



'The Council and Staff of the Shire of Boddington, in partnership with the community, are committed to operating effectively and efficiently to provide quality lifestyle opportunities that encourage population growth and development'

MINUTES

**For The
Audit Committee Meeting of Council
Held At
Thursday 4 August**

At 5:30pm

Council Chambers
39 Bannister Rd, Boddington

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Boddington for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Boddington disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and with derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Boddington during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Boddington. The Shire of Boddington warns that anyone who has an application lodged with the Shire of Boddington must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of that application and any conditions attaching to the decision made by the Shire of Boddington in respect of the application.

Contents

1.	DECLARATION OF OPENING.....	4
2.	ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE	4
3.	DISCLOSURES OF INTEREST.....	4
4.	CONFIRMATION OF MINUTES	4
5.	REPORTS	5
5.1	Review of Financial Management and Risk Management Systems	5
6.	CLOSURE OF MEETING	7

1. DECLARATION OF OPENING

Cr Garry Ventris, Shire President, declared the meeting open at 5.31pm

The Shire of Boddington acknowledges the Noongar people as Traditional Custodians, and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.

2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

2.1 Attendance

Cr G Ventris	Shire President
Cr E Smalberger	Deputy Shire President
Cr C Erasmus	
Cr I Webster	

Mrs Julie Burton	Chief Executive Officer
Mrs Cara Ryan	Executive Manager Corporate Services
Mr Roy Greive	Executive Manager Planning and Development
Mr J Atkins	Manager of Works & Services

2.2 Apologies

Cr E Schreiber
Cr L Lewis

Leave of Absence

Cr A Ryley

3. DISCLOSURES OF INTEREST

4. CONFIRMATION OF MINUTES

COMMITTEE DECISION 2/22

Moved Cr E Smalberger

Recommendation

That the minutes of the Audit Committee Meeting held on Thursday 3 March 2022 be confirmed as a true and correct record.

Seconded Cr C Erasmus

Carried 4/0

5. REPORTS

5.1 Review of Financial Management and Risk Management Systems

File Reference: 2.033
Applicant: Not applicable
Disclosure of Interest: Nil
Author: Chief Executive Officer
Attachments: 5.1A Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls

Summary

The purpose of this report is to recommend that the Audit Committee receive the report as relating to the review of systems and procedures as required by Regulation 17 of the Local Government (Audit) Regulations 1996, as well as the review of financial management systems as required by Regulation 5 (2)(c) of the Local Government (Financial Management) Regulations 1996.

Background

In accordance with the Local Government (Financial Management) Regulations 1996 and Local Government (Audit) Regulations 1996, Local Government CEO's are required to undertake a review into the appropriateness and effectiveness of financial management systems, as well as a review of the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance, one every three years. This requirement is in addition to the two financial audits that are undertaken each year.

In 2021/22, the Shire of Boddington engaged Moore Australia to undertake the requirements for both reviews, and the resulting report is provided at Attachment 5.1A. The scope of the review is extensive and detailed in Section 4.0 of the Attachment.

Comment

The Report encompasses both the financial management systems review and risk management review, and outlines 60 improvement opportunities. No critical risks were identified, 6 items were assessed as being a high risk, and the remainder assessed as a moderate risk.

A large number of the recommendations (15) relate to required amendments to Council Policies – the review of which commenced in May 2022 and is expected to be complete in September 2022. A further 12 items are either complete or were in progress at the time of the Review being carried out. Other actions will continue to be addressed in accordance with priority and resource allocation.

An action register will be presented to the Audit Committee on a biannual basis to provide updates on the progress in relation to the recommendations.

Consultation

Nil

Strategic Implications

Outcome 12	Visionary leadership and responsible governance.
Objective 12.1	Maintain a high standard of leadership, corporate governance and customer service.
Action 12.1.3	Maintain statutory reporting requirements (including compliance audit return, delegation register, policy reviews and statutory registers) to deliver quality governance).

Legislative Implications

In accordance with the Local Government (Audit) Regulations 1996 – Reg 17, the Chief Executive Officer is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to:

- a. Risk management
- b. Internal control and
- c. Legislative compliance

Each of those matters is to be the subject of a review not less than once in every 3 financial years, with the results of that review to be reported to the Audit Committee.

The Local Government (Financial Management) Regulations 1996 Section 5(2)(c) require the CEO to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

Policy Implications

The Review Report recommends amendments to Council Policies. These amendments will be presented to a future Council meeting.

Financial Implications

A number of the items in the report will require a financial allocation. These include:

1. Review and updating of the Shire’s Business Continuity Plan
2. Development of an Information Communications Technology Disaster Recovery Plan
3. Review and updating of the Shire’s Risk Management Framework

Items 1. and 3. are provided for within the draft 2022/23 Budget. Item 2. is proposed to be undertaken in 2023/24.

Economic Implications

Nil

Social Implications

Nil

Environmental Considerations

Nil

Risk Considerations

Risk Statement and Consequence	The primary risk in relation to this item is the failure to action the stated items outlined in the Report.
Risk Rating (prior to treatment or control)	Moderate
Principal Risk Theme	Compliance
Risk Action Plan (controls or treatment proposed)	Regular reporting of progress to achieve the stated actions will be implemented.

Options

Nil

Voting Requirements

Simple Majority

COMMITTEE DECISION 3/22

Moved: Cr E Smalberger

Officer Recommendation

That the Audit Committee receive the final report as shown in Attachment 5.1A, as provided by Moore Australia, relating to:

1. The review of systems and procedures in the area of risk management, internal control, and legislative compliance as required by Regulation 17 of the Local Government (Audit) Regulations 1996; and
2. The review of Financial management systems as required by Regulation 5 (2) (c) of the Local Government (Financial Management) Regulations 1996.

Seconded: Cr C Erasmus

Carried 4/0

6. CLOSURE OF MEETING

There being no further business, Cr Garry Ventris, Shire President, declared the meeting closed at 5.34pm.