

Audit Committee Meeting Minutes 4 March 2021

Minutes of the Manjimup Audit Committee held at **Council Chambers** on **Thursday 4 March 2021**.

1. DECLARATION OF OPENING OF MEETING

The meeting was opened by Chairperson, Cr Omodei at 1.29pm

2. ATTENDANCE / APOLOGIES

Present:

- Cr Paul Omodei
- Cr Robert Taylor
- Cr Denise Jenkins
- Cr Murray Ventris
- Cr Cliff Winfield

Apologies

- Nil

Observers:

- Andrew Campbell – Chief Executive Officer (CEO)
- Greg Lockwood - Director Business (DB)

3. DECLARATION OF FINANCIAL INTERESTS

Nil.

4. CONFIRMATION OF MINUTES OF THE MEETING HELD 3 SEPTEMBER 2020

Moved Cr Taylor / Seconded Cr Jenkins

“That the minutes of the Audit Committee meeting held on 3 September 2020 be adopted as a true and correct record.”

Carried 5/0

5. MATTERS ARISING FROM THE MEETING HELD 3 SEPTEMBER 2020

Nil.

6. RISK MANAGEMENT

Nil

7. DRAFT COMPLIANCE AUDIT RETURN 2020 (CAR)

DB stepped the Audit Committee through the CAR and the responses from staff on the various compliance questions.

It was noted that there were 2 items of non-compliance, being:

1. Item 5 Finance – Was the Auditor’s report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?

The reason for this non-compliance related to a delayed audit due to extra work related to the change in accounting standards, the late adoption of a Financial Management Regulation (6 November 2020) which was retrospective, unforeseen staffing issues at AMD Chartered Accounts and transitioning over to the Office of Auditor General.

2. Item 10 Optional Questions – By the 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?

The Shire requested an extension to the 31 October 2020 and when this could not be met, due to the late adoption of the new Financial Management Regulation, a further extension was requested however this could not be given by the Department as the Act didn't allow an extension to be requested after the date of 30 September 2020.

On review of the CAR during the Audit Committee meeting the CEO requested that Question 5 under Local Government Employees – Did the CEO inform Council of each proposal to employ or dismiss senior employee? be changed from “Yes” to “N/A” as this did not occur during the period of this report.

Moved Cr Jenkins / Seconded Cr Winfield

“That the Audit Committee accept the 2020 Compliance Audit Return with a change to item 5 under Local Government Employees from “Yes” to “N/A”.

Carried 5/0

8. THE EFFECTIVENESS OF COMPLIANCE

Review of ongoing action list from Regulation 17, Financial Management Systems Review, Compliance Audit Return 2019 and Interim Audit 2020/21

Moved Cr Taylor / Seconded Cr Winfield

“That the Audit Committee notes the actions taken related to outstanding audit items”

Carried 5/0

9. GENERAL BUSINESS

DB discussed the status of the Annual Financial Accounts audit. The audit was progressing well with AMD Chartered Accountants finalising their part before the audit file is referred to the Office of Auditor General for final sign off. It is expected the report will be received in late March, early April.

10. NEXT MEETING

The next meeting is scheduled for April 2021

11. MEETING CLOSURE

The meeting was closed at 2.06pm.



NOTICE OF MEETING

Notice is given that a Meeting of the Manjimup Audit Committee will be held at **JC Rose Room** (Committee Room) on **Thursday 4 March 2021** commencing at 1:30pm.

Andrew Campbell
CHIEF EXECUTIVE OFFICER
26 February 2021

AGENDA

1. DECLARATION OF OPENING OF MEETING

2. ATTENDANCE / APOLOGIES

3. DECLARATION OF FINANCIAL INTERESTS

Any committee member who has a financial interest in any matter to be considered by the committee must declare that interest and the nature of that interest in writing immediately before the matter is discussed.

4. CONFIRMATION OF MINUTES OF THE MEETING HELD 3 SEPTEMBER 2020

ATTACHMENT: 1

5. MATTERS ARISING FROM THE MEETING HELD 3 SEPTEMBER 2020

Nil

6. RISK MANAGEMENT

Nil

7. DRAFT COMPLIANCE AUDIT RETURN 2020

Review the findings from the Compliance Audit Return for 2020

ATTACHMENT: 2

8. THE EFFECTIVENESS OF COMPLIANCE

Review on going action list from Regulation 17, Financial Management Systems Review, Compliance Audit Return 2019 and Interim Audit 2020/21

ATTACHMENT: 3

9. GENERAL BUSINESS

10. NEXT MEETING

The next meeting is scheduled for March/April 2020

11. MEETING CLOSURE



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Audit Committee Meeting Minutes 3 September 2020

Minutes of the Manjimup Audit Committee held at **Council Chambers** on **Thursday 3 September 2020**.

1. DECLARATION OF OPENING OF MEETING

The meeting was opened by Chairperson, Cr Omodei at 11.00am

2. ATTENDANCE / APOLOGIES

Present:

- Cr Paul Omodei
- Cr Robert Taylor
- Cr Denise Jenkins
- Cr Murray Ventris
- Cr Cliff Winfield

Apologies

- Nil

Observers:

- Andrew Campbell – Chief Executive Officer (CEO)
- Greg Lockwood - Director Business (DB)
- Jason Giadresco – Senior Governance Officer (SGO)

3. DECLARATION OF FINANCIAL INTERESTS

Nil.

4. CONFIRMATION OF MINUTES OF THE MEETING HELD 26 March 2020

Moved Cr Jenkins / Seconded Cr Taylor

“That the minutes of the Audit Committee meeting held on 26 March 2020 be adopted as a true and correct record.”

Carried 5/0

5. MATTERS ARISING FROM THE MEETING HELD 26 MARCH 2020

DB was to investigate the possibility of removing the Supplier Payment list from Council agenda and supplying separately to reduce risk of fraud. Advice from the Department of Local Government was the purpose of the listing is for transparency purposes and the Local Government (Financial Management) Regulations 1996 requires the list to be recorded in the minutes of the meeting.

6. RISK MANAGEMENT

SGO presented the review of the Risk Management Framework 2020. Councillor Winfield requested within the Shire of Manjimup Corporate Risk Register section

under “Influenza pandemic event occurs” to include the words Biosecurity and Emergency Event to cover broader possible issues. This amendment was accepted by the committee.

Moved Cr Winfield / Seconded Cr Taylor

“The Audit Committee endorse the reviewed Risk Management Framework 2020.”

Carried 5/0

7. INTERIM AUDIT REPORT 2020

DB presented to Office of Auditor General/AMD Chartered Accountants Interim Audit Report which included the findings and management responses to those findings.

Moved Cr Taylor / Seconded Cr Winfield

“That the Audit Committee recommends that Council accept the 2020 Interim Audit report findings and endorses the proposed management actions to address matters arising”.

Carried 5/0

8. THE EFFECTIVENESS OF COMPLIANCE

Review of ongoing action list from Regulation 17, Financial Management Systems Review, Compliance Audit Return 2019 and Interim Audit 2020/21

Moved Cr Taylor / Seconded Cr Winfield

“That the Audit Committee notes the actions taken related to outstanding audit items”

Carried 5/0

9. GENERAL BUSINESS

SGO discussed the recent findings of a performance audit carried out by the Office of Auditor General in relation to Working with Children Permits and Food Health Licencing. SGO has made the appropriate departments within the Shire aware of the report

10. NEXT MEETING

The next meeting is scheduled for November 2020

11. MEETING CLOSURE

The meeting was closed at 11.55am.

COMPLIANCE AUDIT RETURN - 2020

Background

The Department of Local Government and Communities, through a LG Alert, advises that the Compliance Audit Return (CAR) for the 2020 year is due for completion.

Each local government is required to carry out a compliance audit in relation to the period 1 January 2020 to 31 December 2020 against the requirements set out in the 2020 CAR. The CAR assesses areas of compliance considered high risk within local government.

The Audit Committee is required to review the completed CAR and report the results to Council, prior to the CAR's adoption by Council and submission to the department by the 31 March 2021.

Audit Return

The 2020 CAR has been completed by Officers and comprises Attachment 2.

There are 2 areas of non-compliance to report:

- Finance – Question 5
- Optional Questions – Question 10

Recommendation

That the 2020 Compliance Audit Return be received and noted.



Manjimup - Compliance Audit Return 2020

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Andrew Campbell
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Andrew Campbell
3	s3.59(2)(c) F&G Regs 7,8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2020?	N/A		Andrew Campbell
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A		Andrew Campbell
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Andrew Campbell



Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	Yes		Andrew Campbell
2	s5.16	Were all delegations to committees in writing?	Yes	As per Delegation Register	Andrew Campbell
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	Yes		Andrew Campbell
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Andrew Campbell
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	Yes	Reviewed at Council meeting 14/11/2019 (During 19/20 Financial Year) Reviewed at Council Meeting 26/11/2020 (During 20/21 Financial Year)	Andrew Campbell
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Andrew Campbell
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Andrew Campbell
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Andrew Campbell
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Andrew Campbell
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Andrew Campbell
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Andrew Campbell
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes	Review and approved by Council on the 14/11/2019 (During 2019/2020 Financial Yr) Review & Approved by Council on 26/11/2020 (During 2020/2021 Financial Year)	Andrew Campbell
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes	Refer to Quarterly Reports	Andrew Campbell

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
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Department of
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No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	Refer to All Council Meeting Minutes	Andrew Campbell
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	None Requested	Andrew Campbell
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes	Refer to Council Meeting Minutes	Andrew Campbell
4	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?	Yes		Jasmine Bamess
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Jasmine Bamess
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Jasmine Bamess
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Jasmine Bamess
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes	Maintained by Corporate Administration Officer	Andrew Campbell
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Jasmine Bamess
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes	See File F170052	Jasmine Bamess
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes	Refer to register held on website. https://www.manjimup.wa.gov.au/our-council/about-council/Pages/Register-of-gifts-and-travel.aspx	Andrew Campbell



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No	Reference	Question	Response	Comments	Respondent
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes	https://www.manjimup.wa.gov.au/our-council/about-council/Pages/Register-of-gifts-and-travel.aspx	Andrew Campbell
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	N/A	Still Current	Andrew Campbell
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	N/A	Still Current	Andrew Campbell
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes	Recorded in the appropriate council agenda item minute.	Andrew Campbell
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11 (2) was the nature of the interest recorded in the minutes?	Yes	Recorded in the appropriate council agenda item minute.	Andrew Campbell
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	Recorded in the appropriate council agenda item minute.	Andrew Campbell
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	Did not occur	Andrew Campbell
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A	Did not occur	Andrew Campbell
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes	Refer to Council Minutes 23/1/2020	Andrew Campbell
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes	Refer to Shire of Manjimup Website and CEO held register	Andrew Campbell



Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes	As Per Disposal Policy	Greg Lockwood
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Greg Lockwood

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	Yes	CEO Holds Register	Andrew Campbell
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A	None Declared	Andrew Campbell
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	Yes	https://www.manjimup.wa.gov.au/our-council/about-council/Pages/Register-of-gifts-and-travel.aspx	Andrew Campbell

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Established for 24/10/2019 to 16/10/2021. Absolute majority at meeting on 24/10/2019	Craig Martyn
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	No Powers Delegated per Terms of Reference	Craig Martyn



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No	Reference	Question	Response	Comments	Respondent
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	N/A	Office of the Auditor General has taken on auditing of all Local Governments by 20/21. The Shire of Manjimup commenced on the 1 July 2019	Craig Martyn
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	Yes	Office of the Auditor General	Craig Martyn
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	No		Greg Lockwood
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A		Greg Lockwood
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	N/A		Greg Lockwood
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A		Greg Lockwood
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A		Greg Lockwood
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	N/A		Greg Lockwood
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	N/A		Greg Lockwood



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Integrated Planning and Reporting

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Minor Review undertaken in June 2019. Major review underway and will be completed by June 2021. https://www.manjimup.wa.gov.au/our-documents/strategic-planning/Documents/Strategic%20Community%20Plan%202019-2029.pdf	Jason Giadresco
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Minor Review undertaken in June 2019. Major review underway and will be completed by June 2021. https://www.manjimup.wa.gov.au/our-documents/strategic-planning/Documents/Corporate%20Business%20Plan%202020-2024.pdf	Jason Giadresco
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes	Considered compliant https://www.manjimup.wa.gov.au/our-documents/strategic-planning/Documents/Corporate%20Business%20Plan%202020-2024.pdf	Jason Giadresco



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	Did not occur	Andrew Campbell
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A	Did not occur	Andrew Campbell
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	Did not occur	Andrew Campbell
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A	Did not occur	Andrew Campbell
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes	Refer to Council Confidential Items	Andrew Campbell
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	Did not occur	Andrew Campbell

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	CEO by policy	Andrew Campbell
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes	CEO holds register	Andrew Campbell
3	s5.121(2)	Does the complaints register include all information required by section 5.121 (2)?	Yes	CEO holds register	Andrew Campbell
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	https://www.manjimup.wa.gov.au/our-council/about-council/Pages/Councillor-Complaints-Register.aspx	Andrew Campbell

Optional Questions					
No	Reference	Question	Response	Comments	Respondent



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No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	Yes	FMSR Review Conducted 18, 19, 20 Feb 2019 Council Adoption 13 Jun 2019	Craig Martyn
2	Audit Reg 17	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 Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	Reg. 17 Review Conducted 19,20,21,22 November 2019 Council Adoption 5 March 2020	Craig Martyn
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	Yes	Nil	Jason Giadresco
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	Yes	Nil	Jason Giadresco
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes	Policy adopted by Absolute Majority by Council 23 January 2020. https://www.manjimup.wa.gov.au/our-documents/policies/Documents/Council/1.2.2%20Gifts%20Attendance%20at%20Events%20and%20Functions%20Policy.pdf	Jason Giadresco
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes	Published on website 24 January 2020. https://www.manjimup.wa.gov.au/our-documents/policies/Documents/Council/1.2.2%20Gifts%20Attendance%20at%20Events%20and%20Functions%20Policy.pdf	Jason Giadresco
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes	Website reviewed. Compliance with all clauses achieved.	Jason Giadresco



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No	Reference	Question	Response	Comments	Respondent
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Policy adopted by Absolute Majority by Council 5 March 2020 https://www.manjimup.wa.gov.au/our-documents/policies/Documents/Council/1.1.4%20Councillor%20Continuing%20Professional%20Development%20Policy.pdf	Jason Giadresco
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes	This register is regularly updated as training is completed, hence the date. https://www.manjimup.wa.gov.au/our-council/about-council/Documents/Councillor%20Training%20Register.pdf	Jason Giadresco
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	No	Extension Requested	Greg Lockwood

Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	However the Shire has maintained a \$150,000 threshold	Greg Lockwood
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Greg Lockwood
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Greg Lockwood



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No	Reference	Question	Response	Comments	Respondent
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Greg Lockwood
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A		Greg Lockwood
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Greg Lockwood
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Greg Lockwood
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Greg Lockwood
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	Yes		Greg Lockwood
10	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes		Greg Lockwood
11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Greg Lockwood
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	Yes		Greg Lockwood
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Greg Lockwood
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	Yes		Greg Lockwood
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	Yes		Greg Lockwood



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No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	Yes		Greg Lockwood
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A		Greg Lockwood
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Greg Lockwood
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Greg Lockwood
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Greg Lockwood
21	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A		Greg Lockwood
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Greg Lockwood
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Greg Lockwood
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes		Greg Lockwood



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I certify this Compliance Audit Return has been adopted by council at its meeting on

Signed Mayor/President, Manjimup

Signed CEO, Manjimup

2019 FMSR Recommendations

Recommendation	FMSR Recommendation	Completion	Comment
2.2.1 Petty Cash Reconciliations	We recommend petty Cash is reconciled on a regular basis and any variances identified be investigated in a timely manner	Ongoing	No incidences of variances since FMSR review
3.2.1 End of Day Receipt Reconciliation and Banking	Independent verification of receipting function and banking	No Action	Area's identified involved isolated employees without a second financial person for verification. Ongoing support and monitoring of sites
3.2.2 Security of Cash Takings - Waste Management Site	Review and enhance controls over cash control. Investigate possibility of overnight deposits.	No Action	Isolated site have had no incidents of cash issues. Contractor takes cash home each night for security.
4.2.1 IT Key Performance Indicators / User Satisfaction Surveys	Give consideration to develop and implement specific IT department KPI's	No Action	ICT performance is tested everyday by users and issues logged direct to IT. IT maintain KPI's on overall system performance and failures.
5.2.1 Investment Policy	Investment policy is due for review	Complete	Reviewed and adopted 4 June 2020
6.2.1 Fixed Asset Register	At the time of the review the fixed asset register had not been balanced	Complete	Asset Register balance as at 30 June 2019
6.2.2 Credit Card Policy	Review Credit Card policy and compare with LG Guideline Number 11	Complete	Management Policy completed and signed off by SMT 21/5/2020 with Credit Card listing and acknowledgement by holders to follow policy.
7.2.1 Fuel Usage Analysis	No overall reconciliation of fuel statements to fuel receipts, not all vehicles have GPS fitted and staff are not required to fill in log books	No Action	Current system and auditing in place identifies issues as they occur. No further action required
7.2.2 Probation Review Process	Issues with finalisation of probation process	Ongoing	Believed identified items were isolated incidences.

2019 FMSR Recommendations

Recommendation	FMSR Recommendation	Completion	Comment
7.2.3 HR/OHS Policies and Procedures	Several policies requiring review	Complete	Policies reviewed and updated
7.2.4 Performance Review Process	Ensure all performance reviews are undertaken	Ongoing	Ongoing process. HR supplying regular updates to Managers and Coordinators when reviews are due.
7.2.5 Excessive Annual Leave Balances / Leave Form Practices	Review of balances showed staff with excessive leave as well as some leave forms not on payroll files.	Ongoing	SMT Review leave balances regularly and Managers and Coordinators receive regular leave balance reports.
7.2.6 Store Card	Procedure to be created for staff using Coles store card in line with purchasing policy	Complete	Store cards now have procedure with users signing an acknowledgment of conditions of use
7.2.7 Termination Checklist	Recommend mandatory termination checklist to be completed	Ongoing	Not always possible however key component of exit process for HR

2019 Regulation 17 Audit Recommendations

Recommendation	Interim Audit Recommendation	Completion	Comment
Risk Management			
2.2.1 Business Continuity and Emergency Risk Management	There is currently no organisational-wide Business Continuity Plan in place. In addition, the current IT Disaster Recovery Plan does not take into account the new accounting system and changes to the IT infrastructure.	In Progress	In progress Development and Regulation Directorate working through process for documentation.
2.2.2 Lease Management	No formal procedure in place to monitor lessee compliance with terms of the Council leased properties.	In Progress	Commercial Leases are managed through Real Estate Agent management contracts. NFP building related leases are insured through the Shire's insurance company and passively monitored through building maintenance inspections. Senior Properties Officer will maintain a register to monitor insurance compliance.
2.2.3 Risk Management Policies and Procedures	No documented policies and procedures are in place to deal with a number of risks applicable to the Shire i.e. litigation/claims, environmental management, whistle-blower etc.	In Progress	The Shire has been undertaking a rolling review of the whole Risk Management Framework and processes with a view to have the review completed by December 2020.
2.2.4 Code of Conduct	The current Code of conduct does not address the reporting mechanisms available in the event of a breach.	Complete	Review and adoption of Code of Conduct 2019 occurred on 23 January 2020

2019 Regulation 17 Audit Recommendations

Recommendation	Interim Audit Recommendation	Completion	Comment
Internal Controls			
3.2.1 Procurement and Contract Management	Our discussions with management identified that although there is a range of contractor management documents that mainly address engaging contractors, there is no documented contract management framework in place articulating an approach to be followed nor is a contract compliance checklist utilised by the Shire representative when managing contracts.	In Progress	Agreed. Review in place of contractor management system including compliance with insurance, Occupational Health and Safety as well as inductions. Formalised framework to follow.
3.2.2 Grant Funding Plan	No holistic grant funding summary plan in place.	Outstanding	At present all grants are recorded within the Shire's financial management system however a complete summary is to be created with Milestones, expiry dates etc
Legislative Compliance			
4.2.1 Integrated Strategy Planning	IT Strategic Plan and Long Term Financial Plan due for review.	In Progress	Working through LTFP spreadsheets to reflect 2020/21 budget with new direction towards Recreation and Culture
4.2.2 Audit Advisory Committee	Areas of further enhancement identified with respect to the terms of reference and "the effectiveness of compliance" be listed as a standing agenda item for the meetings.	Complete	Included in agenda and seen as opportunity to review progress of findings from various audits carried out. Regulation 17, Interim Audits, Financial management Systems Review and Compliance Audit Return.
4.2.3 Internal Audit	There is currently no formal internal audit function in place.	Outstanding	To be discussed at future audit committee meeting.

2019 Regulation 17 Audit Recommendations

Recommendation	Interim Audit Recommendation	Completion	Comment
4.2.4 Complaints Handling	No documented complaints handling procedure in place relating to Councillors.	Complete	Proposed Policy adopted at Council meeting 25 June 2020 and is published on Council's official website

2020 Interim Audit Recommendations

Recommendation	Interim Audit Recommendation	Completion	Comment
1 Payments Presented to Council	It was noted payments on occasion were not presented to Council the following Council meeting after month end	Ongoing	Reviewing regularly, some difficulty dealing with Credit Card transactions
2 Monthly Reconciliations	No formal monthly reconciliations of key balances - Debtors, Rates, and Creditors	Complete	Currently working with Datacom to establish appropriate end of month reporting
3 Bank Reconciliation	Listing of unreconciled bank transactions as at 30 April 2020.	Ongoing	Item relates to automatic bank reconciliation program. Items present in accounts but not reconciled in BR program. Working with Datacom to resolve
4 Review Master File Changes	On transition to new software system should have an independent review of master file changes	Ongoing	Now have the ability to produce audit reports in each module to show what changes have been made and by which officer
5 Timeliness Recording Asset Transactions	Property Plant and Equipment not recorded in Financial Asset Management System	Ongoing	Module for the Financial Asset Register was released 25 June 2020. Register in process of being updated.
6 New Accounting Standards	The Shire has not completed sufficient assessment for the implementation of new accounting standards	Complete	Completed as part of finalisation of the 2019/20 Annual Financial Accounts
7 Overdue Debtors and Provisions	Audit identified a number of outstanding debtors	Ongoing	Some debtors were written off late in financial year. Ongoing process of working through debtors.
8 Employee Terminations	Whilst reviewing termination payments, calculations did not receive an independent review.	Complete	All fortnightly pay cycles are reviewed by the SOM HR Officer. Actual calculation sheets will be signed off to confirm process
9 Monthly Variance Analysis	On review of report explanations of variances are at a department level not a program level	Complete	Commentary within Monthly Financial Activity Report now notes variance by Program as per the requirement.