



Shire of
Plantagenet

Mount Barker • Kendenup • Narrikup
Porongurup • Rocky Gully

AUDIT AND RISK MANAGEMENT COMMITTEE MINUTES

**A meeting of the Audit and Risk Management Committee
was held in the Committee Room,
Lowood Road, Mount Barker WA 6324
at 4:15pm on Tuesday 25 February 2025**

**Julian Murphy
CHIEF EXECUTIVE OFFICER**



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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 4.15pm.

2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Members Present

Cr L Handasyde (Presiding Member)

Cr J Liebeck

Cr K Clements

Cr S Etherington (Deputy)

Observers

Cr W Sheard (Deputy)

Staff

Mr Julian Murphy - Chief Executive Officer

Mr Anthony Middleton - Executive Manager Corporate and Community Services

Ms Kylie Caley - Manager of Finance

Apologies

Cr A Fraser

Leave of Absence

Nil

3 CONFIRMATION OF MINUTES

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr K Clements, seconded Cr J Liebeck:

That the Minutes of the Meeting of the Audit and Risk Management Committee held on 28 January 2025 be confirmed as a true and accurate record.

CARRIED 4-0

4 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

There were no disclosures of interest.

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 COMMITTEE STATUS REPORT

The status list below captures all issues raised at Committee meetings since 18 June 2024 and will enable Committee members to easily track the actions taken. Once completed, the text will be crossed out and then deleted in the following agenda.

Date	Item	Issue	Comment/Status
18 June 2024	2022/2023 Final Audit 1. Non-Compliance with Local Government (LG) act – Proceeds from sale of property	The Shire should organise payment of these funds, as per the Local Government Regulations, to the Supreme court as soon as possible to fulfil their obligations.	Funds have been forwarded to our lawyers trust account. This has removed the 'funds' issue for 2023/2024 and now the expensive process of liaising with the Supreme Court needs to be finalised.
26 Nov 2024	1. Monthly reconciliation's process	Creditors reconciliations for this period were not completed in a timely manner	This process continues to improve.
26 Nov 2024	2. General journals review process	Authorisation of general journals not adequately documented as having been reviewed by an authorized reviewer.	Completed. DocuSign (electronic signing software) has been implemented and journals are now authorised via DocuSign and saved electronically.
26 Nov 2024	3. Non-compliance LG Act – proceeds from sale of property	Refer to item 1 above from 18 June 2024.	
26 Nov 2024	6. Purchasing policy deviation – purchase orders	Purchase orders had been generated after the invoice was received by the Shire	Ongoing reiteration and staff training required. Procurement training completed by key staff on 12 & 13 December 2024.

5.2 ANNUAL COMPLIANCE AUDIT RETURN 2023/2024

Attachment:	<u>1.2024 Compliance Audit Return Questions_Final</u>
Responsible Officer:	Anthony Middleton Executive Manager – Corporate & Community
Author:	Helen Purves Executive Officer Governance
Proposed Meeting Date:	25 February 2025

PURPOSE

The purpose of this report is to consider the Compliance Audit Return for the calendar year 1 January to 31 December 2024.

BACKGROUND

A compliance audit is required to be completed by 31 March in each calendar year.

EXTERNAL CONSULTATION

Nil.

STATUTORY ENVIRONMENT

The compliance audit is required pursuant to Section 7.13 of the Local Government Act 1995. The Local Government (Audit) Regulations 1996 includes the following:

Regulation 14 - Compliance audits by local governments

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

Regulation 15 – Certified copy of compliance audit return and other documents to be given to Departmental CEO

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with—
- (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.

- (2) In this regulation —
certified in relation to a compliance audit return means signed by —
- (a) the mayor or president; and
 - (b) the CEO.

POLICY IMPLICATIONS

Policy implications do not apply for this report and it is the opinion of the author that policy development is not required.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

BUDGET IMPLICATIONS

There are no budget implications for this report.

LEGAL IMPLICATIONS

There are no legal implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications as no assets are being created or acquired.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Corporate Business Plan 2022/23 – 2025/26 provides:

At Outcome 4 Performance & Leadership the following Strategies:

Strategy 4.1.3:

‘A Shire that is open and transparent with its community.’

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

STRATEGIC RISK IMPLICATIONS

A key element of the Strategic Risk Register relates to ‘Failure to Fulfil Compliance Requirements (Statutory, Regulatory)’. This section of the register contains a number of key controls, one of them being the Compliance Audit Return. Currently, the overall control rating is assessed as adequate.

REGIONAL IMPLICATIONS

There are no regional implications for this report.

OFFICER COMMENT

The total number of questions in each section and the compliance with those questions is detailed in the following table. The Compliance Audit revealed

Section	2023 Questions	2023 Compliance	2024 Questions	2024 Compliance
Commercial Enterprises by Local Governments	5	5	5	5
Delegation of Power/Duty	13	13	13	13
Disclosure of Interest	21	20	21	21
Disposal of Property	2	2	2	2
Elections	3	3	3	3
Finance	7	6	7	7
Integrated Planning & Reporting	3	2	3	2
Local Government Employees	5	5	5	5
Official Conduct	4	4	4	4
Optional Questions	9	8	9	9
Tenders for Providing Goods & Services	22	22	22	22
Total	94	90	94	93

The completed Compliance Audit Return is attached to this report. The following comments are made in respect to the non-compliance:

1. *Integrated Planning and Reporting, question 2:*

The last corporate business plan was adopted by absolute majority on 2 August 2022. The corporate business plan is meant to be reviewed annually. The plan is currently in the process of being reviewed.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COMMITTEE DECISION

Moved Cr S Etherington, seconded Cr K Clements:

That the Council adopts the Compliance Audit Return for the calendar year 1 January to 31 December 2024, as presented.

CARRIED 4-0

6 GENERAL BUSINESS

Nil

7 NEXT MEETING

13 May 2025 (propose to be held quarterly on Council Forum days, subject to Committee member availability).

8 CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 4.21pm.

CONFIRMED: PRESIDING MEMBER _____ DATE: ___/___/___