



SHIRE
of
DANDARAGAN

AGENDA

for

AUDIT COMMITTEE MEETING

to be held at the

COUNCIL MEETING ROOM, JURIEN BAY

on

WEDNESDAY 21 FEBRUARY 2024

COMMENCING AT 5.00PM

AGENDA FOR AUDIT COMMITTEE MEETING TO BE HELD WEDNESDAY 21 FEBRUARY 2024

1. DECLARATION OF OPENING**2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

Members Councillor J Clarke (Chair)
 Councillor M McDonald
 Councillor A O’Gorman

Staff Mr B Bailey (Chief Executive Officer)
 Mr B Waters (Executive Manager Corporate & Community Services)
 Mrs R Pink (Accountant)

Apologies**Leave of Absence****3. CONFIRMATION OF MINUTES****3.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD 4 JANUARY 2024****4. MATTERS FOR DISCUSSION****4.1 STATUTORY COMPLIANCE AUDIT RETURN 2023**

Location:	Shire of Dandaragan
Applicant:	N/A
Folder Path:	Corporate Services / Finance and Rates / Audits / Internal Reviews / Compliance Audit Returns
Disclosure of Interest:	None
Date:	20 February 2024
Author:	Nikita Winsloe, Executive Secretary
Senior Officer:	Brent Bailey, Chief Executive Officer

PROPOSAL

That the Compliance Audit Return for the period 1 January 2023 to 31 December 2023 be presented to Council for adoption.

BACKGROUND

Local governments in Western Australia are required to complete, on an annual basis, a Compliance Audit Return (CAR). The CAR is a self- assessment of compliance related to areas of compliance considered high risk,

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such as:

- financial interest disclosures;
- procurement and tendering;
- delegation and use of delegated power; and
- the recruitment and appointment of the Chief Executive Officer.

After the CAR has been reviewed by the Audit Committee and a report presented to Council, a certified copy of the CAR along with the relevant section of the minutes and any additional information explaining or qualifying the compliance audit is to be submitted to the Director General of the Department of Local Government and Communities by **31 March 2024**.

COMMENT

For the period 1 January 2023 to 31 December 2023, the following matters have been identified as requiring further explanation or not addressing legislative compliance. The Audit Committee will note that where compliance findings relate to timing requirements, the matters have been rectified or in the case of the Regulation 17 and Financial Management Regulation 5(2)(c), will be presented imminently.

Reference	Question	Management Comment
s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	While an annual return for this individual was completed, a primary return was not requested following their promotion. This matter has been rectified.
s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	On review of the current returns register, it contained a return from an individual who had ceased employment at the end of 2023. The returns register has been rectified to remove this item.
s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	On review of the current returns register, it contained a return from an individual who had ceased employment at the end of 2023. The returns register has been rectified to remove this item.
s7.9(1)	Was the auditor's report for the financial year ended 30 June 2023 received by the local government by 31 December 2023?	The Auditor's report was not available in time for the December Ordinary Council Meeting and on advice from the Department of Local Government, Sport and Cultural Industries, the requirement thereafter was to receive within two months from receipt of the auditor's report applies. A Special Council Meeting was held on 5/01/24 to receive the Auditor's Report.
F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	All relevant tender information was included in the register. At the time of review, a tender register had not been created on the Shire's website. This matter has been rectified.
Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and	This review was not completed within the 3-year period due to staffing shortages. The review was outsourced and has now been completed with the

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	<p>procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2023?</p> <p>If yes, please provide the date of council's resolution to accept the report.</p>	<p>final report due for the Audit Committee's review in Q1 2024.</p>
Audit Reg 17	<p>Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2023?</p> <p>If yes, please provide date of council's resolution to accept the report.</p>	<p>This review was not completed within the 3-year period due to staffing shortages. The review was outsourced and has now been completed with the final report due for the Audit Committee's review in Q1 2024.</p>
s6.4(3)	<p>By 30 September 2023, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2023?</p>	<p>In accordance with the provisions of the Act, the Shire of Dandaragan was given an extension by the Department and submitted the balanced accounts in the first week of October 2023.</p>

CONSULTATION

Nil

STATUTORY ENVIRONMENT

The contents of the CAR relates to *Section 14.3A* of the *Local Government (Audit) Regulations 1996* whereby 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.

POLICY IMPLICATIONS

There are no policy implications relevant to this item.

FINANCIAL IMPLICATIONS

There are no financial implications relevant to this item.

STRATEGIC IMPLICATIONS

There are no strategic implications relevant to this item.

ATTACHMENTS

Circulated with the agenda is the following item relevant to this report:

- Compliance Audit Return 2023 (Doc Id: SODR-2042075298-74908) **(Marked 4.1)**

VOTING REQUIREMENT

Simple majority

AGENDA FOR AUDIT COMMITTEE MEETING TO BE HELD WEDNESDAY 21 FEBRUARY 2024**OFFICER RECOMMENDATION**

That the Compliance Audit Return as per attached (Doc Id: SODR-SODR-2042075298-74908) for the period 1 January 2023 to 31 December 2023 be presented to Council for adoption.

5. CLOSURE OF MEETING