



**UNCONFIRMED**

**MINUTES**

**Audit Committee Meeting**

**5 March 2024**

**4:30pm**

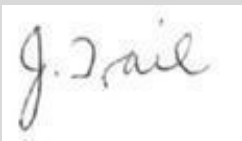
**Via Electronic Means**

**SHIRE OF COOLGARDIE**

**NOTICE OF AUDIT COMMITTEE MEETING**

Dear Elected Member

The next Audit Committee Meeting of the Shire of Coolgardie will be held on Tuesday 5 March 2024 commencing at 4:30pm.

A handwritten signature in black ink, appearing to read 'J. Trail', is displayed within a white rectangular box.

**JAMES TRAIL**  
**CHIEF EXECUTIVE OFFICER**

**DISCLAIMER**

INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

**PLEASE NOTE:**

THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.

THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.



James Trail  
**CHIEF EXECUTIVE OFFICER**

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**MINUTES OF SHIRE OF COOLGARDIE  
AUDIT COMMITTEE MEETING  
HELD AT THE VIA ELECTRONIC MEANS  
ON TUESDAY, 5 MARCH 2024 AT 4:30PM**

**1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

Shire President, Malcolm Cullen, opened the meeting at 4:33pm and welcomed his fellow Councillors and staff, and thanked them for their attendance.

**2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**

**PRESENT:**

Cr Malcolm Cullen (Shire President), Cr Tracey Rathbone (Deputy President), Cr Rose Mitchell, Cr Daphne Simmons, Cr Corey Matthews

**IN ATTENDANCE:**

James Trail (Chief Executive Officer), Anita Nathan (Director of Corporate Affairs)

**APOLOGIES**

Nil

**LEAVE OF ABSENCE**

Nil

**3 DECLARATIONS OF INTEREST**

**3.1 Declarations of Financial Interests – Local Government Act Section 5.60A**

Chief Executive Officer, James Trail, declared a financial interest in item 5.1.1 CEO Credit Card Listing From October 2023 to January 2024.

**3.2 Declarations of Proximity Interests – Local Government Act Section 5.60B**

**3.3 Declarations of Impartiality Interests – Shire of Coolgardie Code of Conduct for Council Members, Committee Members and Candidate for Election, Code of Conduct for Employees**

**4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS****4.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 12 DECEMBER 2023**

**Date:** 27 February 2024

**Author:** Kasey Turner, Executive Assistant

**ATTACHMENTS**

Nil

**VOTING REQUIREMENT**

Simple Majority

**OFFICER RECOMMENDATION**

That the Minutes of the Audit Committee Meeting held on 12 December 2023 be confirmed as a true and accurate record.

**AUDIT COMMITTEE RESOLUTION #28/2024**

**Moved:** Cr Tracey Rathbone

**Seconded:** Cr Rose Mitchell

That the Minutes of the Audit Committee Meeting held on 12 December 2023 be confirmed as a true and accurate record.

**In Favour:** Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Daphne Simmons and Corey Matthews

**Against:** Nil

**CARRIED 5/0**

## 5 REPORTS OF OFFICERS

### 5.1 Operation Services

Chief Executive Officer, James Trail, declared a financial interest in item 5.1.1 CEO Credit Card Listing From October 2023 to January 2024, and left the meeting room at 4:37pm.

#### 5.1.1 CEO CREDIT CARD LISTING FROM OCTOBER 2023 TO JANUARY 2024

**Location:** Nil

**Applicant:** Nil

**Disclosure of Interest:** CEO, James Trail has a financial interest in this item. In accordance with section 5.70(2) of the Local Government Act 1995, I declare a financial interest in the agenda item List of credit card payments. The interest is in relation to CEO credit card vouchers.

**Date:** 27 February 2024

**Author:** Corina Morgan, Senior Finance Officer

### SUMMARY

For the Audit Committee to receive the list of credit card payments from October 2023 to January 2024 for the Chief Executive Officer.

### BACKGROUND

The Local Government (Financial Management) Regulations 1996, Regulation 13(3)(b) requires that Council receive a list of credit cards paid in the month, and that this be recorded in the minutes. Council has delegated to the Chief Executive Officer that authority to make these payments from the Municipal and Trust Funds.

### COMMENT

The schedule of payments made under delegated authority as summarised below and recommended to be received by the audit committee, has been checked and is supported by vouchers and invoices which have been duly certified as to the receipt of goods and provision of services, and verification of process and costings.

It is deemed prudent that all Chief Executive Officer credit card vouchers now be presented to the Audit Committee for consideration and recommendation to Council. This is particularly the case given the authorisation required for the Chief Executive Officer credit card.

### CONSULTATION

Nil

### STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996, Regulation 13 – List of Accounts.

### POLICY IMPLICATIONS

CS-PROCUREMENT POLICY. Policy CS-11 as amended, sets the guides with regards to the purchase of goods or services provided.

### FINANCIAL IMPLICATIONS

Nil

**STRATEGIC IMPLICATIONS****Accountable and effective leaders**

Maintain integrated strategic and operational plans

**ATTACHMENTS****1. CEO Credit Card Listing from October 2023 to January 2024****VOTING REQUIREMENT**

Simple majority

**OFFICER RECOMMENDATION**

That the Audit Committee,

1. Accept listing (attached) of credit card invoices totalling \$23,329.44 paid from October 2023 to January 2024 by the Chief Executive Officer under delegated authority of Council.
2. Recommend the Council receive the listing of credit card invoices totalling \$23,329.44 paid from the period October 2023 to January 2024 by the Chief Executive Officer under delegated authority.
3. Recommend to Council the Shire President authorise the credit card vouchers totalling \$23,329.44 paid from the period October 2023 to January 2024 by the Chief Executive Officer under delegated authority.

**AUDIT COMMITTEE RESOLUTION #29/2024**

**Moved:** Cr Tracey Rathbone

**Seconded:** Cr Rose Mitchell

That the Audit Committee,

1. Accept listing (attached) of credit card invoices totalling \$23,329.44 paid from October 2023 to January 2024 by the Chief Executive Officer under delegated authority of Council.
2. Recommend the Council receive the listing of credit card invoices totalling \$23,329.44 paid from the period October 2023 to January 2024 by the Chief Executive Officer under delegated authority.
3. Recommend to Council the Shire President authorise the credit card vouchers totalling \$23,329.44 paid from the period October 2023 to January 2024 by the Chief Executive Officer under delegated authority.

**In Favour:** Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Daphne Simmons and Corey Matthews

**Against:** Nil

**CARRIED 5/0**

Chief Executive Officer, James Trail, returned to the meeting room at 4:40pm.



**5.1.2 2023 COMPLIANCE AUDIT RETURN**

**Location:** Shire of Coolgardie

**Applicant:** Shire of Coolgardie

**Disclosure of Interest:** NIL

**Date:** 1 February 2024

**Author:** Rebecca Horan, Director of Governance and Administration

**SUMMARY**

The purpose of this report is to present Council with the completed 2023 Compliance Audit Return (CAR).

**BACKGROUND**

In accordance with the Local Government Act 1995 and Local Government (Audit) Regulations 1996, a local government is required to complete an annual CAR for the period 1 January 2023 to 31 December 2023 of the preceding year. The CAR, after being adopted by Council, is to be forwarded to the Department of Local Government by 31 March 2024.

**COMMENT**

The purpose of the annual CAR is for individual local governments to assess their level of compliance with the Local Government Act 1995 and associated Regulations.

With the exception of an “Optional” Category that included 9 questions relating to a number of different areas, the specific areas addressed by the CAR are the same as those covered in the 2022 return.

Overall the areas covered include:

- Commercial Enterprises by Local Government
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Elections
- Finance
- Integrated Planning & Reporting
- Local Government Employees
- Official Conduct
- Optional Questions
- Tenders for Providing Goods and Services

The Compliance Audit Return has been undertaken as an internal audit, sourcing evidence of compliance through the Shire’s own records. Where relevant, resolution references have been included in the CAR.

The review has found that there were 1 item of non-compliance. As a comparative, there were 2 items of non-compliance identified in the 2022 Return.

A summary for each of the sections is shown below;

Commercial Enterprises by Local Government

Non Compliance matters raised - Nil

Delegation of Power/Duty

Non-Compliance matters raised – Nil

Delegation of Power/Duty has had some non- compliance matters over the past few years however now that we have a staff member responsible for Governance we were able to be complaint in this area in 2023.

Disclosure of Interest

Council need to ensure that all Primary and Annual Returns are completed in a timely manner and returns are acknowledged in writing by the CEO (for all Councillors & Staff) and the President (for the CEO).

For the purpose of completing Primary and Annual Returns for staff, a designated employee is an employee, other than the Chief Executive Officer, to whom any power or duty has been delegated to that employee as explained in section 5.74 of the Local Government Act 1995.

The Local Government Act 1995 has very stringent rules for both Annual and Primary Returns. Annual Returns must be completed within 3 months of the commencement date, while Annual Returns must be completed by 31 August each year. There are very harsh penalties for non-compliance in this area with penalties of a \$10,000 fine or imprisonment for 2 years that may be applied for Annual and Primary Returns not completed within the required timeframes. Below is an extract from the Local Government Act 1995;

**5.75. Primary returns**

- (1) A relevant person other than the CEO must lodge with the CEO a primary return in the prescribed form within 3 months of the start day.
- (2) A CEO must lodge with the mayor or president a primary return in the prescribed form within 3 months of the start day.
- (3) This section does not apply to a person who —
  - (a) has lodged a return within the previous year; or
  - (b) has, within 3 months of the start day, ceased to be a relevant person.

Penalty: \$10 000 or imprisonment for 2 years.

**5.76. Annual returns**

- (1) Each year, a relevant person other than the CEO must lodge with the CEO an annual return in the prescribed form by 31 August of that year.
- (2) Each year, a CEO must lodge with the mayor or president an annual return in the prescribed form by 31 August of that year.

Penalty applicable to subsections (1) and (2): \$10 000 or imprisonment for 2 years.

[Section 5.76 amended by No. 1 of 1998 s. 18; No. 66 of 2006 s. 12.]

**5.77. Acknowledging receipt of returns**

On receipt of a return under section 5.75 or 5.76 from a person, the CEO or the mayor or president, as the case may be, is to give the person written acknowledgment of having received the return.

Non Compliance matters raised – Nil however it has been noted in the CAR that Cr Matthews dated his Primary return the 9<sup>th</sup> October 2023, which is prior to the election however the Acknowledgement Letter is dated the 16<sup>th</sup> November 2023. Advice was sought from our Governance Consultant and he advised that this was not reportable but to be noted in the CAR.

#### Disposal of Property

Public notice is required for the disposal of property under section 3.58 of the Act unless sold by public auction. There was no property disposed of during the period.

Non Compliance matters raised - Nil

#### Finance

It is a requirement that an Audit Committee is established and appointed by Council.

It is also a requirement for any significant matters raised in the Audit Report to be addressed by the CEO with an Action List addressing these matters raised endorsed by Council and a copy sent to the Minister within 3 months of receiving the Audit Report.

Non Compliance matters raised - Nil

#### Local Government Employees

This area relates to the advertising and appointment of the CEO.

Non Compliance matters raised - Nil

#### Official Conduct

This area relates to the requirements of a complaints register, policies, councillor professional development and budgets.

Non Compliance matters raised - Nil

#### Integrated Planning & Reporting

In accordance with the following regulations of the Local Government (Administration) Regulations 1996, A local government is required to undertake certain reviews of integrated planning documents;

1. 19C(4) a local government is to review the current strategic community plan for its district at least once every 4 years, and
2. 19DA(4) a local government is to review the current corporate business plan for its district every year.

Non Compliance matters raised – 1

Council have completed a review of the strategic community plan as well as an updated long term financial plan in the last 12 months, however the corporate business plan has not been presented to Council within this period.

The corporate business plan is currently under review as part of aligning the document with corporate reporting requirements to be implemented and the corporate business plan.

#### Optional

In total there were 9 optional questions relating to areas including finance, audit, risk management, gift registers, staff and elected member policies and procedures.

All questions were completed and the Shire was compliant with all 9 questions.

#### Tenders for Providing Goods and Services

This area relates to purchasing policies, tenders, provision for statewide public notices and tender register. There was one instance where a tender was not advertised in the local newspaper. This was reported to the Department of Local Government and a response received.

Non Compliance matters raised – 0

Overall the completed CAR indicates that the Shire of Coolgardie has improved its level of compliance in the key areas that the CAR focuses on.

### **CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

Local Government Act 1995  
Local Government (Audit) Regulations 1996  
Local Government (Functions & General) Regulations 1996  
Local Government (Administration) Regulations 1996  
Local Government (Financial Management) Regulations 1996  
Local Government (Rules of Conduct) Regulations 2007

#### **Local Government Act 1995**

##### **7.13. Regulations as to audits**

- (1) Regulations may make provision as follows —
  - (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —
    - (i) of a financial nature or not; or
    - (ii) under this Act or another written law.

#### **Local Government (Audit) Regulations 1996**

##### **14. Compliance audits by local governments**

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.

- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
  - (a) presented to the council at a meeting of the council; and
  - (b) adopted by the council; and
  - (c) recorded in the minutes of the meeting at which it is adopted.

**15. Compliance audit return, certified copy of etc. to be given to Executive Director**

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
  - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
  - (b) any additional information explaining or qualifying the compliance audit,is to be submitted to the Executive Director by 31 March next following the period to which the return relates.
- (2) In this regulation —

**certified** in relation to a compliance audit return means signed by —

  - (a) the mayor or president; and
  - (b) the CEO.

**POLICY IMPLICATIONS**

NIL

**FINANCIAL IMPLICATIONS**

NIL

**STRATEGIC IMPLICATIONS**

**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

**ATTACHMENTS**

**1. Compliance Audit Return 2023**

**VOTING REQUIREMENT**

Simple majority

**OFFICER RECOMMENDATION**

That Council;

1. **ADOPT** the completed 2023 Compliance Audit Return for the Shire of Coolgardie for the period 1 January to 31 December 2023 as presented in the attachment for this report, and
2. **Submits** the completed Compliance Audit Return for the Shire of Coolgardie to the Department of Local Government after the Joint Certificate is signed by the Shire President and the Chief Executive Officer.

**AUDIT COMMITTEE RESOLUTION #30/2024**

**Moved:** Cr Tracey Rathbone

**Seconded:** Cr Corey Matthews

That the Audit Committee;

1. **ADOPT** the completed 2023 Compliance Audit Return for the Shire of Coolgardie for the period 1 January to 31 December 2023 as presented in the attachment for this report, and
2. That the CEO submits the completed Compliance Audit Return for the Shire of Coolgardie to the Department of Local Government after the Joint Certificate is signed by the Shire President and the Chief Executive Officer.

**In Favour:** Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Daphne Simmons and Corey Matthews

**Against:** Nil

**CARRIED 5/0**

**6 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING****6.1 Elected Members****6.2 Council Officers****7 CLOSURE OF MEETING**

The Meeting closed at 4:45pm.