



# **SHIRE OF LAVERTON**

# **MINUTES**

**AUDIT COMMITTEE MEETING  
HELD**

**THURSDAY**

**19 NOVEMBER 2015**

**COMMENCING AT 4.19 PM**

**MINUTES OF THE AUDIT COMMITTEE MEETING HELD IN COUNCIL CHAMBERS,  
9 MACPHERSON PLACE, LAVERTON ON THURSDAY 19 NOVEMBER 2015,  
COMMENCING AT 4.15PM**

**1. DECLARATION OF OPENING**

The Chairman, Cr Patrick Hill, Declared the meeting open at 4.15pm and welcomed everyone to the meeting.

**2. RECORD OF ATTENDANCE**

**2.1 PRESENT**

Cr P Hill	Chairman
Cr D Ross	Member
Cr R Prentice	Member
Mr S Deckert	Chief Executive Officer
Miss T Farlow	Executive Assistant to CEO
Mr G Stanley	Executive Manager Corporate & Commercial Services

**2.2 APOLOGIES**

Cr S Weldon	Member
Cr R Ryles	Member
Cr D Cannons	Member

**2.3 LEAVE OF ABSENCE**

Nil

**2.4 VISITORS**

Nil

**3 ELECTION OF PRESIDING MEMBER & DEPUTY PRESIDING MEMBER (File Ref: 207)**

**SUBMISSION TO:** Audit Committee Meeting, 19 November 2015[TF1]  
**DISCLOSURE OF INTEREST:** The author has no financial interest in this matter  
**OWNER/APPLICANT:** Not applicable  
**AUTHOR:** Graham Stanley, Executive Manager Corporate and Community Services  
**SENIOR OFFICER:** Steven Deckert, Chief Executive Officer  
**PREVIOUS MEETING REFERENCE:** Not applicable

**MATTER FOR CONSIDERATION**

Following the October 2015 Local Government Elections and the appointment of the Full Council as the Audit Committee, a Presiding Member and Deputy Presiding Member are required to be elected.

**ATTACHMENTS**[TF2]

Nil

**APPLICANT'S SUBMISSION**

Not applicable.

**BACKGROUND**

The formation of an Audit Committee is a requirement of the *Local Government Act 1995*. Following the October 2015 Local Government Elections, Council decided to continue its practice of appointing the Full Council as the Audit Committee. It is a requirement that each Committee elects a Presiding Member and Deputy Presiding Member. The previous practice has been for these positions to be filled by the President and Deputy President, however Committee is not obligated to do this, therefore an election is required for each of the positions.

**STATUTORY ENVIRONMENT**

*The Local Government Act 1995 states:*

**5.12. Presiding members and deputies, election of**

- (1) *The members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1 as if the references in that Schedule —*
  - (a) *to “office” were references to “office of presiding member”; and*
  - (b) *to “council” were references to “committee”; and*
  - (c) *to “councillors” were references to “committee members”.*

- (2) *The members of a committee may elect a deputy presiding member from amongst themselves but any such election is to be in accordance with Schedule 2.3, Division 2 as if the references in that Schedule —*
- (a) *to “office” were references to “office of deputy presiding member”; and*
  - (b) *to “council” were references to “committee”; and*
  - (c) *to “councillors” were references to “committee members”; and*
  - (d) *to “mayor or president” were references to “presiding member”.*

**5.13. Deputy presiding members, functions of**

*If, in relation to the presiding member of a committee —*

- (a) *the office of presiding member is vacant; or*
- (b) *the presiding member is not available or is unable or unwilling to perform the functions of presiding member,*

*then the deputy presiding member, if any, may perform the functions of presiding member.*

**5.14. Who acts if no presiding member**

*If, in relation to the presiding member of a committee —*

- (a) *the office of presiding member and the office of deputy presiding member are vacant; or*
- (b) *the presiding member and the deputy presiding member, if any, are not available or are unable or unwilling to perform the functions of presiding member,*

*then the committee members present at the meeting are to choose one of themselves to preside at the meeting.*

**POLICY IMPLICATIONS**

Council has no policies in respect to this matter.

**FINANCIAL IMPLICATIONS**

The recommendation of this report has no financial implications for Council.

**STRATEGIC IMPLICATIONS**

The recommendation of this report has no strategic implications for Council.

**CONSULTATION**

Nil.

**COMMENT**

The CEO will conduct elections for the two positions in accordance with the requirements of the *Local Government Act 1995*.

## VOTING REQUIREMENTS

Simple decision of Council required.

## CEO'S NOTE

The CEO advised that he had received a written nomination for the position of Presiding Member from Cr Patrick Hill. The CEO asked if there were any further nominations and there being none, he declared Cr Patrick Hill elected unopposed as Presiding Member of the Audit Committee.

The CEO advised that he had received a written nomination for the position of Deputy Presiding Member from Cr Geoffy Walder. The CEO asked if there were any further nominations and there being none, he declared Cr Geoffy Walder elected unopposed as Deputy Presiding Member of the Audit Committee.

## 4. CONFIRMATION OF MINUTES OF PREVIOUS MEETING:

### 4.1 Audit Committee Meeting – 19 March 2015 (File Ref: 207)

#### AC151119-01 COMMITTEE DECISION/OFFICER RECOMMENDATION

Moved Cr G Walder; Seconded Cr R Prentice:

That the Minutes of the Audit Committee Meeting held on 19 March 2015, be confirmed as a true and accurate record.

CARRIED 4/0

## 5. REPORTS OF COMMITTEE AND OFFICERS

### 5.1 Local Government (Audit) Regulations 1996 – Regulation 17 Reviews (File Ref: 960)

<b>SUBMISSION TO:</b>	Audit Committee Meeting, 19 November 2015[TF3]
<b>DISCLOSURE OF INTEREST:</b>	The author has no financial interest in this matter
<b>OWNER/APPLICANT:</b>	Moore Stephens (WA) Pty Ltd
<b>REPORTING OFFICER:</b>	Graham Stanley, Executive Manager Corporate and Community Services
<b>REPORTING OFFICER:</b>	Graham Stanley, Executive Manager Corporate and Community Services
<b>SENIOR OFFICER:</b>	Steven Deckert, Chief Executive Officer
<b>PREVIOUS MEETING REFERENCE:</b>	Not applicable

**MATTER FOR CONSIDERATION:**

For the Audit Committee to consider the Report on a Review of Risk Management, Legislative Compliance and Internal Controls by Moore Stephens (WA) Pty Ltd.

**ATTACHMENTS:**

AC151119-5.1.A "Report on a Review of Risk Management, Legislative Compliance and Internal Controls for Council Consideration" by Moore Stephens (WA) Pty Ltd

**APPLICANT'S SUBMISSION:**

Not applicable.

**BACKGROUND:**

Regulation 17 of the Local Government (Audit) Regulations 1996 came into effect on 8 February 2013 requires the CEO 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.

Such reviews are to be completed once every two years and the CEO is to report to the Audit Committee the results of that review.

**STATUTORY ENVIRONMENT:**

*Local Government (Audit) Regulations 1996*; Regulation 17 as explained above.

**POLICY IMPLICATIONS:**

Council has no policies in respect to this matter.

**FINANCIAL IMPLICATIONS:**

Adoption of the recommendation may result in expenditure on consultants to assist with the implementation of various strategies proposed in the review report. Any expenditure of this nature would be made from within budget allowances for consultants.

**STRATEGIC IMPLICATIONS:**

Compliance with legislative requirements and having strong sound management and internal control practices is fundamental to ensuring that the Shire remains a strong and financially viable organisation capable of delivering good governance and services to the people of the Laverton Shire and ensuring organisational objectives are achieved.

**CONSULTATION:**

The review was conducted by Russell Barnes from Moore Stephens (WA) Pty Ltd and he consulted with senior management and a number of other Shire staff whilst conducting the review.

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**COMMENT:**

The report contains 61 recommended improvements. A number of these can be easily addressed by making one-off changes such as a minor change or inclusion in a policy. Others if adopted may increase the administrative burden on staff that already have extremely heavy workloads and implementing the recommendation may result in the focus being shifted away from strategically important duties to ones that may be of only marginal benefit in improving risk management, legislative compliance and internal controls. Whereas others will be more difficult to implement with current staff resources and outside expertise to help implement them may be required.

**VOTING REQUIREMENTS**

Simple majority required.

**AC151119-02 COMMITTEE DECISION/OFFICER RECOMMENDATION**

**Moved Cr R Prentice; Seconded Cr G Walder:**

**That the Audit Committee:**

- 1. Acknowledges the report prepared by Moore Stephens titled “Report on a Review of Risk Management, Legislative Compliance and Internal Controls”.**
- 2. Recommends to Council that the Chief Executive Officer and the Executive Management team of the Shire make an assessment of the report and commence a program to implement the recommendations of the report that are easily implementable and put formal requests to Council to engage consultants to assist with the implementation of recommendations that are more difficult to implement.**

**CARRIED 4/0**

**6.0 CLOSURE OF MEETING**

There being no further business, the Presiding Member declared the meeting closed at 4.49pm.

**7.0 CERTIFICATION BY CHAIRMAN**

**I, Patrick Hill, hereby certify that the Minutes of the Audit Committee Meeting held on 19 November 2015 are confirmed as a true and correct record, as per the Audit Committee resolution of the Audit Committee Meeting held on 17 December 2015.**

**SIGNED:**

**DATED:**

**2015**