



Shire of  
**Perenjori**  
Embrace Opportunity

Shire of Perenjori – Audit Committee Meeting

# MINUTES

Thursday 15<sup>th</sup> December 2022



## **NOTICE OF AN AUDIT COMMITTEE MEETING**

Dear Council Member,

The next Audit Committee Meeting of the Shire of Perenjori will be held on Thursday 15<sup>th</sup> December 2022 in the Shire of Perenjori Council Chambers, 56 Fowler Street, Perenjori WA 6620, commencing at 2:00 pm.

A handwritten signature in black ink, appearing to read 'Paul Anderson', is positioned above the typed name.

Paul Anderson  
CHIEF EXECUTIVE OFFICER  
Date: 29<sup>th</sup> November 2022

# TABLE OF CONTENTS

## Council Roles

## Disclaimer

1. Declaration of Opening/Announcement of Visitors:
2. Record of Attendance/Apologies/Leave of Absence:
  - 2.1 ATTENDANCE:
3. Confirmation of Minutes of Previous Meetings:
  - 3.1 AUDIT COMMITTEE MEETING HELD ON 13 APRIL 2022
5. Declaration of Interest:
6. Reports:
  - 6.1 FINANCIAL MANAGEMENT REVIEW
7. Closure of Meeting:

## Council Roles

### **Advocacy:**

When Council advocates on its own behalf or on behalf of its community to another level of government /body /agency.

### **Executive/Strategic:**

The substantial direction setting and oversight role of the Council e.g. Adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

### **Legislative:**

Includes adopting local laws, town planning schemes and policies.

### **Review:**

When Council reviews decisions made by Officers.

### **Quasi-Judicial:**

When Council determines an application/matter that directly affects a person's rights and interests. The Judicial character arises from the obligations to abide by the principles of natural justice.

Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g.: under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.

## Disclaimer

"Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such.

Any person or entity that has an application before the Shire must obtain, and should only rely on, written notice of the Shire's decision and any conditions attaching to the decision and cannot treat as an approval anything said or done at a Council or Committee meeting.

Any advice provided by an employee of the Shire on the operation of a written law, or the performance of a function by the Shire, is provided in the capacity of an employee, and to the best of that person's knowledge and ability. It does not constitute, and should not be relied upon, as a legal advice or representation by the Shire. Any advice on a matter of law, or anything sought to be relied upon as a representation by the Shire should be sought in writing and should make clear the purpose of the request."

## Shire of Perenjori

Minutes for the Shire of Perenjori Audit Committee Meeting held on Thursday 15<sup>th</sup> December 2022, at the Shire of Perenjori Council Chambers, 56 Fowler Street, Perenjori WA 6620, commencing at 2:02 pm.

### 1. Declaration of Opening/Announcement of Visitors:

The Shire President declared the meeting open and welcomed those in attendance.

#### **Acknowledgement of Traditional Custodians: -**

As per the Shire of Perenjori Policy (N<sup>o</sup> 1021) we wish to acknowledge the traditional owners of the land upon which the Shire of Perenjori is situated and to demonstrate respect for the original custodians.

*The Shire of Perenjori would like to respectfully acknowledge the past and present custodians of the land on which we are meeting, the Badymia people. It is a privilege to be standing on Badymia country.*

### 2. Record of Attendance/Apologies/Leave of Absence:

#### 2.1 Attendance:

Members:

Cr Chris King (President)  
Cr Jude Sutherland (Deputy President)  
Cr Daniel Bradford  
Cr Colin Bryant  
Cr Andrew Fraser  
Cr Les Hepworth  
Cr Dael Sparkman

Staff:

Paul Anderson (Chief Executive Officer)  
Nola Comerford (Manager Corporate and Community Services)  
Neville Binning (Manager Infrastructure Services)

Distinguished Visitors:

Members of The Public:

Leave of Absence:

Apologies:

### 3. Confirmation of Minutes of Previous Meetings:

3.1 Audit Committee Meeting Held on 13 April 2022

#### **OFFICER RECOMMENDATION**

**Council Resolution Number: 151222.1**

**Moved: Cr Bradford**

**Seconded: Cr Bryant**

**That the Minutes of the Audit Committee Meeting held on 13<sup>th</sup> April 2022, be confirmed as true and correct.**

**Motion put and carried 6 / 0**

## 5. Declaration of Interest:

Nil

## 6. Reports:

### 6.1 FINANCIAL MANAGEMENT REVIEW

Applicant:	Shire of Perenjori
File:	ADM 0620
Report Date:	30 November 2022
Disclosure of Interest:	Nil
Voting Requirements:	Simple Majority
Author:	Nola Comerford – Manager of Corporate and Community Services
Responsible Officer:	Paul Anderson – Chief Executive Officer
Attachments:	5.3 (a) - Minutes of 13 <sup>th</sup> April 2022 Audit Committee Meeting Draft Financial Management Review and Financial Management Review Risk Assessment

#### Summary

Council is requested to consider and adopt the recommendations and proposed actions made on the Shire's financial and risk management, legislative compliance and internal controls.

#### Background

In August 2022, Moore Australia were engaged by the Shire of Perenjori to undertake a comprehensive review of the Shire's management of financial, risk and compliance as well as internal processes and controls. A copy of this report is attached.

*Local Government (Financial Management) Regulation 5(2)(c)* requires the Chief Executive Officer to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures no less than once every 3 financial years, and report to the local government the results of those reviews.

Regulation 17 of the *Local Government (Audit) Regulations 1996* require the CEO to review risk management, internal control and legislative requirement no less than once in every 3 financial years.

#### Statutory Environment

Local Government (Financial Management) Regulations 1996

5. CEO's duties as to financial management

- (1) *Efficient systems and procedures are to be established by the CEO of a local government —*
  - (a) *for the proper collection of all money owing to the local government; and*
  - (b) *for the safe custody and security of all money collected or held by the local government; and*
  - (c) *for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and*
  - (d) *to ensure proper accounting for municipal or trust —*
    - (i) *revenue received or receivable; and*
    - (ii) *expenses paid or payable; and*
    - (iii) *assets and liabilities;*

*and*
  - (e) *to ensure proper authorisation for the incurring of liabilities and the making of payments; and*
  - (f) *for the maintenance of payroll, stock control and costing records; and*
  - (g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*
- (2) *The CEO is to —*
  - (a) *ensure that the resources of the local government are effectively and efficiently managed; and*

- (b) *assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and*
- (c) *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.*

#### Local Government (Audit) Regulations 1996

#### 17. CEO to review certain systems and procedures

- (1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —*
  - (a) *risk management; and*
  - (b) *internal control; and*
  - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
- (3) *The CEO is to report to the audit committee the results of that review.*

#### **Policy Implications**

Nil

#### **Financial Implications**

Nil

#### **Strategic Community Plan**

Goal 4: A strong and diverse Council working closely with the proactive and involved community

4.6 The organisation, assets and finances of the Shire are managed responsibly

#### **Consultation**

Paul Anderson – Chief Executive Officer

Nathan Gilfellow – Moore Australia

Administration employees

#### **Officer Comment**

The review conducted by Moore Australia was undertaken with a dual purpose.

Firstly, to provide the basis for a report by the CEO to the Audit Committee on the appropriateness and effectiveness of the Shire's risk management, internal controls and legislative compliance systems and procedures as required by the *Local Government (Audit) Regulations 1996, Regulation 17*.

Secondly, a review of financial management systems to assess appropriateness and effectiveness of these systems and procedures, as required by *Local Government Financial Management Regulations 5(2)(c)*.

The matters examined are detailed in the attachments and where opportunities for improvement have been identified, they are reported in summary with associated mitigation action strategy and completion date. A plan to address the recommendations will be presented to Council at the February 2023 Ordinary Council Meeting.



#### COUNCIL DECISION

Council Resolution Number: 151222.2

Moved: Cr Bryant                      Seconded: Cr Hepworth

That Council suspend Standing Orders, *Clause 9.5 Limitations on number of speeches* to be suspended at 2.09pm for open discussion on Item 6.1 of these Minutes.

Motion put and carried 6 / 0

Cr Sparkman entered the meeting at 2.12pm

#### COUNCIL DECISION

Council Resolution Number: 151222.3

Moved: Cr Bryant                      Seconded: Cr Bradford

That Council reinstate Standing Orders at 2.57pm.

Motion put and carried 7 / 0

#### OFFICER RECOMMENDATION / COUNCIL DECISION

Council Resolution Number: 151222.4

Moved: Cr Hepworth                      Seconded: Cr Bradford

That Council:

1. Receive the Moore Australia Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls report, dated October 2022 in accordance with *Local Government (Financial Management) Regulations 1996 5(2)(c)* and the *Local Government (Audit) Regulations 1996 Regulation 17* in addressing the requirements of the appropriateness and effectiveness of the financial management systems of the Shire of Perenjori.
2. Note the recommendations identified in the report and the actions proposed in attachment 5.3(a) and 5.3(b).

Motion put and carried 7 / 0

#### 7. Closure of Meeting:

The Shire President declared the meeting closed at 3.00pm and thanked those in attendance.

I certify that this copy of the Minutes is a true and correct record of the meeting held on the 15<sup>th</sup> December 2022 at 2.00pm.

Signed: Chris King  
Presiding Officer

Date: 24/03/2023