



**Minutes of the
Shire of Corrigin Audit and Risk Management Committee
to be held on Tuesday 19 December 2017
commencing at 12.00 noon at the Council Chambers,
9 Lynch Street Corrigin**

1. DECLARATION OF OPENING

The Chairperson, Cr L Baker opened the meeting at 10.04am.

2. ATTENDANCE /APOLOGIES/LEAVE OF ABSENCE

Shire President

Deputy Shire President

Cr L Baker

Cr D L Hickey

Cr F Gilmore

Cr J A Mason

Cr S G Hardingham

Cr B D Praetz

Chief Executive Officer

Deputy Chief Executive Officer

Governance Executive/Records Officer

R L Paull

T L Dayman

J K Baker

Apologies

Cr M B Dickinson

Leave of Absence

There was no Leave of Absence

3. PUBLIC QUESTION TIME

There were no questions from the public.

4. DECLARATIONS OF INTEREST

Miss Taryn Dayman, Deputy Chief Executive Officer declared a financial interest in *Item 7.3 Internal Audit Programme – Annual Leave Accruals and Long Service Leave (CONFIDENTIAL)*.

5. CONFIRMATION AND RECEIPT OF MINUTES

5.1. Previous Audit Committee Meeting and Business Arising from Minutes

That the minutes of the Audit and Risk Management Committee Meeting held in the Shire of Corrigin Council Chambers on 19 September 2017 (Attachment 5.1) be confirmed as a true and correct record.

OFFICER’S RECOMMENDATION

That the minutes of the Audit and Risk Management Committee Meeting held in the Shire of Corrigin Council Chambers on 19 September 2017 (Attachment 5.1) be confirmed as a true and correct record.

COMMITTEE’S RECOMMENDATION

Moved: Cr Mason Seconded: Cr Hickey

That the minutes of the Audit and Risk Management Committee Meeting held in the Shire of Corrigin Council Chambers on 19 September 2017 (Attachment 5.1) be confirmed as a true and correct record.

Carried 6/0

6. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the minutes.

7. MATTERS REQUIRING A COMMITTEE DECISION

7.1. Annual Report and Financial Statements for the Year Ended 30 June 2017

Applicant:	Shire of Corrigin
Location:	Shire of Corrigin
Date:	19 December 2017
Reporting Officer:	Taryn Dayman, Deputy Chief Executive Officer
Disclosure of Interest:	No interest to disclose
File Number:	FM 0045
Attachment Reference:	Attachment 7.1 - Audit Report and Financial Statements for the 2016/17 Financial Year

SUMMARY

The Audit and Risk Management Committee is requested to recommend that Council endorse the 2016/2017 Annual report and financial statements for the period ending 30 June 2017.

BACKGROUND

In accordance with s5.53 of the *Local Government Act 1995* Council is required to prepare and accept the annual report for each financial year no later than 31 December after that financial year.

If the auditor’s report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor’s report becomes available.

COMMENT

Council’s appointed auditor, Moore Stephens Chartered Accountants completed the final audit of Council’s finances and operations in October 2017. A copy of the Audit Report and Financial Statements for the 2016/17 financial year is included as **Attachment 7.1**.

Council is required to accept the annual report and select a date for the Electors meeting that is no more than 56 days from acceptance of the annual report. This means that Council needs to hold the Electors meeting on or before 13 February 2018.

It is proposed that the Electors meeting be held on Monday 12 February 2018 commencing at 7.30pm.

Public Notice of the Annual Electors Meeting and availability of the Annual Report will be displayed on public notice boards, Narrogin Observer and advertise on Council's Website. In addition all residents, ratepayers or interested parties may request a copy of the Annual Report from the Shire to be mailed to them.

STATUTORY ENVIRONMENT

Local Government Act 1995

5.27. Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.*
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.*

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*
** Absolute majority required.*
- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available*

7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to —*
 - (a) assist the auditor of the local government to conduct an audit and carry out his or her other duties under this Act in respect of the local government; and*
 - (b) ensure that audits are conducted successfully and expeditiously.*
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
- (3) A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to —*
 - (a) determine if any matters raised by the report, or reports, require action to be taken by the local government; and*
 - (b) ensure that appropriate action is taken in respect of those matters.*
- (4) A local government is to —*
 - (a) prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and*
 - (b) forward a copy of that report to the Minister,*
by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time.

POLICY IMPLICATIONS

Whilst there are no direct policy implications in relation to this item, Council recently adopted Policy 8.11 Audit and Risk Management Committee and 8.12 Appointment of an auditor, scope of works and notification of appointments.

FINANCIAL IMPLICATIONS

Whilst there are no known significant financial implications for Council, there will be advertising, printing and some postage costs that are anticipated in the included in the 2016/17 Annual Budget.

COMMUNITY & STRATEGIC OBJECTIVES

The matter before Council generally accords with the following Shire desired outcome as expressed in the revised Shire of Corrigin Strategic Community Plan 2013-2023 and Corporate Business Plan 2017-2021:

Objective: Leadership

Strong Governance and leadership

Outcome 4.1 - A strategically focussed dynamic Council serving the community

Strategic Community Plan		Corporate Business Plan	
Outcome	Strategies	Action No.	Actions
4.1.1	Provide leadership, communication and active engagement with the community	4.1.1.1	Elected members provide strategic leadership for the benefit of the community.
4.1.3	Maintain accountability and financial responsibility to ensure the stability of the Shire	4.1.3.1	Council maintain financial stability
		4.1.3.3	Provide Council adequate and appropriate financial information on a timely basis

VOTING REQUIREMENT

Absolute Majority

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee recommend to Council to:

- 1) Accept the Audit Report for the 2016/17 financial year as presented in **Attachment 7.1**;*
- 2) Adopt the Annual Report for the year ended 30 June 2017 as presented in **Attachment 7.1**; and*
- 3) Hold a General Meeting of Electors on Monday 12 February 2018 commencing at 7.30pm at the Corrigin Community Resource Centre.*

COMMITTEE'S RECOMMENDATION

Moved: Cr Gilmore Seconded: Cr Hardingham

That the Audit and Risk Management Committee recommend to Council to:

- 1) Accept the Audit Report for the 2016/17 financial year as presented in **Attachment 7.1**;*
- 2) Adopt the Annual Report (noting editing changes) for the year ended 30 June 2017 as presented in **Attachment 7.1**; and*
- 3) Hold a General Meeting of Electors on Monday 5 February 2018 commencing at 7.30pm at the Corrigin Community Resource Centre.*

Carried 6/0

Noted: Council noted editing required on pages 4, 8, 30, 33 of the Annual Report
Noted: Council changed the date in item 3 of the committee's recommendation from Monday 12 February to Monday 5 February 2018 as it was a more convenient date for Councillors.

7.2. Review of the Shire of Corrigin Practices Status Report

Applicant:	Shire of Corrigin
Location:	Shire of Corrigin
Date:	19 December 2017
Reporting Officer:	Taryn Dayman, Deputy Chief Executive Officer
Disclosure of Interest:	No interest to disclose
File Number:	RM 0013
Attachment Reference:	Attachment 7.2 – Review of Shire of Corrigin Practices Status Report

SUMMARY

The Audit and Risk Management Committee is requested to recommend that Council accept the Review of Shire of Corrigin Practices Status Report.

BACKGROUND

As a result of the Corruption and Crime Commission (CCC) report on the Matter of Governance at the Shire of Dowerin the executive reviewed matters raised in the report and reviewed the Shire of Corrigin current practices, with the intention of the report to assess, learn and upgrade the Shire of Corrigin's resistance to corruption, as recommended by the CCC.

The review of Shire of Corrigin practices based on issues raised from the CCC report into the Shire of Dowerin included a number of recommendations to strengthen the Shire's resistance to potential corruption. Council endorsed the report and 124 recommendations at the March 2017 Ordinary meeting.

COMMENT

Included in the 124 recommendations was the following Council direction:

"Note that progress on addressing some of the issues has commenced and a quarterly status report will be presented to the Audit and Risk Management Committee".

A status report has been prepared noting all 124 recommendations and includes the following:

- Recommendation
- Classification
- Action Required
- Action completed
- Status
- Responsible Officer (primary and supporting)
- Completion Timeframe.

The Status report has been updated (note **Attachment 7.2**) with changes represented in bold. Previous reported matters have been removed from the status report.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

Included in the recommendations are a number of policy changes, the majority of these were addressed with the update of the register of polices which was adopted by Council in October 2017.

FINANCIAL IMPLICATIONS

There are no known financial implications

COMMUNITY & STRATEGIC OBJECTIVES

The matter before Council generally accords with the following Shire desired outcome as expressed in the revised Shire of Corrigin Strategic Community Plan 2013-2023 and Corporate Business Plan 2017-2021:

Objective: Leadership

Strong Governance and leadership

Strategic Community Plan		Corporate Business Plan	
Outcome	Strategies	Action No.	Actions
4.1.1	Provide leadership, communication and active engagement with the community	4.1.1.1	Elected members provide strategic leadership for the benefit of the community.
4.1.3	Maintain accountability and financial responsibility to ensure the stability of the Shire	4.1.3.3	Provide Council adequate and appropriate financial information on a timely basis

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee recommend that Council receive the 'Review of Shire of Corrigin Practices Status' report as provided in Attachment 7.2 and note the continuing progress.

COMMITTEE'S RECOMMENDATION

Moved Cr Hickey Seconded Cr Mason

That the Audit and Risk Management Committee recommend that Council receive the 'Review of Shire of Corrigin Practices Status' report as provided in Attachment 7.2 and note the continuing progress.

Carried 6/0

Noted: The Chief Executive Officer advised that the attachment provided in the agenda was incorrectly referred to as Attachment 7.3

Ms J K Baker left the meeting at 10.35am and did not return.

Miss Dayman had declared a Financial Interest in Item 7.2 and left the meeting at 10.35am and did not return.

7.3. Internal Audit Programme – Annual Leave Accruals and Long Service Leave (CONFIDENTIAL)

Applicant:	Shire of Corrigin
Location:	Shire of Corrigin
Date:	19 December 2017
Reporting Officer:	Rob Paull Chief Executive Officer
Disclosure of Interest:	No interest to disclose
File Number:	PER0051
Attachment Reference:	N/A

REASON FOR CONFIDENTIALITY

The Chief Executive Officer's Report is confidential in accordance with s5.23 (2) the Local Government Act because it deals with matters affecting:

S.5.23 (2)

- (a) a matter that if disclosed, would reveal information that has a matter affecting an employee or employees; and
- (b) the personal affairs of any person;

OFFICER'S RECOMMENDATION

That Council in accordance with Clause 15.10 of the Standing Orders close the meeting to the public.

Moved Cr Hardingham; Seconded Cr Hickey

That in accordance with Clause 15.10 of the Standing Orders (Procedural Motion) close the meeting to the public and Item 7.3 be heard behind closed doors (at 10.36 am).

Carried 6/0

COMMITTEE'S RECOMMENDATION

Moved Cr Mason; Seconded Cr Praetz

That the Audit and Risk Management Committee recommend to Council as follows:

- 1. That the Shire management continue to provide Annual Leave and Long Service Leave progress reports to the Committee over the next twelve month period.***
- 2. In accordance with part iv of 'Policy 5.17 Long Service Leave' to support the Chief Executive Officer approving Long Service Leave entitlements being remunerated at current pay rates until 30 June 2018, noting that no extension of remuneration rates to those employees that currently have a balance of long service leave remaining will be considered.***

Moved Cr Mickey; Seconded Cr Mason

That in accordance with Clause 15.11 of the Standing Orders (Procedural Motion) Committee reopens the meeting to the public (at 10.45am).

Carried 6/0

8. DATE OF NEXT MEETING

Tuesday 20 March 2018 in the Shire Chambers commencing at 11.00am.

9. CLOSE OF MEETING

There being no further business the Chairperson closed the meeting at 10.46am.