



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

**AUDIT & RISK COMMITTEE MEETING**

**MINUTES & ATTACHMENTS**

**Tjulyuru Cultural and Civic Centre  
Warburton Community**

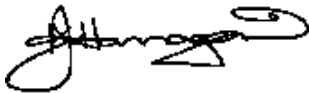
**26 October 2022**

**at**

**1.00 pm**

**SHIRE OF NGAANYATJARRAKU**  
**AUDIT & RISK COMMITTEE MEETING**

The Chief Executive Officer recommends the endorsement of these minutes at the next Audit & Risk Committee Meeting.

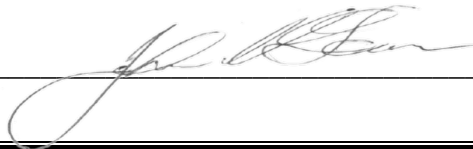


**Chief Executive Officer**

Date: 27-10-2022

These minutes were confirmed by the Audit & Risk Committee as a true and correct record of proceedings of the Meeting of the Audit & Risk Committee held on the 26 October 2022.

**Presiding Member:** \_\_\_\_\_



Date 22/2/2022

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**1. DECLARATION OF OPENING**

The Presiding Member declared the meeting open at 1.00 pm.

**2. ANNOUNCEMENT OF VISITORS**

The Presiding Member welcomed members of the public to the gallery.

**3. ATTENDANCE**

**3.1 PRESENT**

<b>Elected Members:</b>	President Deputy President Councilor Councilor Councilor Councilor	D McLean P Thomas D Frazer L West J Porter A Jones
<b>Staff:</b>	CEO CFO AC DGC DIS	K Hannagan (via video-conference) K Fisher (via video-conference) S Richardson C Green (via video-conference) L Morgan (via video-conference)
<b>Guests:</b>		
<b>Members of Public:</b>	There were no members of the public in attendance at the commencement of the meeting.	

**3.2 APOLOGIES**

Cr. J Frazer  
GMO D Mosel

**3.3 APPROVED LEAVE OF ABSENCE**

**4. PUBLIC QUESTION TIME**

**4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**4.2 PUBLIC QUESTION TIME**

**5. APPLICATIONS FOR LEAVE OF ABSENCE**

**6. DECLARATION BY MEMBERS**

**6.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA**

Councillors are requested to give due consideration to all matters contained in the Agenda presently before the meeting.

## 6.2 DECLARATIONS OF INTEREST

### Councillors to Note

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting, that will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting  
or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) Participate in or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under *Section 5.68 or Section 5.69 of the Local Government Act 1995*.

### **NOTES ON DECLARING INTERESTS (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
  - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*, or

6.2 Where the Minister allows the Councillor to participate under s.5.69(3) of the Local Government Act, with or without conditions.

**Declarations of Interest provided:**

Item Number/ Name	Type of Interest	Nature/Extent of Interest

**7. TERMS OF REFERENCE**

Under the Local Government Act 1995, Local Governments are required to appoint an Audit Committee (section 7.1A of the Local Government Act 1995).

An Audit and Risk Committee is to provide guidance and assistance to the Local Government – as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act and as to the development of a process to be used to select and appoint a person to be an auditor and may provide guidance and assistance to the Local Government as to – matters to be audited, the scope of audits, its functions under Part 6 of the Act and the carrying out of its functions relating to other audits and other matters related to financial management (clause 16 Local Government (audit) Regulations 1996).

**8. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**8.1 MINUTES OF COMMITTEE MEETING HELD**

**Officers Recommendation and Committee Resolution**

**Moved: Cr L West                      Seconded: Cr J Porter**

**That the Unconfirmed Minutes of the Audit & Risk Committee Meeting held on 31 August 2022 at the Council Chambers, Tjulyuru Cultural and Civic Centre, Warburton Community (as distributed and published on Shire website) be confirmed as a true and accurate record.**

**Carried: 6/0**

## 9. AGENDA ITEMS

### 9.1 COMPLIANCE MATTER

**FILE REFERENCE:** FM.02

**AUTHOR'S NAME AND POSITION:** Kevin Hannagan  
Chief Executive Officer

**DATE REPORT WRITTEN:** 6 October 2022

**DISCLOSURE OF INTERESTS:** The author has no direct financial interests, indirect financial interests, proximity and impartiality interests in the proposal.

#### **Summary**

For the Audit Committee to consider a non-compliance matter due to the failure to have a quorum for the September 2022 Council meeting.

#### **Background**

The Shire had scheduled an Ordinary Council Meeting for 28 September 2022. That meeting did not proceed due to the inability to raise a quorum due to Councillors being away related to medical and cultural matters.

This now poses a compliance problem as the Monthly Financial Statements (MFS) are to be considered by Council within 2 months of the Month End. The July MFS couldn't go to the September meeting as the meeting failed.

#### **Comment**

The department have previously advised to put an item to the Audit Committee (this report) and then track any non-compliance so elected members and officers are aware. The auditors review audit committee minutes, therefore, if they have any real issues or concerns, they will raise them as part of the annual audit process and the Audit Committee/CEO can then determine how they respond.

#### **Statutory Environment**

*Section 7.13(i) of the Local Government Act 1995*

*Regulations 13, 14 & 15 of the Local Government (Audit) Regulations 1996*

#### **Financial Implications**

There are no known financial implications for this matter.

#### **Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

#### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjaraku's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources, other than contained in the Recommendation.

#### **Policy Implications**

There are no known policy implications for this matter.

**Attachments**

Not applicable.

**Voting Requirement**

Simple Majority

**Officers Recommendation and Committee Resolution**

**Moved: Cr A Jones      Seconded: Cr D Frazer**

**That the Audit Committee notes a disclosure as detailed in this report, that:**

- a)        the Monthly Financial Statements (MFS) are to be considered by Council within 2 months of the Month End; and**
- b)        the July 2122 MFS will not be adopted until the October 2022 OCM, and as such is a non-compliance with the 2-month period, LG(FM) Reg 34 4(a).**

**Carried: 6/0**



## 9.2 COMPLIANCE CALENDAR

**FILE REFERENCE:** FM.02

**AUTHOR'S NAME AND POSITION:** Cary Green  
Director Governance and Strategic

**AUTHORISING OFFICER AND POSITION:** Kevin Hannagan  
Chief Executive Officer

**DATE REPORT WRITTEN:** 14 October 2022

**DISCLOSURE OF INTERESTS:** The author has no direct financial interests, indirect financial interests, proximity and impartiality interests in the proposal.

### Summary

To provide the Audit and Risk Committee with a quarterly progress report on action taken related to the Compliance Calendar.

### Background

Local Governments are required to fulfil duties and functions prescribed in legislation and the community and State Government rightly expect that Local Governments will fulfil them. This expectation is prescribed in the *Local Government Act 1995* through the CEO duties which require the management of legislative compliance.

Due to recent changes to the Local Government Act 1995, the Auditor General is now undertaking financial and performance audits for all Local Governments. To prepare for this the Shire has reviewed its former Compliance Calendar to ensure that all operational activities and processes support legislative compliance.

The attached Compliance Calendar provides a systemic approach to managing the legislative compliance, by initiating Compliance Actions via reminders and creates auditable records for how compliance has been achieved. The aim of the Compliance Calendar process is to improve compliance outcomes and reduced risk.

### Comment

The attached Compliance Calendar has been prepared, to suit the specific compliance requirements and operational timeframes of the Shire. The Compliance Actions, listed in the attached spreadsheet show when these Actions need to be completed. The spreadsheet also considers the workloads for the assigned Responsible Officer, to ensure officers workloads are spread evenly over the calendar year, thus reducing work pressures and potential for compliance failures. The Compliance Calendar will be updated and reported to the A&R Committee on a Quarterly basis.

### Statutory Environment

Local Government (Audit) Regulations 1996

*Sec (17) - CEO is to review the appropriateness and effectiveness of a local governments systems and procedures in relation to:*

- a) *Risk management*
- b) *Internal control*
- c) *Legislative compliance*

### **Financial Implications**

There are no known financial implications for this matter.

### **Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources, other than contained in the Recommendation.

### **Policy Implications**

There are no known policy implications for this matter.

### **Attachments**

Attachment 9.2 – Compliance Calendar.

### **Voting Requirement**

Simple Majority

#### **Officers Recommendation and Committee Resolution**

**Moved: Cr P Thomas**

**Seconded: Cr D Frazer**

**That the Audit & Risk Committee notes the quarterly progress report on action taken related to the Compliance Calendar.**

**Carried: 6/0**

**10. NEW BUSINESS OF AN URGENT NATURE AS ADMITTED BY DECISION**

**11. CONFIDENTIAL MATTERS**

**12. NEXT MEETING**

TBA at the Tjulyuru Cultural and Civic Centre, Warburton Community commencing at 1:00 pm.

**13. CLOSURE OF MEETING**

There being no further business to discuss the Presiding Member closed the meeting at 1.05 pm.



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

## **AUDIT & RISK COMMITTEE MEETING**

### **ATTACHMENTS**

**Tjulyuru Cultural and Civic Centre  
Warburton Community**

**26 October 2022**

**at**

**1.00 pm**

## Shire of Ngaanyatjaraku - Legislative Compliance Calendar

Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Comments
<b>Monthly Activities</b>					
<b>Monthly Financial Report</b> Statement of financial activity reporting on the revenue and expenditure..	Local Government Act 1995	s.6.4 FM.Reg.34	Monthly	CFO	Completed as required
<b>Business Activity Statement</b> - submit to ATO	Australian Tax Office		Monthly	CFO	Completed as required
<b>Corporate Business Plan</b> - Qtrly update to council	Local Government Act 1995	5.56	Quarterly - April, July, October, January	DGS	Completed - January, April, July, October.
<b>Financial Interests Register</b> Remove Primary and Annual Returns of persons who are no longer Designated Employees.	Local Government Act 1995	s.5.88(3)(4)	6 monthly	DGS	Completed as required
<b>Annual Activities</b>					
<b>Performance Review</b> - CEO and staff	Local Government Act 1995	s5.38	Annual	CEO/CFO/DGS	All staff reviews completed to date.
<b>Fire Break Notices</b> - Local Public Notice	Bush Fires Act 1954	s33	Annual	DIS	Awaiting response from DFES as Shire has no resources and is not the land manager
<b>ESL Reconciliation Report</b>	FESA Authority of WA Act 1998	Part 6A Div 5	Monthly	CFO	Not applicable monthly to NG, Annually October
<b>Authorised Officers</b> - Purchasing and Requisitions, review listings and processes. .	Local Government (Financial Management) Regs 1996	Reg.5	Annual	CFO	Reviewed as part of the CEO Procedures
<b>Delegated Authority</b> - Review and confirm employees with delegated authority	Local Government Act 1995	s5.44	Annual	DGS	Completed in June 2022.
<b>Maintain Complaints Register</b> - regarding breaches of the Act.	Local Government Act 1995	s5.121(1)	Annual	DGS	Completed as required.
<b>Update Gift Register</b>	Local Government Act 1995	s5.62(2) Reg.34B	Annual	DGS	Completed as required.
<b>Primary Returns</b> - for all new designated employee's.	Local Government Act 1995	s.5.75	Annual or as required	DGS	Completed as required.
<b>Audit Regulation 17 Review.</b>	Local Government Act 1995	Audit.Reg. 17(1)(c)	Triennial	CFO	Completed Dec 2021.
<b>Financial Management Regulation 5 Review.</b>	Local Government Act 1995	FM.Reg.5	Triennial	DCS	Completed Dec 2021.
<b>Policy Manual</b> - review policy	Local Government Act 1995		4 - yearly	DGS	Completed June 2020.
<b>Disability Access and Inclusion Plan Review</b>	Disability Services Act 1993	s29(7)	5 - yearly	DGS	Completed July 2021

## Shire of Ngaanyatjaraku - Legislative Compliance Calendar

Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Comments
<b>Record Keeping Plan</b> - Review and submit to Records Commissionser	State Records Act 2000	s28	5 - yearly	DGS	Completed November 2021.
<b>January - Take Action</b>					
<b>Revaluation of Assets - Plant and Equipment</b>	Local Government Act 1995	FM.Reg.17A(4)	5 - yearly	DIS	Reviewed as part of the Asset Management Plan
<b>Revaluation of Assets - Land, Buildings and Infrastructure</b>	Local Government Act 1995	FM.Reg.17A(4)	5 - yearly	DIS	Reviewed as part of the Asset Management Plan
<b>February - Take Action</b>					
<b>March - Take Action</b>					
<b>Compliance Audit Return (CAR)</b> Complete the CAR for consideration via Audit Committee.	Local Government Act 1995	s.7.13(1)(i) Audit.Reg.s. 13, 14 and 15	Annual <b>Due: 31 March</b>	CFO	Completed in March 2022
<b>Mid-Year Budget Review (MYBR)</b> Between <b>1 January</b> and <b>31 March</b> in each financial year, a review of the annual budget is to be carried out.	Local Government Act 1995	FM Reg.33A(1) (2A) (2) (3)	Annual	CFO	Completed in March 2022
<b>April - Take Action</b>					
<b>Complete Compliance Audit Return - Action Plan</b>	n/a	n/a	Annual	CFO	no items to Action from review
<b>Strategic Community Plan - Review</b> Review to be completed in April after community consultation, in order to inform Annual Budget.	Local Government Act 1995	s.5.56 Admin.Reg.19C	Biennial	DGS	Completed - Endorsed by Council, May 2021.

## Shire of Ngaanyatjaraku - Legislative Compliance Calendar

Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Comments
Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	
<b>May - Take Action</b>					
<b>Elected Members</b> - Review Meeting Attendance Register	Local Government Act 1995	s.2.25	6 monthly	DGS	Completed as required.
<b>Fringe Benefit Tax Return</b>	Australian Tax Office		Annual <b>Due: 31 May</b>	CFO	Completed in May 2022
<b>Audit Hazardous Substance/Chemical review</b>	Occupational Safety and Health Act	s5.13	Annual <b>Due: 31 May</b>	DIS / EHO	To be implemented as part of new WHS System
Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	
<b>June - Take Action</b>					
<b>Elections - Council Report.</b> Electoral Commission agreement to conduct the election required by: 80th day before Election Day	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	Biennial <b>Next due 2021</b>	DGS	Completed in 2021
<b>Corporate Business Plan</b> - Review prior to adoption of the Annual Budget	Local Government Act 1995		Annual <b>Due: 30 June</b>	DGS/CEO	Completed July 2022
Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	
<b>July - Take Action</b>					
<b>Report on Elected Member Training</b>	Local Government Act 1995	s.5.127	Annual <b>Due: 31 July</b>	DGS	Completed - Councillor training register posted on the Shire website
<b>FOI Annual Statement</b>	Freedom of Information Act 1992	s111(3)	Annual <b>Due: 31 July</b>	DGS	Completed
<b>Fees, Allowance and expenses</b> - paid to elected members, is to be report by 14 July.	Local Government (Administration) Regulations 1996		Annual <b>Due: 14 July</b>	CFO	Completed
Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	
<b>August - Take Action</b>					

## Shire of Ngaanyatjaraku - Legislative Compliance Calendar

Compliance Action	Compliance Requirement	Section / Ref	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Comments
<b>Elections - Statewide Public Notice Call for Nominations</b>	Local Government Act 1995	s.4.47(1)	Biennial <b>Next due 2021</b>	DGS	N.A. this year
<b>Annual Returns</b> - Elected Members and Designated Employees to provide an Annual Return by no later than <b>31 August</b>	Local Government Act 1995	s.5.76(1)	Annual <b>Due: 31 Aug</b>	CEO / DGS	Completed
<b>Annual Budget</b> - for the next financial year.	Local Government Act 1995	s.6.2(1)	Annual <b>Due: 31 Aug</b>	CEO / CFO	Completed
<b>Food Act and Public Health Act reporting</b> - Enforcement agencies must report to the Dep't CEO on performance of functions under Acts.	Food Act 2008 Public Health Act 2016	s.121(1) s.22(1)	Annual <b>Due: 31 Aug</b>	DIS / EHO	behind schedule