



**Shire of Wyalkatchem Audit and Risk Committee (ARC)
Special Meeting Minutes, held on Thursday 28 July 2022,
commencing at 3.40pm in the Council Chambers,
Honour Avenue, Wyalkatchem**

Regulation 16 of the Local Government (Audit) Regulations 1996 states that:

"An audit committee —

- a) is to provide guidance and assistance to the local government —
 - i. as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
 - ii. as to the development of a process to be used to select and appoint a person to be an auditor; and**

- b) may provide guidance and assistance to the local government as to —
 - i. matters to be audited; and*
 - ii. the scope of audits; and*
 - iii. its functions under Part 6 of the Act; and*
 - iv. the carrying out of its functions relating to other audits and other matters related to financial management; and**

- c) is to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
 - i. report to the council the results of that review; and*
 - ii. give a copy of the CEO's report to the council."**

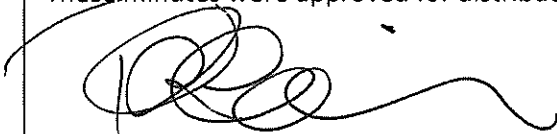
Preface

When the Chief Executive Officer approved these Minutes for distribution they are in essence "Unconfirmed" until the following Audit and Risk Management Meeting where the minutes will be confirmed subject to any amendments.

The "Confirmed" Minutes are then signed off by the Presiding Member

Unconfirmed Minutes

These minutes were approved for distribution on 9 August 2022.



Peter Klein
Chief Executive Officer
Shire of Wyalkatchem

Disclaimer

No responsibility whatsoever is implied or accepted by the Shire of Wyalkatchem for any act, omission or statement or intimation occurring during this meeting. It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decisions, which will be provided within ten days of this meeting

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1. DECLARATION OF OPENING

The Deputy Chairperson, Cr Emma Holdsworth, opened the meeting at 3:40pm.

2. PUBLIC QUESTION TIME

Public question time opened at 3:40pm

There were no members of the public.

Public question time closed at 3:41pm

3. ATTENDANCE /APOLOGIES/LEAVE OF ABSENCE

Members: Cr. Emma Holdsworth Deputy Chair
 Cr. Quentin Davies
 Cr. Stephen Gamble
 Cr. Mischa Stratford
 Cr. Christy Petchell
 Cr. Christopher Loton

Staff: Peter Klein Chief Executive Officer
 Claire Trenorden Manager of Corporate Services
 Stephanie Elvidge Governance Executive Officer
 Terence Delane Manager of Works

Leave of Absence: Cr Owen Garner Chair

4. PETITIONS, DEPUTATIONS, PRESENTATIONS

Nil

5. DECLARATIONS OF INTEREST

Nil

6. CONFIRMATION AND RECEIPT OF MINUTES

Nil

7. MATTERS ARISING FROM THE MINUTES

N/A

8. ANNOUNCEMENT BY THE PRESIDING PERSON WITHOUT DISCUSSIONS

Nil

9. MATTERS FOR WHICH THE MEETING MAY BE CLOSED

Nil

10. MATTERS REQUIRING A COMMITTEE DECISION

10.1. CORPORATE SERVICES REPORTS

10.1.1. INTERIM AUDIT MANAGEMENT LETTER

Applicant:	Shire of Wyalkatchem
Location:	Shire of Wyalkatchem
Date:	22 July 2022
Reporting Officer:	Stephanie Elvidge – Governance Executive Officer
Disclosure of Interest:	No interests to disclose
File Number:	12.02.01
Attachment Reference:	Attachment 7.1.1.1 – Office of Auditor General – Management Letter Attachment 7.1.1.2 – Audit Findings Report Attachment 7.1.1.3 – Report on Significant Matters

SUMMARY

Council is required to accept the Management Letter prepared by the Office of the Auditor General.

BACKGROUND

Council is required to have an Interim Audit which is undertaken by an Auditor approved by the Office of the Auditor General (OAG).

The focus of the interim audit is to evaluate the Shire of Wyalkatchem's overall control environment, (not for the purpose of expressing an opinion on the effectiveness of internal control), and to obtain an understanding of the key business processes, risks and internal controls relevant to the audit of the annual financial report.

COMMENT

The OAG Management Letter has identified thirteen management control issues which are detailed in attachment 7.1.1.2 Office of Auditor General – Audit findings Report.

A "Report on Significant Matters", attachment 7.1.1.3 has been prepared, which is to be presented to the Minister within 3 months of the Auditors Report being received by the Local Government as per the requirement of s.7.12A (4) *Local Government Act 1995* (the Act) .

It is recommended that the Audit and Risk Committee Audit endorse this report and recommends the endorsement by Council.

Once endorsed, the report will be provided to the Minister and published on the Shire's website.

An action plan will be developed to ensure all matters are addressed by the Shire in a timely manner.

STATUTORY ENVIRONMENT

Local Government Act 1995 section 7.12A – Duties of local government with respect to audits.

The requirements of this response are:

- a. Upon receipt of the auditor's report, the local government must prepare a report for its Audit Committee to address the significant matters raised and outline what action(s) the local government has taken or intends to take in respect of each of the matters raised.
- b. The Audit Committee minutes and the report to the Minister are referred to Council for proper review and endorsement of any proposed actions.
- c. Within 3 months of receipt of the auditor's report, a copy of the Council-endorsed report must be provided to the Minister.
- d. Within 14 days of providing a copy of the report to the Minister, a copy must be published on the local government's website.

A local government is not considered compliant with its statutory obligations until all of the above actions have been completed.

POLICY IMPLICATIONS

There are no direct policy implications in relation to this item.

FINANCIAL IMPLICATIONS

There are no direct financial implications in relation to this item.

COMMUNITY & STRATEGIC OBJECTIVES

This matter promotes the following Strategic Community Plan goal.

GOAL 10

Outcome No.	Outcome
Transparent, accountable and effective governance	<ul style="list-style-type: none">• Ensuring a well-informed Council makes good decisions for the community• Ensuring sound financial management and plans for the Shire's long term financial sustainability• High quality corporate governance, accountability and compliance Maintaining Integrated Strategic and Operational plans

VOTING REQUIREMENT

Simple Majority

OFFICERS RECOMMENDATION / COMMITTEE RESOLUTION

(13/2022) Moved: Cr Petchell

Seconded: Cr Stratford

- *That the Audit and Risk Management Committee:*
 1. *Accepts the 2021/2022 Management Letter prepared by Office of Auditor General (Attachment 7.1.1.1) and accepts management comments and actions in relation to the audit outcomes (attachment 7.1.1.2.)*
 2. *That, in accordance with the s7.12A (4)(b) accepts the Report on Significant Matters for the financial year 30 June 2022 (Attachment 7.1.1.3).*
 3. *Advises Council that it has met with the Auditor and discharged its obligations, in accordance with Section 7.12A (2)) of the Local Government Act.*
- *That the Audit and Risk Committee recommends that that Council;*
 1. *Accepts the 2021/2022 Management Letter prepared by Office of Auditor General and accepts management comments and actions in relation to the audit outcomes and recommendations.*
 2. *Accepts and endorse the Report on Significant Matters for the financial year ended 30 June 2022.*
 3. *Acknowledge that the Audit and Risk Management Committee has met with the Auditors and has discharges its obligations, in accordance with Section 7.12A (2)) of the Local Government Act.*

CARRIED 6/0

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12. QUESTIONS BY MEMBER OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

13. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

Nil

14. MATTERS BEHIND CLOSED DOORS

Nil

15. CLOSURE OF THE MEETING

There being no further business to discuss, the meeting closed at 3:55pm.