

Shire of Exmouth

AUDIT COMMITTEE MEETING

MINUTES



28 March 2019

CONFIRMATION OF MINUTES

I hereby certify that the Minutes of the Audit Committee Meeting held on 28 March 2019 are a true and accurate record of the proceedings contained therein.


.....
Presiding Officer


.....
Dated

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MINUTES

Our Vision To be a prosperous and sustainable community living in harmony with our natural environment.

Our Purpose To responsibly provide governance for the whole community in the best interest of current and future generations.

Our Strategic Objectives

- Diversify and grow our economy in a manner that provides year round employment opportunities
- To protect and value our unique natural and built environment as we grow our economy.
- To be a vibrant, passionate and safe community valuing our natural environment and unique heritage
- To provide open transparent, accountable leadership working in collaboration with our community.

1. **DECLARATION OF OPENING**

The Shire President declared the meeting open at 2.20pm.

The Shire President acknowledged the aboriginal people both past and present, as the traditional custodians of the land on which we meet.

2. **RECORD OF ATTENDANCE AND APOLOGIES**

| | |
|---------------------------------|------------------------------------|
| Councillor M (Matthew) Niikkula | Shire President |
| Councillor M (Mark) Lucas | |
| Mr C Woods | Chief Executive Officer |
| Mr K Woodward | Deputy Chief Executive Officer |
| Ms M Head | Executive Secretary/ Minutes Taker |

APOLOGIES

| | |
|-----------------------------|--------------------------------------|
| Mr K Wilson | Executive Manager Corporate Services |
| Councillor G (Gary) Mounsey | Deputy Shire President |

3. **DECLARATIONS OF INTEREST**

Nil

4. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

That the Minutes of the Audit Committee of the Shire of Exmouth held on the 19 February 2019 be confirmed as a true and correct record of proceedings.

COMMITTEE'S RESOLUTION

ITEM 4.1

Res No: 01-0319

Mover Cr Lucas

Seconded Cr Niikkula

That the Minutes of the Audit Committee of the Shire of Exmouth held on the 19 February 2019 be confirmed as a true and correct record of proceedings.

CARRIED 2/0

5. REPORTS OF OFFICERS

5.1 2018 COMPLIANCE AUDIT RETURN

| | |
|-------------------------|---|
| File Reference: | FM.AD.1 |
| Responsible Officer: | Chief Executive Officer |
| Date of Report: | 28 March 2019 |
| Applicant/Proponent: | Department of Local Government, Sport and Cultural Industries |
| Disclosure of Interest: | Nil |
| Attachment(s): | 1. 2018 Compliance Audit Return |

PURPOSE

The purpose of this report is for the Audit Committee to consider of the Compliance Audit Return (CAR) for the calendar year 1 January to 31 December 2018.

BACKGROUND

Each year the Department of Local Government , Sport and Cultural Industries (the Department) requires Councils to conduct an annual assessment of their compliance with key components of the *Local Government Act 1995* (the Act) and associated Regulations.

The 2018 Return is to be provided to the Department by 31 March 2019.

95 questions are contained within the 2018 return. A copy of the reviewed Return is available at Attachment 1.

On an annual basis respective Western Australia Local Governments are required under legislation to complete an annual Compliance Audit Return that largely represents a self-audit of the Shires compliance.

Each Local Government must complete a CAR for the period 1 January to 31 December against the checklist of statutory compliance issues included in the 2018 return.

Once completed, the CAR is to be:

- presented at a meeting of the Audit Committee;
- presented to Council at an Ordinary Council Meeting;
- adopted by the Council; and (d) the adoption recorded in the minutes of the meeting at which it is adopted.

After the CAR has been presented to the Council at the March Ordinary Council Meeting, a certified copy of the Return along with the relevant section of the minutes and any additional information is to be submitted to the Director General, Department of Local Government, Sport and Cultural Industries by 31 March 2019.

COMMENT

The CAR is seen as an internal control monitoring process and as such is a useful tool for the Chief Executive Officer to report to Council and the Department on performance against the Shire's statutory obligations.

The 2018 Compliance Audit Return was undertaken in house and reviewed by a Senior Risk Consultant from Local Government Insurance Scheme (LGIS).

The audit has identified the Shire to be compliant on all aspects of the Return except one potential minor breach.

This being;

Delegation of Power / Duty

- *Question 9 – Were all delegations by the CEO to any employee in writing.*

This related to one new employee who did not receive notification in writing of the delegations pertaining to the role. However the delegation by office enables the employee who occupies the role, the powers and duties delegated to exercise.

The employee has since been provided with the delegation letter and the matter has been resolved. Procedures have been implemented with Human Resources to reduce any future risk of non-compliance in this area by including this process of identifying persons with delegated authority via the New Starter Checklist.

The Shire of Exmouth is compliant with the statutory requirements of the *Local Government Act, 1995* and subsidiary legislation.

CONSULTATION

Managers

Executive Managers

Chief Executive Officer

Local Government Insurance Scheme (LGIS) – Senior Risk Consultant

STATUTORY ENVIRONMENT

Pursuant to Regulations 14 & 15 of the *Local Government (Audit) Regulations 1996* requires the 2016 Compliance Audit Return to be completed and returned by the 31 March 2019.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2030 and Corporate Business Plan 2018-2022

Leadership: To provide open transparent, accountable leadership working in collaboration with our community.

4.1 To provide proactive, collaborative and transparent leadership

4.2 A local government that is respected and accountable.

4.3 To be a champion for our community

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 5.1

The Audit Committee recommend that Council RESOLVE to:

1. Adopt the Statutory Compliance Audit Return for the Shire of Exmouth for the period 1 January 2018 to 31 December 2018.
2. Authorise the Chief Executive Officer to submit the return to the Department of Local Government, Sport and Cultural Industries by 31 March 2019.

COMMITTEES RESOLUTION

ITEM 5.1

Res No: 02-0319

Mover Cr Lucas

Seconded Cr Niikkula

The Audit Committee recommend that Council RESOLVE to:

1. **Adopt the Statutory Compliance Audit Return for the Shire of Exmouth for the period 1 January 2018 to 31 December 2018.**
2. **Authorise the Chief Executive Officer to submit the return to the Department of Local Government, Sport and Cultural Industries by 31 March 2019.**

CARRIED 2/0

6. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

7. CLOSURE OF MEETING

The meeting was closed at 2.28pm.