



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

**AUDIT & RISK COMMITTEE MEETING**  
**MINUTES**

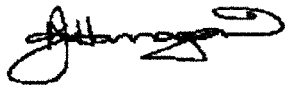
**Tjulyuru Cultural and Civic Centre**  
**Warburton Community**

**25 November 2020**  
**at**  
**1.52 pm**

**SHIRE OF NGAANYATJARRAKU**

**AUDIT COMMITTEE MEETING**

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



Date: 25-11-2020

**Chief Executive Officer**

These minutes were confirmed by Audit Committee as a true and correct record of proceedings of the Meeting of the Audit & Risk Committee held on the 25 November 2020.

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

Date: 24.2.21

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**1. DECLARATION OF OPENING**

The Presiding Member declared the meeting open at 1.52 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 Councillor Councillor	D McLean D Frazer J Frazer
<b>Staff:</b>	CEO DGC ASSCO	K Hannagan C Green LF Salazar
<b>Guests:</b>	Director, MA Manager, MA	M Shafizadeh T Browning
<b>Members of Public:</b>	There were no members of the public in attendance at the commencement of the meeting.	

**3.2 APOLOGIES**

Cr. A Jones

**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**

**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

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**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.

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

**8.1 MINUTES OF COMMITTEE MEETING HELD**

**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer**

**Seconded: Cr J Frazer**

That the Unconfirmed Minutes of the Audit Committee Meeting held on 26 February 2020 at the Council Chambers, Tjulyuru Cultural and Civic Centre, Warburton Community (ATTACHMENT 8.1) be confirmed as a true and accurate record.

**Carried: 3/0**

## **9. AGENDA REPORTS**

### **9.1 AUDIT AND RISK MANAGEMENT SERVICE OFFERING**

**FILE REFERENCE:** FM.02

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

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

**DATE REPORT WRITTEN:** 12 November 2020

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

#### **Summary**

The Committee are asked to review the following documents which have been developed to provide guidance for Councillors on the Shires financial and risk management, legislative compliance and internal controls.

#### **Background**

In September 2020, the Shire engaged Moore Australia to undertake a review of the Shire's Audit and Risk Management Service offering, including financial, risk and compliance as well as internal processes and controls.

As part of the Risk Management Service offering the following documents were developed:

- (i) Audit and Risk Committee Charter
- (ii) Audit and Risk Committee induction checklist
- (iii) Internal Audit Charter
- (iv) Audit and Risk Committee Annual Work plan

#### **Comment**

The work conducted by Moore Australia was undertaken to support the Audit and Risk Committee (committee) in understanding its role and oversight responsibilities in monitoring compliance with legislation, performance, risk and internal controls, internal audit, liaising with external auditors and reporting to Council

As per the attached Work Plan, using the updated documents as a guide it is recommended that Officers provide a report, on a bi-monthly basis, to the Audit and Risk Committee to enable the Committee to monitor the progress on each risk issue and improvement action, Pursuant to the Shire's adopted risk management policy and risk management strategy which are aligned to ISO 31000:2018 Risk Management Guidelines.

The four developed documents are presented as Attachments.

## **Statutory Environment**

*Regulation 16 of the Local Government (Audit) Regulations 1996 prescribes the functions of an Audit Committee which includes;*

- (a) to guide and assist the local government in carrying out —
  - (i) its functions under Part 6 of the Act; and
  - (ii) its functions relating to other audits and other matters related to financial management;
- (b) 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;

These support documents are designed to better equip the committee to manage its roles and responsibilities, so these broader references might be more appropriate.

## **Financial Implications**

There are no known financial implications for this matter.

## **Strategic Implications**

Integrated Strategic Plan 2018 - 2028

Goal 3, Leadership

Outcome 3.2, Good Leadership

## **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku'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**

- (i) Audit and Risk Committee Charter
- (ii) Audit and Risk Committee induction checklist
- (iii) Internal Audit Charter
- (iv) Audit and Risk Committee Annual Work plan
- (v) Moore Australia Power Point presentation

## **Voting Requirement**

Simple Majority

The President invited representatives from Moore Australia to give their presentation to the Audit & Risk Committee prior to considering the Recommendation.



**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer**

**Seconded: Cr J Frazer**

That the Audit & Risk Committee:

1. Adopts the following documents developed by Moore Australia
  - (i) Audit and Risk Committee Charter
  - (ii) Audit and Risk Committee induction checklist
  - (iii) Internal Audit Charter
  - (iv) Audit and Risk Committee Annual Work plan
  - (v) Moore Australia Power Point presentation
2. Request Officers to provide a report, on a bi-monthly basis, to the Audit Advisory Committee to enable the Committee to monitor the Shire's progress in addressing the recommendations.

**Carried: 3/0**

**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 2:00 pm.

**13. CLOSURE OF MEETING**

There being no further business to discuss the Presiding Member closed the meeting at 2.30 pm.