal of property)
- Cost and administration overhead allocations
- Minutes of meetings
- Budget
- Financial Reports
- Registers (including Annual and Primary Returns)
- Delegations
- Audit Committee
- Insurance
- Storage of documents/record keeping
- Plan for the future
- General compliance and other matters

Audit Regulation 17 Review

▀ Risk Management

The following areas of the risk management process will be reviewed:

- Review risk management systems and operating risks;
- Review business continuity plan;
- Assess the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, with regard to;
 - » potential non-compliance with legislation, regulations and standards and local government's policies;
 - » important accounting judgements or estimates that prove to be wrong;
 - » litigation and claims;
 - » misconduct, fraud and theft;
 - » significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the local government.
- Review risk reports identifying key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;
- Assess the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover;
- Review the effectiveness of the local government's internal control system with management and the internal and external auditors;
- Assess whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more a high degree of risk;
- Assess the local government's procurement framework and whether these policies and procedures are being applied;
- Ascertain whether fraud and misconduct risks have been identified, analysed, evaluated, an appropriate treatment plan has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks.

▀ Internal Controls

The following controls will be reviewed:

- separation of roles and functions, processing and authorisation;
- control of approval of documents, letters and financial records;
- comparison of internal data with other or external sources of information;
- limit of direct physical access to assets and records;
- control of computer applications and information system standards;
- limit access to make changes in data files and systems;
- regular maintenance and review of financial control accounts and trial balances;
- comparison and analysis of financial results with budgeted amounts;
- the arithmetical accuracy and content of records;
- report, review and approval of financial payments and reconciliations; and
- comparison of the result of physical cash and inventory counts with accounting records.

▀ Legislative Compliance

The following areas of the legislative compliance process will be reviewed:

- Compliance with legislation and regulations;
- Annual Compliance Audit Return and reporting to Council the results of that review;
- Procedures for receiving and treating complaints, including confidential and anonymous employee complaints;
- Obtain assurance that adverse trends are identified and review management's plans to deal with these;
- Management disclosures in financial reports;
- Whether the internal and/or external auditors have regard to compliance and ethics risks in the development of their audit plan and in the conduct of audit projects and report compliance and ethics issues to the Audit Committee;
- Compliance frameworks dealing with relevant external legislation and regulatory requirements;
- Legislative and regulatory requirements imposed on Audit Committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest.

▀ Reporting and Communication

This phase of the process involves collating and summarising the evidence gathered as a result of the above procedures.

Once the review process is finalised, our team will hold a debriefing session with you to discuss any items for inclusion in a prioritised improvement plan.

Thereafter, complete draft reports that will be submitted to the CEO for review prior to the reports being submitted to the Audit Committee and Council.

The reports will contain the full list of areas reviewed, details of testing, results, risks and recommendations for a prioritised improvement plan.

INDEPENDENCE

Butler Settineri and its personnel confirm they will have no conflict of interest in relation to the proposed appointment and that the independence requirements of the relevant professional bodies are complied with.

CONTRACTOR'S RESOURCES AND AVAILABILITY

The engagement will be led by Audit Director – Marcia Johnson. All team member currently have the relevant Local Government experience to perform the engagement.

We do have resources and capacity available to perform the engagement as stipulated in the timetable above.

Team members available:

Senior Auditor – Finance and Accounting Degree and studying toward the Chartered Accountant designation

2 x Intermediate auditors – Financial and Accounting Degree and studying towards the Chartered Accountant designation

2 x Graduate auditors – Financial and Accounting Degree

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility or 'CSR' is reflected through the emphasis we put into creating opportunities for our team to contribute positively to the community.

Butler Settineri believes in a duty of social responsibility not only to our clients and our people, but also to the community in which we are based. As a proudly West Australian business, supporting thriving and diverse communities - direct action is an important part of our philosophy.

As such, we are proud to provide accounting and governance assistance and advice to various small non-profit organisations.

This aligns with a workplace culture of diversity, inclusion and global citizenship that is embodied by the firm, and a commitment to making a positive and enduring difference to the world around us.

In a competitive market, people are integral to an organisation's business success.

Building a positive workplace culture that supports diversity and wellbeing is integral to Butler Settineri's high performance, innovation and agility in the marketplace.

INSURANCES

Policy	Insurer	Policy Number	Value	Expiry
Public Liability	Allianz	161AN00209OFF	\$10,000,000	31 May 2022
Workers Compensation	Allianz	WWH0100151	As required	31 January 2023
Professional Indemnity	Zurich	63 2214255 PIL	\$15,000,000	15 April 2022



We are registered with WALGA as a preferred supplier.

RELEVANT COMPANY EXPERIENCE

Details of similar work undertaken:

Financial Management Reviews:

- Shire of Boddington
- Shire of Esperance
- Shire of Chittering
- Shire of York
- Town of Cottesloe

Audit Regulation 17 Reviews:

- Shire of York
- Shire of Corrigin (will be performing)

Compliance Return:

- Shire of Northam

Internal audit:

- Southern Metropolitan Regional Council
- City of Vincent
- Therapy Focus

We currently perform the external audit of 29 local government entities on behalf of the Office of the Auditor General. The scope of the external audit includes compliance with part of the *Local Government (Financial Management) Regulations 1996*.

Client	Shire of York
Engagement:	Financial Management Review and Audit Regulation 17 Review
Scope	As documents in the scope or work of this proposal
Outcomes	<p>Our findings were initially discussed with management to ensure all explanations were obtained and misunderstandings cleared before delivering our final report to Council.</p> <p>Our final report contained the procedures performed, positive outcomes, improvement areas and recommendations. Our report was well received by management and Council and management put together an improvement plan based on our recommendations.</p>
Managing Issues	There were no significant issues arising during the project. We communicated with management to ensure that all expectations and responsibilities were understood. This assisted us to achieve the finalisation of the report in the specified timeframe.
Deliverables:	<p>Through sufficient planning and on-site consultations with management and staff we were able to successfully document the Shire's systems of control and identify areas of non-compliance and risk. We then performed walk-through tests on all financial systems including Assets, Revenue, Expenditure, Payroll, Documentation, Compliance and General Controls.</p> <p>These tests further reinforced our initial findings upon consultation and assisted us in reporting the control deficiencies and weaknesses to management with our recommendations for improvement.</p>

REFERENCES

Client	Shire of York
Contact Name	Tabitha Bateman (no longer works for Shire of York) Shire of Toodyay – Manager Corporate and Community Services
Contact Number	08 9574 9300
Email Address:	T.Bateman@toodyay.wa.gov.au
Project Title	Regulation 5(2)(c) Financial Management Review and Audit Regulation 17 Review (July 2020)

Client	Shire of Esperance
Contact Name	Beth O'Callaghan – Manager Financial Services
Contact Number	08 9071 0659
Email Address	beth.ocallaghan@esperance.wa.gov.au
Project Title	Regulation 5(2)(c) Financial Management Review (July 2020)

BUTLER SETTINERI (AUDIT) PTY LTD

Although the firm has been involved with audit engagements from its inception, a separate audit and assurance division was created in January 2001. Since then, our team of senior professional staff, with extensive industry and audit experience, have established a reputation for providing outstanding audit services.

The audit practice was incorporated on 1 July 2005 obtaining registration as an authorised audit company in accordance with Part 9.2A of the Corporations Act 2001.

Audit services and related corporate work accounts for 30% of overall fees and includes the provision of services to listed companies, local government authorities, not-for-profit organisations, small to medium sized public and private corporations, AFS Licensees, self-managed superannuation funds and trust audits for legal practitioners, travel agencies and property related entities.

The audit business model centres around the client's needs, as opposed to the standard "bill by the hour" arrangement. Travelling to the client is part of the process, but the client should never incur this expense. From the Pilbara to Esperance, Wheatbelt and Goldfields to the Eastern States, our audit team believes in building relationships through spending time with clients, working together to deliver the best possible services and outcomes.

The audit team have been involved with audits for:

Local Government Authorities

- ✓ Bruce Rock
- ✓ Boddington
- ✓ Chittering
- ✓ Carnamah
- ✓ Coorow
- ✓ Cuballing
- ✓ Cue
- ✓ Cunderdin
- ✓ Dardanup
- ✓ Dalwallinu
- ✓ Dundas
- ✓ Esperance

- ✓ Mingenew
- ✓ Moora
- ✓ Mosman Park
- ✓ Murray
- ✓ Narembeen
- ✓ Northam
- ✓ Northampton
- ✓ Peppermint Grove
- ✓ Sandstone
- ✓ Three Springs
- ✓ Toodyay
- ✓ Wagin

- | | |
|-------------------|--|
| ✓ Gingin | ✓ Wandering |
| ✓ Goomalling | ✓ Waroona |
| ✓ Gnowangerup | ✓ Wickepin |
| ✓ Kellerberrin | ✓ Wongin-Ballidu |
| ✓ Kondinin | ✓ Yilgarn |
| ✓ Koorda | ✓ Western Metropolitan Regional Council |
| ✓ Leonora | ✓ Eastern Metropolitan Regional Council |
| ✓ Merredin | ✓ Tamala Park Regional Council |
| ✓ Victoria Plains | ✓ Southern Metropolitan Regional Council |

Not-For-Profit

- | | |
|--|--|
| ✓ Mawarnkarra Health Service | ✓ Puntukurnu Aboriginal Medical Services |
| ✓ Aboriginal Health Council WA | ✓ Derbarl Yerrigan Health Service Inc. |
| ✓ Wirraka Maya Health Service Aboriginal Corporation | ✓ WA Deputising Medical Service |
| ✓ BEGA Garnbirringu Health Service Inc. | ✓ Variety WA Inc. |
| ✓ Carnarvon Medical Services Aboriginal Corporation | ✓ Asthma Foundation WA Inc. |
| ✓ Niapiali Aboriginal Corporation | ✓ Pregnancy Problem House |
| ✓ Burnna Yurrul Aboriginal Corporation | ✓ Living Alternatives |
| ✓ South West Aboriginal Land Sea Council | ✓ Perth Inner City Youth Services Inc. |
| ✓ Yandruwandha Yawarrawarrka Trust | ✓ Master Builders Association WA Inc. |
| | ✓ People Who Care Inc. |
| | ✓ Council of the Ageing (WA) Inc. |

The audit philosophy is based on “partner led audits” which ensure access to the decision makers during the audit process to resolve matters that may be identified, avoiding “last minute surprises”.

\

RESPONDENT'S OFFER

3 Respondent's Offer

3.1 Offer Form

The Chief Executive Officer

Shire of Victoria Plains

28 Cavell Street, Victoria Plains WA 6569

I/We (Registered Entity Name): Butler Settineri (Audit) Pty Ltd
(BLOCK LETTERS)

of: Unit 16, First Floor, Spectrum Offices, 100 Railway Road, Subiaco WA 6008
(REGISTERED STREET ADDRESS)

ABN : 61 112 942 373 _____ ACN (if any) _____

Telephone No: 08 6389 5222 _____ Facsimile No: _____

E-mail: mjohnson@butlersettineri.com.au

In response to **Request for Quotation RFQ-2022-FMR and Audit Reg 17 Review:**

I/We agree that I am/We are bound by, and will comply with this Request and its associated schedules, attachments, all in accordance with the Conditions contained in this Request signed and completed.

The responded price is valid up to ninety (90) calendar days from the date of the RFQ closing.

I/We agree that there will be no cost payable by the Principal towards the preparation or submission of this Response irrespective of its outcome.

The consideration is as provided under the schedule of rates of prices in the prescribed format and submitted with this RFQ.

Dated this 25 _____ day of February _____ 2022

Signature of authorised signatory of Respondent:  _____

Name of authorised signatory (BLOCK LETTERS): MARCIA JOHNSON

Position: DIRECTOR

Telephone Number: 08 6389 5222

Authorised signatory Postal address: Locked BVag 18, Subiaco WA 6904

Email Address mjohnson@butlersettineri.com.au

3.1 Selection Criteria

3.1.1 Compliance Criteria

Please select with a “Yes” or “No” whether you have complied with the following compliance criteria:

<p>a) Respondents are to provide acknowledgment that your organisation has submitted in accordance with the Conditions of this RFQ including completion of the Offer Form and provision of your pricing submitted in the format required by the Principal.</p>	<p><input checked="" type="radio"/> Yes / No</p>
<p>b) Compliance with the Specification contained in the Request.</p>	<p><input checked="" type="radio"/> Yes / No</p>
<p>c) Project Referees Provide at least two (2) referees from current or recently completed projects including referee name, Email address, phone number and a brief description of the project conducted with the referee.</p>	<p><input checked="" type="checkbox"/> 2 <input checked="" type="radio"/> Yes / No</p>

3.1.1 Qualitative Criteria

Before responding to the following Qualitative Criteria, Respondents must note the following:

- a) All information relevant to your answers to each criterion are to be contained within your Response;
- b) Respondents are to assume that the Evaluation Panel has no previous knowledge of your organisation, its activities or experience;
- c) Respondents are to provide full details for any claims, statements or examples used to address the Qualitative Criteria; and
- d) Respondents are to address each issue outlined within a Qualitative Criterion.

Criteria	Weighting
Price	40%
Relevant Company Skills and Experience of previous similar work	30%
Company resources and availability	30%

The following criteria will be taken into consideration in determining the successful Contractor.

A. Price Contractors must complete the Pricing Schedule at 3.3 below:	Weighting 40%	
B. Relevant Company Experience Contractors to include the following information:	Weighting 30%	
<ul style="list-style-type: none"> a) Provide details of similar work undertaken. b) Provide scope of the Contractor's involvement including details of outcomes. c) Provide details of issues that arose during the project and how these were managed. d) Demonstrate competency and proven track record of achieving outcomes. 	Relevant Experience	Tick if attached <input checked="" type="checkbox"/>
C. Contractor's Resources and Availability Contractors to include the following information.	Weighting 30%	
<ul style="list-style-type: none"> a) Provide details of all project team members and their role in the project (and subcontractors, if applicable) inclusive of any relevant qualifications, registrations currently held. b) Any contingency measures or backup of resources including personnel (where applicable). 	Contractor's Resources	Tick if attached <input checked="" type="checkbox"/>

3.1 Price Information

Respondents must complete the following "Price Schedule". Before completing the Price Schedule, Respondents should ensure they have read this entire Request for Quotation.

3.1.1 Price Schedule

a) Lump Sum Fee

No	Service Description	Price Tendered (ex. GST)	GST	Price Tendered (inc. GST)
1	Review of the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance, as required under Regulation 17 of the Local Government (Audit) Regulations 1996. (includes travel, accommodation and all expenses associated with fulfilling the requirements of this Contract)	\$6,500	\$650	\$7,150
2	Financial Management Review, including a review of the appropriateness and effectiveness of the financial management systems and procedures, as required under Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996. (includes travel, accommodation and all expenses associated with fulfilling the requirements of this Contract)	\$9,500	\$950	\$10,450
	Total	\$16,000	\$1,600	\$17,600

a) Schedule of Rates**Note:**

is is a lump sum contract and the prices in this Schedule of Rates are intended for work performed outside the scope of Services. Rates shown are not subject to minimum hours.

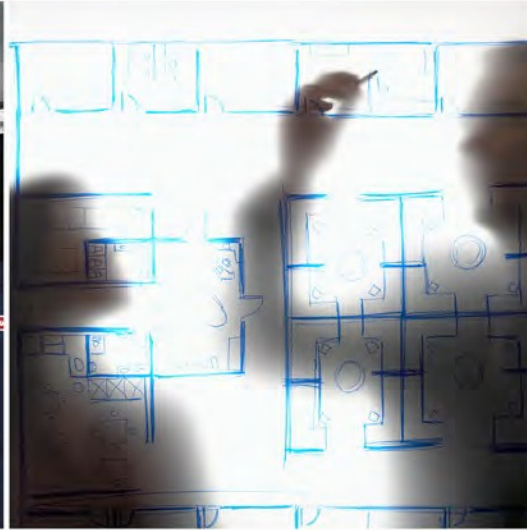
Category / Personnel (Consultant e.g. Associates, etc.)	Role	Hourly Rate (\$) (Inc. GST)
Employee	Director	\$ 358
Employee	Senior Auditor	\$ 198
Employee	Auditor	\$132

b) isbursements

Description	Unit (E.g. Hour, Each)	Rate (Inc. GST)
Accommodation 4 nights 2 team members	Per night	175
Meals for 5 days – 2 team members	Per day	120
KM travelled from our office to Shire Office and back – 2 vehicles due to COVID requirements – 290km	Per km	.72



BUTLER  **SETTINERI**
Real People. Better Business



Risk Management Procedures

June 2019
Version: 2.0

Shire of Victoria Plains



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Risk Management Procedures

Governance

Appropriate governance of risk management within the Shire of Victoria Plains (the “Shire”) provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of risk management functions.
- An effective Governance Structure to support the risk framework.

Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness biennially.

Operating Model

The Shire has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

First Line of Defence

All **operational** areas of the Shire are considered ‘**1st Line**’. They are responsible for ensuring that risks within their scope of operations are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decision-making process of risk.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

Second Line of Defence

The Shire’s Risk Framework Owner (Jeremy Clapham, Corporate Services Manager) acts as the primary ‘**2nd Line**’. This position owns and manages the framework for risk management, drafts and implements governance procedures and provides the necessary tools and training to support the 1st line process. The Senior Management Team supplements the second line of defence.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1st & 3rd lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1st Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Shire’s risk reporting for the CEO & Senior Management Team and the Audit Committee.

Third Line of Defence

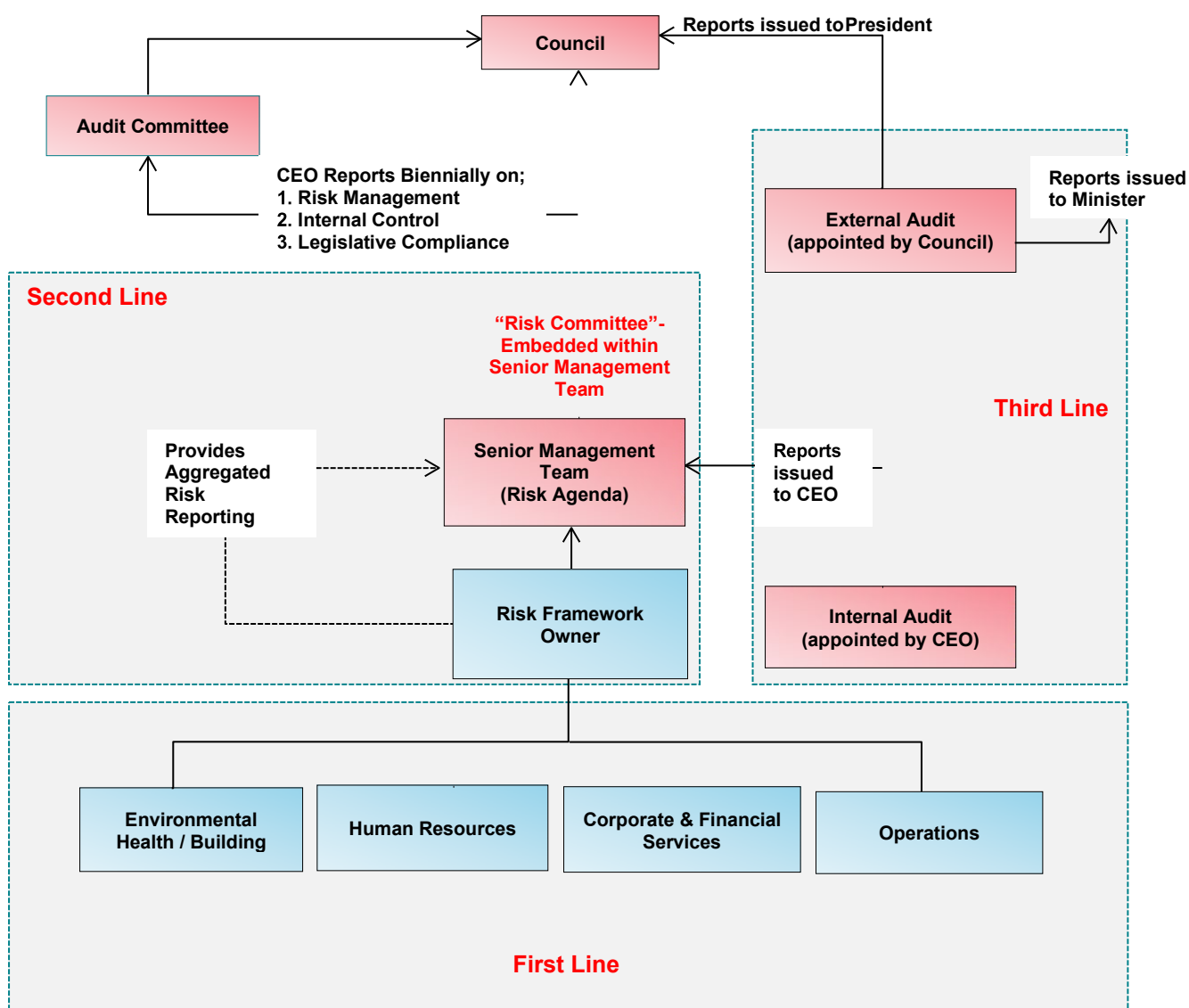
Internal self-audits & External Audits are the '3rd Line' of defence, providing assurance to the Council, Audit Committee and Shire Management on the effectiveness of business operations and oversight frameworks (1st & 2nd Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Audit Committee.

External Audit – Appointed by Council on the recommendation of the Audit Committee to report independently to the President and CEO on the annual financial statements only.

Governance Structure

The following diagram depicts the current operating structure for risk management within the Shire.



Roles & Responsibilities

Council

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Appoint / Engage External Auditors to report on financial statements annually.
- Establish and maintain an Audit Committee in terms of the Local Government Act.

Audit Committee

- Support Council in providing effective corporate governance.
- Oversight of all matters that relate to the conduct of External Audits.
- Independent, objective and autonomous in deliberations.
- Recommendations to Council on External Auditor appointments.

CEO / Senior Management Team

- Undertake internal controls as required under Local Government (Audit) regulations.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from risk matters.
- Own and manage the Risk Profiles at Shire Level.

Risk Framework Owner

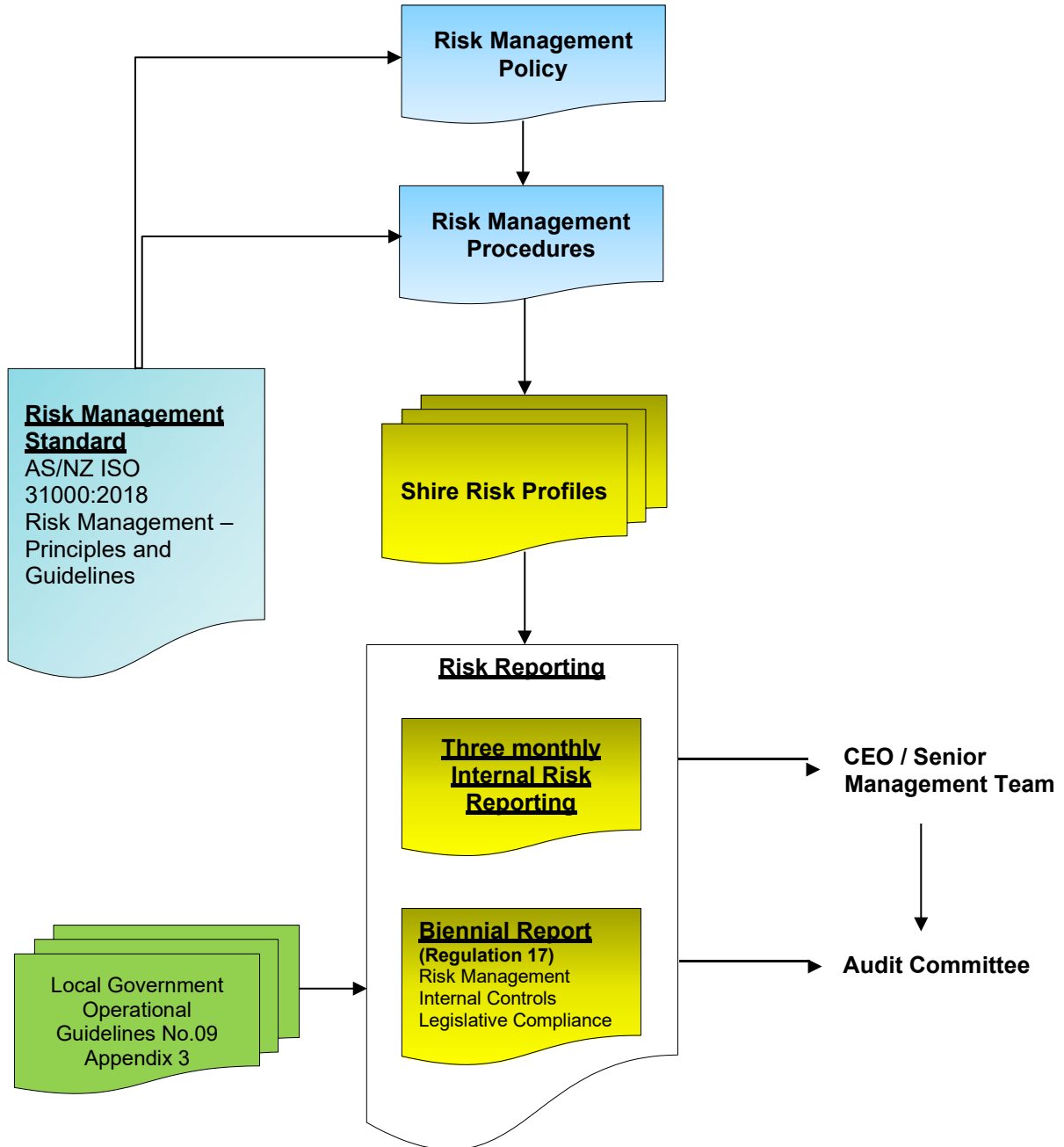
- Oversee and facilitate the Risk Management Framework.
- Champion risk management within operational areas.
- Support reporting requirements for Risk matters.
- Monitor KPI's for risk.

Managers / Teams

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk & Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into Management Meetings, by incorporating the following agenda items;
 - New or emerging risks.
 - Review existing risks.
 - Control adequacy.
 - Outstanding issues and actions.

Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.



Risk & Control Management

All Work Areas of the Shire are required to assess and manage the Risk Profiles on an ongoing basis.

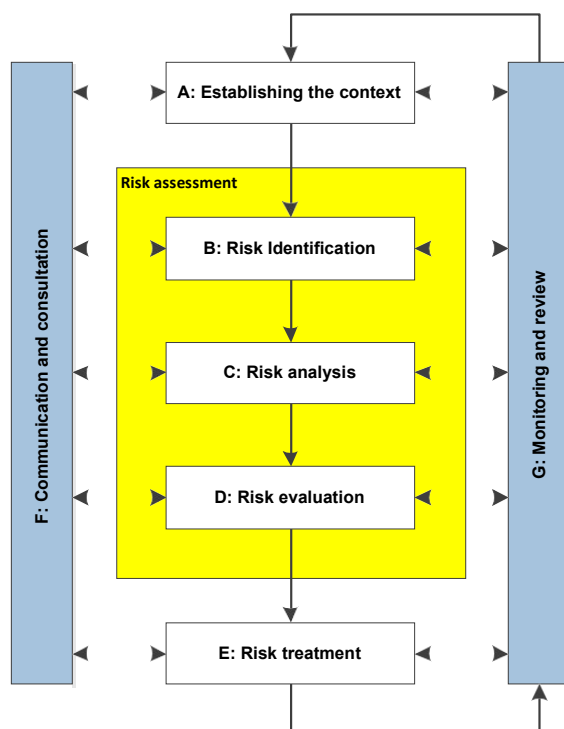
Each Manager, in conjunction with the Risk Framework Owner is accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Shire.
- Reviewed on at least a six monthly basis, or sooner if there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported by the use of data inputs, workshops and ongoing business engagement.

Risk & Control Assessment

To ensure alignment with AS/NZ ISO 31000:2018 Risk Management, the following approach is to be adopted from a Risk & Control Assessment perspective:



A: Establishing the Context

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

Organisational Context

The Shire’s Risk Management Procedures provide the basic information and guidance regarding the organisational context to conduct a risk assessment; this includes Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision making processes.

Specific Risk Assessment Context

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process.

For risk assessment purposes the Shire has been divided into three levels of risk assessment context:

1. Strategic Context

This constitutes the Shire’s external environment and high-level direction. Inputs to establishing the strategic risk assessment environment may include;

- Organisation’s Vision
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Existing Strategies / Objectives / Goals

2. Operational Context

The Shire’s day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its Key Activities i.e. what is trying to be achieved. Note: these may already be documented in business plans, budgets etc.

For the purposes of recording risks, risk profiles are to be utilised. These risk profiles are based on themes or broad areas of risk and are expected to change over time. To ensure consistency, amendments must be endorsed and approved by the Senior Management Team.

3. Project Context

Project Risk has two main components:

- **Direct** refers to the risks that may arise as a result of project activity (i.e. impacting on current or future process, resources or IT systems) which may prevent the Shire from meeting its objectives
- **Indirect** refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

B: Risk Identification

Once the context has been determined, the next step is the identification of risks. This is the process of finding, recognising and describing risks. Risks are described as the point along an event sequence where control has been lost. An event sequence is shown below:



Relevant stakeholders are considered to be the subject experts when considering potential risks to the objectives of the work environment and should be included in all risk assessments being undertaken. Key risks to the organisation/unit can then be captured within risk profiles, Service Plans and project toolkits.

Using the specific risk assessment context as the foundation, raise the below questions to identify potential risks that could prevent the Shire from achieving its goals:

- What can go wrong? / What are areas of uncertainty? (**Risk Description**)
- How may this risk eventuate? (**Potential Causes**)
- What are the current measurable activities that mitigate this risk from eventuating? (**Controls**)
- What are the potential consequential outcomes of the risk eventuating? (**Consequences**)

This step also is where opportunities for enhancement or gain across the organisation can be found. Unidentified risks can cause major losses through missed opportunities or adverse events occurring, therefore risks should also be identified through other business operations including policy and procedure development, internal and external audits, customer complaints, incidents and systems analysis.

Risk Description – describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event.

Potential Causes – are the conditions that may present or the failures that may lead to the event, or point in time when control is lost (risk).

Controls – are measures that modify risk. At this point in the process only existing controls should be considered. They must meet the following three tests to be considered:

1. Is it an object, technological system and / or human action?
2. Does it, by itself, arrest or mitigate an unwanted sequence?
3. Is the required performance specifiable, measureable and auditable?

Consequences – are impacts to the Shire. These can be safety of staff, visitors or contractors; financial loss; interruption to services; non-compliance or damage to reputation, assets or the environment. There is no need to determine the level of impact at this stage.

C: Risk Analysis

To analyse the risks, the Shire's Risk Assessment and Acceptance Criteria (Appendix A) is applied:

Step 1 – Based on the documented controls, **analyse the risk in terms of Existing Control Ratings:**

Controls need to be considered from three perspectives:

1. The **design effectiveness** of each individual key control.
2. The **operating effectiveness** of each individual key control.
3. The **overall or combined effectiveness** of all identified key controls.

Design Effectiveness

This process reviews the 'design' of the controls to understand their **potential for mitigating the risk without any 'operating' influences**. Controls that have inadequate designs will never be effective, no matter if it is performed perfectly every time.

There are four components to be considered in reviewing existing controls or developing new ones:

1. **Completeness** – The ability to ensure the process is completed once. How will the control ensure that the process is not lost or forgotten, or potentially completed multiple times?
2. **Accuracy** – The ability to ensure the process is completed accurately, that no errors are made or components of the process missed.
3. **Timeliness** – The ability to ensure that the process is completed within statutory timeframes or internal service level requirements.
4. **Theft / Fraud** – The ability to protect against internal misconduct or external theft / fraud based activities.

It is very difficult to have a single control that meets all the above requirements when viewed against a Risk Profile. It is imperative that all controls are considered so that the above components can be met across a number of controls.

Operating Effectiveness

This process reviews **how well the control design is being applied**. Similar to above, the best designed control will have no impact if it is not applied correctly.

As this generally relates to the human element of control application there are four main approaches that can be employed by management or the risk function to assist in determining the operating effectiveness and / or performance management.

1. **Re-perform** – this is only applicable for those short timeframe processes where they can be re-performed. The objective is to re-perform the same task, following the design to ensure that the same outcome is achieved.
2. **Inspect** – review the outcome of the task / process to provide assurance that the desired outcome was achieved.
3. **Observe** – physically watch the task / process being performed.
4. **Enquire** – through discussions with individuals / groups determine the relevant understanding of the process and how all components are required to mitigate any associated risk.

Overall Effectiveness

This is the value of the combined controls in mitigating the risk. All factors as detailed above are to be taken into account so that a considered qualitative value can be applied to the 'control' component of risk analysis.

The criterion for applying a value to the overall control is the same as for individual controls and can be found in Appendix A under 'Existing Control Ratings'.

Step 2 – Determine the controls (or Shire's) ability to influence the outcome of a risk materialising (Strategic Risks only)

Many strategic risks have external influences or sources that are difficult (and sometimes impossible) to manage or influence. It is critical to consider this aspect so that monitoring or 'lobbying' activities can be considered from a treatment perspective.

Step 3 – Determine the Residual Risk rating

There are three components to this step:

1. Determine relevant consequence categories and rate the 'probable worst consequence' if the risk eventuated with existing controls in place. This is not the worst case scenario but rather a qualitative judgement of the worst scenario that is probable or foreseeable. (Consequence)
2. Determine how likely it is that the 'probable worst consequence' will eventuate with existing controls in place. (Likelihood)
3. Using the Shire's Risk Matrix, combine the measures of consequence and likelihood to determine the risk rating. (Level of Risk)

D: Risk Evaluation

The Shire is to verify the risk analysis and make a risk acceptance decision based on:

- Controls Assurance (i.e. are the existing controls in use, effective, documented, up to date and relevant)
- Level of Risk
- Risk Acceptance Criteria (Appendix A)
- Risk versus Reward / Opportunity

The risk acceptance decision needs to be documented and acceptable risks are then subject to the monitor and review process. Note: Individual Risks or Issues may need to be escalated due to urgency, level of risk or systemic nature.

E: Risk Treatment

There are generally two requirements following the evaluation of risks.

1. In all cases, regardless of the residual risk rating; controls rated 'Inadequate' must have a treatment plan (action) to improve the control effectiveness to at least 'Adequate'.
2. If the residual risk rating is high or extreme, treatment plans must be implemented to either:
 - a. Reduce the consequence of the risk materialising.
 - b. Reduce the likelihood of occurrence.

(Note: these should have the desired effect of reducing the risk rating to at least moderate)

 - c. Improve the effectiveness of the overall controls to 'Effective' and obtain delegated approval to accept the risk as per the Risk Acceptance Criteria.

F: Monitoring & Review

The Shire is to review all Risk Profiles regularly or if triggered by one of the following;

- Changes to context,
- A treatment is implemented,
- An incident occurs or due to audit/regulator findings.

The Risk Framework Owner (RFO) is to monitor the status of risk treatment implementation and report on, if required.

The CEO & Senior Management Team will monitor significant risks and treatment implementation as part of their normal agenda item on a quarterly basis with specific attention given to risks that meet any of the following criteria:

- Risks with a Level of Risk of High or Extreme
- Risks with Inadequate Existing Control Rating
- Risks with Consequence Rating of Extreme
- Risks with Likelihood Rating of Almost Certain

The design and focus of the Risk Summary report will be determined from time to time on the direction of the CEO & Senior Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

G: Communication & Consultation

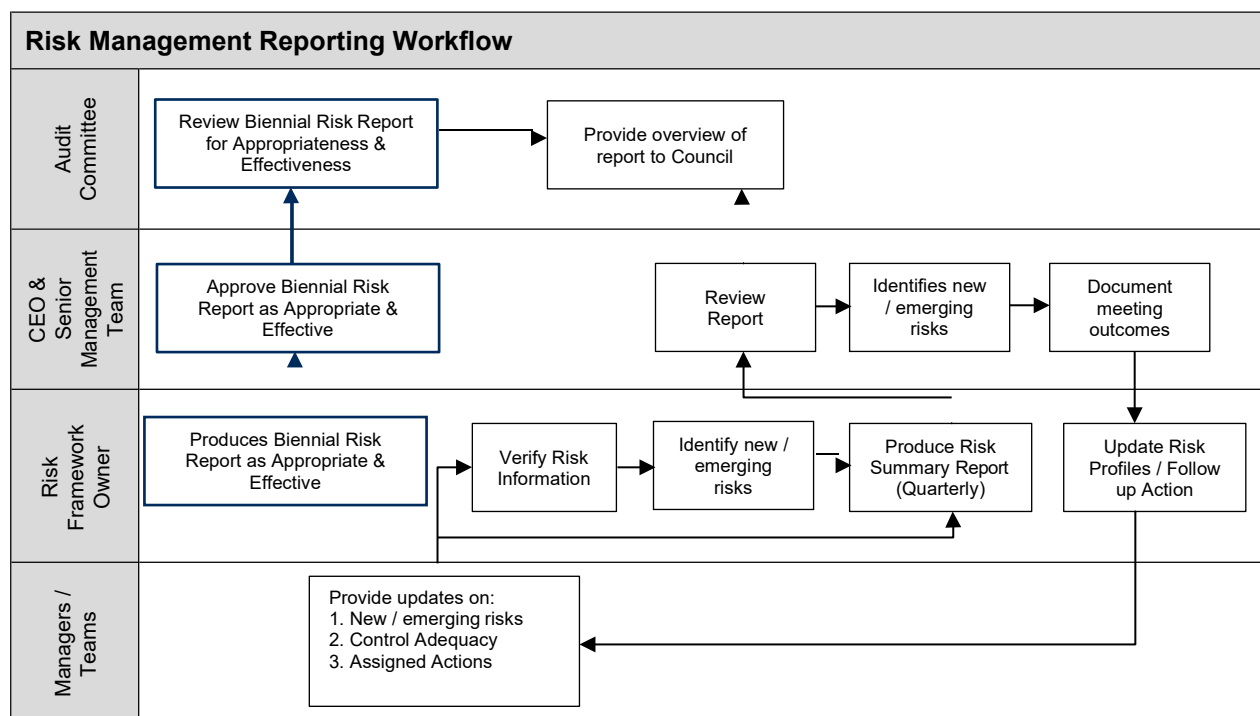
Throughout the risk management process, stakeholders will be identified, and where relevant, be involved in or informed of outputs from the risk management process. Council, through the Audit Committee will be provided with quarterly update reports.

Risk management will be included within the employee induction process to ensure new employees are introduced to the Shire’s risk management culture.

Reporting Requirements

Coverage & Frequency

The following diagram provides a high level view of the ongoing reporting process for Risk Management.



Each Work Area is responsible for ensuring:

- They continually provide updates in relation to new and emerging risks, control effectiveness and indicator performance to the Risk Framework Owner.
- Work through assigned actions and provide relevant updates to the Risk Framework Owner.
- Risks / Issues reported to the CEO & Senior Management Team are reflective of the current risk and control environment.

The Risk Framework Owner is responsible for:

- Ensuring Shire Risk Profiles are formally reviewed and updated, at least an 18 month cycle. This allows for the formal review of an individual risk profile each month. In addition, risk profiles (in their entirety) are to be reviewed when there has been a material restructure, change in risk ownership or change in the external environment.
- Producing a quarterly Risk Report for the CEO & Senior Management Team which contains an overview Risk Summary for the Shire.
- Annual Compliance Audit Return completion and lodgement.

Indicators

Indicators are required to be used for monitoring and validating risks and controls. The following describes the process for the creation and reporting of Indicators:

Identification

The following represent the minimum standards when identifying appropriate Indicator risks and controls:

- The risk description and casual factors are fully understood
- The Indicator is fully relevant to the risk or control
- Predictive Indicators are adopted wherever possible
- Indicators provide adequate coverage over monitoring risks and controls

Data Quality and Integrity

In all cases an assessment of the data quality and integrity must be completed to ensure that the Indicator data is relevant to the risk or Control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping Indicators can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the Indicator, the data is required to be revalidated to ensure reporting of the Indicator against a consistent baseline.

Tolerances

Tolerances are set based on the Shire's Risk Appetite. They may be set and agreed over three levels:

- Green – within appetite; no action required.
- Amber – the Indicator must be closely monitored and relevant actions set and implemented to bring the measure back within the green tolerance.
- Red – outside risk appetite; the Indicator must be escalated to the CEO & Senior Management Team where appropriate management actions are to be set and implemented to bring the measure back within appetite.

Monitor & Review

All active Indicators are updated as per their stated frequency of the data source.

When monitoring and reviewing Indicators, the overall trend should be considered over a longer timeframe than individual data movements. The trend of the Indicators is specifically used as an input to the risk and control assessment.

Risk Acceptance

Day-to-day operational management decisions are generally managed under the delegated authority framework of the Shire.

Risk Acceptance *outside* of the appetite framework is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment & Acceptance Criteria) for an extended period of time (generally 3 months or longer).

The following process is designed to provide a framework for those *outside* appetite framework identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager and cover:

- A description of the risk.
- An assessment of the risk (e.g. Impact consequence, materiality, likelihood, working assumptions etc)
- Details of any mitigating action plans or treatment options in place
- An estimate of the expected remediation date.

Reasonable action should be taken to mitigate the risk. A lack of budget to remediate a material risk outside of appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (i.e. Senior Management Team)

Appendix A – Risk Assessment and Acceptance Criteria

MEASURES OF CONSEQUENCE

RATING	PEOPLE	INTERRUPTION TO SERVICE	REPUTATION (Social / Community)	COMPLIANCE	PROPERTY (Plant, Equipment, Buildings)	NATURAL ENVIRONMENT	FINANCIAL IMPACT
Insignificant (1)	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community trust, low profile or no media item.	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact managed by on site response	Less than \$10,000
Minor (2)	First Aid Treatment	Short term temporary interruption – backlog cleared < 1 day	Substantiated, localised impact on community trust or low media item	Some temporary non compliances	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response	\$10,000 - \$25,000
Moderate (3)	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Short term non-compliance but with significant regulatory requirements imposed	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies	\$25,001 to \$100,000
Major (4)	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional resources; performance affected < 1 month	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Non-compliance results in termination of services or imposed penalties to Shire/Officers	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies	\$100 000 to \$500,000
Extreme (5)	Fatality, permanent disability	Indeterminate prolonged interruption of services non- performance > 1 month	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire/Officers	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact	>\$500,000

MEASURES OF LIKELIHOOD

Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

RISK MATRIX

Consequence		Insignificant	Minor	Moderate	Major	Extreme
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

RISK ACCEPTANCE

Risk Rank	Description	Criteria	Responsibility
LOW (1-4)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MEDIUM (5-9)	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH (10-16)	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Senior Management Team / CEO
EXTREME (17-25)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO & Council

EXISTING CONTROLS RATINGS

Rating	Foreseeable	Description
Effective	There is little scope for improvement.	Processes (Controls) operating as intended and / or aligned to Policies & Procedures; are subject to ongoing maintenance and monitoring and are being continuously reviewed and tested.
Adequate	There is some scope for improvement.	Whilst some inadequacies have been identified; Processes (Controls) are in place, are being addressed / complied with and are subject to periodic review and testing.
Inadequate	A need for corrective and / or improvement actions exist.	Processes (Controls) not operating as intended, do not exist, or are not being addressed / complied with, or have not been reviewed or tested for some time.

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LGIS

ABN 96 085 720 056

Level 3

170 Railway Parade

WEST LEEDERVILLE WA 6007

Tel 08 9483 8888

Fax 08 9483 8898

CONTACT

Mark Harris

Senior Risk Consultant

Tel 08 9483 8876

Mob 0439 551 314

mark.harris@lgiswa.com.au

Measures of Consequence

RATING	PEOPLE	INTERRUPTION TO SERVICE	REPUTATION (Social / Community)	COMPLIANCE	PROPERTY	NATURAL ENVIRONMENT	FINANCIAL IMPACT
					(Plant, Equip, Buildings)		
Insignificant (1)	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community trust, low profile or no media item.	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact managed by on site response	Less than \$10,000
Minor (2)	First Aid Treatment	Short term temporary interruption – backlog cleared < 1 day	Substantiated, localised impact on community trust or low media item	Some temporary non-compliances	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response	\$10,000 - \$25,000
Moderate (3)	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption – backlog cleared < 1 Week	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Short term non-compliance but with significant regulatory requirements imposed	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies	\$25,001 to \$100,000
Major (4)	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional resources; performance affected < 1 Month	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Non-compliance results in termination of services or imposed penalties to Shire / Officers	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies	\$100,001 to \$500,000
Extreme (5)	Fatality, permanent disability	Indeterminate prolonged interruption of services non-performance > 1 month	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire / Officers	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact	>\$500,000

Measures of Likelihood

Rating	Description	Frequency
Almost Certain (5)	The event is expected to occur in most circumstances	More than once per year
Likely (4)	The event will probably occur in most circumstances	At least once per year
Possible (3)	The event should occur at some time	At least once in 3 years
Unlikely (2)	The event could occur at some time	At least once in 10 years
Rare (1)	The event may only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix

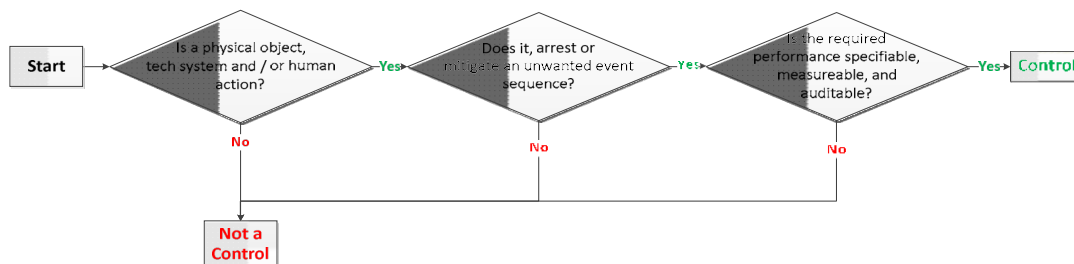
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria

Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	CEO
EXTREME	Unacceptable	Risk only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Existing Controls Ratings

Rating	Foreseeable	Description
Effective	There is little scope for improvement.	Processes (Controls) operating as intended and aligned to Policies / Procedures. Subject to ongoing monitoring. Reviewed and tested regularly.
Adequate	There is some scope for improvement.	Processes (Controls) generally operating as intended, however inadequacies exist. Nil or limited monitoring. Reviewed and tested, but not regularly.
Inadequate	There is a need for improvement or action.	Processes (Controls) not operating as intended. Processes (Controls) do not exist, or are not being complied with. Have not been reviewed or tested for some time.



SoVP Compliance Calendar 2022

Last Reviewed - February 2022 by Governance Officer

*Comments by Sean Fletcher

See Also:

**WALGA Guideline for
Implementing a Compliance
Calendar**

Department of Local Government,
Sporting and Cultural Industries
(DLGSCI)

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	January - Take Action								
Jan	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	RSM/Admin Manager			To be adopted at Feb 2022 OCM
Jan	BCTIF Levy SoVP to submit each month	Building Construction Industry Training Fund and Levy Collection Act 1990			Monthly	Admin Manager/Rates Off			
Jan	Calingiri Gym Membership				Monthly	Admin Manager	No action required in 2022		Spreadsheet to manage memberships in place 17/03/21. CEO advised 1 February 2022 that Gym is now closed due to members not using this facility and as a precaution against Omicron
Jan	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	OCM Officer			
Jan	Financial Interests Register - Review Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles) or for Elected Members who have resigned. Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	OCM Officer			

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Jan	<p>Compliance Audit Return - Undertake Audit Undertake the Compliance Audit Return as an internal audit. Compliance Audit Return Report considered by Audit Committee, with recommendations to Council. Compliance Audit Return certified by CEO and President / Mayor. Copy of Compliance Audit Return and Council report / minutes provided to Executive Director of DLGSCI Note - Schedule Committee / Council consideration with sufficient time to enable submission to DLGSCI by 31 March Due: 31 March</p>	Local Government Act 1995	s.7.13(1)(i) Audit.Regs. 13, 14 and 15		Annual	GO			To be conducted late February, Early March 2022
Jan	<p>Primary Returns - New Elected Members - required to be lodged with CEO within 3 months of making Declarations of Office Due by: 24/01/2022</p>	Local Government Act 1995	s.5.75(1)	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial Next due 2022	OCM Officer			
Jan	<p>Annual Budget Review - Commence Review Between 1 January and 31 March in each financial year, a review of the annual budget is to be carried out. • Review must be submitted to Council within 30 days after it has been carried out. • Council is to consider the review and determine, by absolute majority, whether or not to adopt the review, any parts of the review or any recommendations made in the review • Copy of Review to DLGSCI Executive Director within 30 days after Budget Review adoption, plus a copy of the Council Report / Minutes relevant to Budget Review adoption. DUE: 31 March</p>	Local Government Act 1995	FM Reg.33A(1) (2A) (2) (3)	DLGSC website - WA Local Government Accounting Manual	Annual	RSM			

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Jan	Record Keeping Systems - Review Undertake a review of the efficiency and effectiveness of the LGs record keeping systems - evaluated not less than once every 5 years. CEO function - to ensure that records and document are properly kept. Last completed: 16/11/2021 Due by: 16/11/2026	State Records Act 2000 Local Government Act 1995	Principles and Standards 2002 - Principle 6 s.5.41(h)	State Records Office website - Guidelines State Records Office website - General Disposal Authority for Local Government Records State Records Office website - Record Keeping Plan Templates and Guidelines	5-yearly Next Due: 2026	Records Support/OCM			Review conducted during 2021 by Records Consultant. Note: * Records set up in Synergy * Consultant is undertaking archiving * Further training to be provided to staff in Feb * Consultant to review vital records in Feb * Additional consultant to establish records for Works and Services
Jan	Record Keeping Plan - Review The LG's Record Keeping Plan must be reviewed within 5 years of its approval by the Commission Last completed: dd/mm/yyyy Due by: dd/mm/yyyy	State Records Act 2000 Local Government Act 1995	s.28(5) s.5.41(h)	State Records Office website - Record Keeping Plan Templates and Guidelines	5-yearly Next Due: 2019	Records Support/OCM	No action required in 2022		<i>As per CEO KPI Report: The Record Keeping Plan and associated documentation which includes the Records Disaster Recovery Plan was approved by the State Records Office on November 16 2021</i>
Jan	Local Planning Scheme - Review	Planning and Development Act 2005 Planning and Development (Local Planning Schemes) Regulations 2015	s.87 r.65		In the Fifth Year: Next Due: 2026	Town Planner	No action required in 2022		
Jan	Ward Boundary Review last completed on (date of OCM decision): 15/02/2017 Next due by: 15/02/2025	Local Government Act 1995	s.2.2 Sch.2.2(6)		8-yearly Next Due: 2025	GO	No action required in 2022		Last review reduced EMs from 9 to 7. New Act will require 5 members up to population of 5,000. Review will be every 15 years
Jan	Risk Management - Complete Review Undertake a review of the appropriateness and effectiveness of the Risk Management system and procedures at least once every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 31/07/2019 Due by: 31/12/2019	Local Government Act 1995	Audit.Reg. 17(1)(a)	AS/NZS ISO 31000:2009 Risk Management	Triennial Next Due: 2024/2025	CEO/RSM			History Reg 17 Review was accepted by Audit Committee only. Risk Governance Framework and Dashboard went to the Audit Committee in 26 June 2019. Adopted by Council 31 July 2019. Recommend align risk review with Internal Control and Compliance. Jill - RFQ prepared January 2022

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Jan	Internal Control - Complete Review Undertake a review of the appropriateness and effectiveness of the Internal Control system and procedures at least once every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 31/07/2019 Due by: 31/12/2019	Local Government Act 1995	Audit.Reg. 17(1)(b)	DLGSC website - WA Local Government Accounting Manual	Triennial Next Due: 2024/2025	CEO/RSM			History Last conducted in December 2016 by Moore Stephens. Reg 17 Review was accepted by Audit Committee only. Council resolved 31.07/19 for external review. Should have been conducted by externally by 31 December 2019. Must be undertaken in 20/21. Jill - RFQ prepared January 2022
Jan	Legislative Compliance - Complete Review Undertake a review of the appropriateness and effectiveness of the Legislative Compliance system and procedures at least once every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 31/07/2019 Due by: 31/12/2019	Local Government Act 1995	Audit.Reg. 17(1)(c)	AS 3806-2006 Compliance Programs	Triennial Next Due: 2024/2025	CEO/RSM			History Last conducted in December 2016 by Moore Stephens. Reg 17 Review was accepted by Audit Committee only. Council resolved 31.07/19 for external review. Should have been conducted by externally by 31 December 2019. Must be undertaken in 20/21. Jill - RFQ prepared January 2022.
Jan	Rates Installment 2021/2022 - 3 Due					Rates Off			
Jan	COVID-19 Pandemic Requirements					Crisis Management Team			CESM/GO. State Emergency Act, Health Emergency Act, Various Orders, Amendments to Regulations
February - Take Action									
Feb	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Pursuant to Section 7A and 7B	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	RSM/Admin Manager			
Feb	BCTIF Levy SoVP to submit each month	Building Construction Industry Training Fund and Levy Collection Act 1990			Monthly	Admin Manager/Rates Off			Local Government is a Collection Agency

SoVP Compliance Calendar 2022

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Feb	Calingiri Gym Membership				Monthly	Admin Manager	No action required in 2022		Spreadsheet to manage memberships in place 17/03/21. CEO advised 1 February 2022 that Gym is now closed due to members not using this facility and as a precaution against Omicron
Feb	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	OCM Officer			
Feb	Rate Exempted Properties - Review In preparation for next financial year, review previously approved rate exempt properties to determine if the basis of exemption remains unchanged. Advise owners where status is changed or approval has expired.	Local Government Act 1995	s.6.26(20)		Annual	RO			Rates Officer is undertaking this review
Feb	Authorised Persons - Review Review the LG's authorised persons to ensure authorisations are accurate, valid and the correct certificates of authorisation and / or identity cards have been issued	Various		WALGA Decision Making in Practice Toolkit - Part 3 Authorisations	Annual	GO			
Feb	Local Law Review - Statewide Public Notice , calling for submissions closing not less than 6 weeks after the Public Notice. Made / Last Reviewed: 17/02/2018 Commence Next Review: 17/02/2025 Review Due by: 17/02/2026 List of Local Laws Includes: Bush Fire Brigades Local Law 2017 Cemeteries Local Law 2018 Dogs Local Law 2018 Extractive Industries Local Law 2018 Fencing Local Law 2018 Health Local Laws 2003 Health Amendment Local Laws 2005 Meeting Procedures Local Law 2018 Public Places and Local Government Property Local Law 2018	Local Government Act 1995	s.3.16(2), (2a)	WALGA website - Local Laws Manual Subscription Service DLGSCI website - Local Laws Statutory Procedures Checklist DLGSCI website - Local Laws Register	8 yearly Due by: 17/02/2026	GO	No action required in 2022		Last Review of Local Laws completed: 17/2/2018 Local Laws to be Adopted in due course include?: *Waste Local Law Amenity *Local Law Cats Local Law? *Omnibus Amendment Local Law *Withdrawal of Extractive Industries LL (Planning Scheme is the correct authority. So, can be encapsulated withing a planning policy - see Shire of Toodyay)

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Feb	Local Law Review - Completion of Review - Following close of public submissions - Report to Council to complete the review. Council to determine, by Absolute Majority, if the Local Laws should be adopted, repealed or amended. If resolved for amendment, commence s.3.12 Procedure for making local laws. Made / Last Reviewed: 17/02/2018 Commence Next Review: <u>17/02/2025</u> Review Due by: <u>17/02/2026</u>	Local Government Act 1995	s.3.16(3)(4)	WALGA website - Local Laws Manual Subscription Service DLGSC website - Local Laws Statutory Procedures Checklist DLGSC website - Local Laws Register	8 yearly Due by: 17/02/2026	GO	No action required in 2022		
Feb	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	OCM Officer			
March - Take Action									
Mar	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	RSM/Admin Manager			
Mar	Emergency Services Levy - Option A Remittance Due by: 21st of the month Option A Remittance Report - see Form B Schedule 5 and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures	Clause 5.13.	DFES -ESL Manual of Operating Procedures	Quarterly	CESM/SFO			Quarterly
Mar	BCTIF Levy SoVP to submit each month	Building Construction Industry Training Fund and Levy Collection Act 1990			Monthly	Admin Manager/Rates Off			
Mar	Calingiri Gym Membership				Monthly	Office Manager	No action required in 2022		Spreadsheet in place 17/03/21

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	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Mar	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	OCM Officer			Conducted by GO as part of CAR 2020 Review.
Mar	Financial Interests Register - Review Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles) or for Elected Members who have resigned. Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	OCM Officer			Conducted by GO as part of CAR 2020 Review
Mar	Rates Installment 4 2021/2022 Due	Local Government Act 1995				Rates Off			
Mar	Elected Member Training / Professional Development Policy - Review Review Council Policy to ensure Elected Member protocols for applying for and accessing professional development are in place and that budgets are sufficient	n/a	n/a		Annual	GO			
Mar	Financial Management Systems and Procedures Review - Conclude? At least once every 3 financial years, review the appropriateness and effectiveness of the systems and procedures established under FM Reg.5. CEO to report Review results to Council via the Audit Committee.					CEO/RSM			Jill confirmed deferred to October 2021. Quoted required. Jill - RFQ Prepared January 2022
Mar	Annual Budget Review - Copy of Review to DLGSCI Executive Director within 30 days after Budget Review adoption, plus a copy of the Council Report / Minutes relevant to Budget Review adoption.	Local Government Act 1995	FM.Reg.33A(4)	DLGSC website - WA Local Government Accounting Manual	Annual	Admin Manager			Office Manager confirmed submitted to Smart Hub 17/03/21

SoVP Compliance Calendar 2022

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Mar	Audit Committee Meeting 1	At the ACM on February 2019 it was agreed to meet approximately every three months				Admin Manager/GO			History: 4 Meetings to be held each year
Mar	Review Disability and Access Inclusion Plan - Commence 5 Yearly Review - Advertise 5 Yearly Review Process requires Committee of Council and for review to be completed by 30 June in the year the current plan expires	Disability Services Act 1993 Disability Services Regulations 2004 Disability Services Regulations 2013	Part 5 Sch 1 & Sch 2 Reg 8, 9, 10	Local Government Resources Manual: Disability Services Commission website	5 Yearly Next Due: June 2020	EHO/GO			History Current DAIP expired 30 June 2020. Review process was not undertaken prior to expiry. Council advised of process at Feb 2021 Briefing Session and OCM DAIP planning process endorsed Feb 24 OCM. Working Group met in May 2021. DCS has since provided new template to EHO

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	Actions to be Allocated - Check Each Month Schedule the following Compliance Actions by inserting in the Compliance Calendar								
	Waste Water Audits					EHO			Exemption expires in 2022. EHO to update AMP. Licence renewal due
	Water Services Customer Code of Conduct Review	Water Services Code of Conduct (Customer Service Standards) 2018				EHO			Standards re sewerage and financial hardship
	Develop/Review Waste Plans	Waste Avoidance and Resource Recovery Act 2007 (WARR Act)	s.40(4)			EHO			Links to SCP - set out in SCP
	Transport Licensing Annual/Monthly Return					CSO			
	Transport Licensing Audit - DoT					CSO			Conducted when advised by DoT

Legend

SoVP Compliance Calendar 2022

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Sporting and Cultural Industries
(DLGSCI)

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
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GO = Governance Officer
 OCM Officer = Ordinary Council Meetings Officer (Julie)
 WSM = Works and Services Manager (Keith)
 CEO = Chief Executive Officer
 CSO = Customer Service Officer
 RO = Rates Officer
 Records Support (Person in charge of Records)
 HR = Human Resources (Mike)
 Town Planning (Joe)
 Bsurv = Building Surveyor (Peter)
 EHO (Gordon)
 Rates Off = Rates Officer
 RSM (Travis)
 Admin Manager = Administration Manager
 CESM - Community Emergency Services Manager

Legend

Not Commenced/Outstanding
 In Progress
 Completed
 Not Due in 2022
 Status Unknown



5.127. Report on training

(1) A local government must prepare a report for each financial year on the training completed by council members in the financial year.

(2) The CEO must publish the report on the local government's official website within 1 month after the end of the financial year to which the report relates.

Training Matrix

Training Program	Date	Training Provider	Cost	Location	Attendance
N/A					

Mandatory Training Matrix – Council Member Essentials Regulations 35 & 36 Local Government (Administration) Regulations 1996

The Mandatory Modules are:

- (i) Understanding Local Government;
- (ii) Serving on Council;
- (iii) Meeting Procedures;
- (iv) Conflicts of Interest;
- (v) Understanding Financial Reports and Budgets.

Elected Member	Date Elected	Required to Complete Training	Due Date	Progress (Completed unless specified otherwise)	Date
Cr P Bantock	19/10/2019	N	16/10/20 18/10/24	<ul style="list-style-type: none"> • Serving on Council • Understanding Local Government • Meeting Procedures • Conflicts of Interest • Understanding Financial Reports and Budgets 	26/10/20 05/11/20 03/11/20 05/11/20 03/11/20

Cr N Clarke	19/10/2019	N	16/10/20 18/10/24	<ul style="list-style-type: none"> • Serving on Council • Understanding Local Government • Meeting Procedures • Conflicts of Interest • Understanding Financial Reports and Budgets 	26/10/20 05/11/20 03/11/20 05/11/20 03/11/20
Cr D Lovelock**	16/10/2021	Y	14/10/22 16/10/26 Overdue 16/10/20	<ul style="list-style-type: none"> • Serving on Council – Incomplete P • Understanding Local Government – Incomplete P • Meeting Procedures – Incomplete P • Conflicts of Interest – Incomplete P 	
Cr J Kelly	19/10/2019	Y	16/10/20 18/10/24 Overdue 16/10/20	<ul style="list-style-type: none"> • Serving on Council – Incomplete P+E • Understanding Local Government • Meeting Procedures • Conflicts of Interest 	05/11/20 03/11/20 05/11/20
Cr S Penn**	16/10/2021	Y	14/10/22 16/10/26 Overdue 16/10/20	<ul style="list-style-type: none"> • Serving on Council – Incomplete P+E • Understanding Local Government – Incomplete P • Meeting Procedures – Incomplete P • Conflicts of Interest – Incomplete P 	
Cr G O'Brien	26/03/2021	N	25/03/22 16/10/26	<ul style="list-style-type: none"> • Serving on Council • Understanding Local Government • Meeting Procedures • Conflicts of Interest • Understanding Financial Reports and Budgets • Dealing With Conflict 	15/05/21 12/04/21 13/06/21 27/04/21 13/08/21 13/08/21
Cr S Woods	16/10/2021	Y	14/10/22 16/10/26	<ul style="list-style-type: none"> • Serving on Council - P • Understanding Local Government - P • Meeting Procedures - P • Conflicts of Interest - P • Understanding Financial Reports and Budgets - P 	

** Crs Lovelock and Penn – were elected prior to the commencement of mandatory training on 19/10/19 and so were required to complete the training by 16/10/20. As they were re-elected on 16/10/2021 and so must complete this training by 14/10/22.

P+E = Participating but studies not finished (with evidence)

P = Participating but studies not finished (NO evidence)

Glenda Teede

Chief Executive Officer