



AGENDA

Audit Committee Meeting



Meeting to be held in Council Chambers at
15 Maddock Street, Mukinbudin
Commencing at 11.30am Tuesday 16th July 2024

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ETHICAL DECISION MAKING AND CONFLICTS OF INTEREST

Council is committed to a code of conduct and all decisions are based on an honest assessment of the issue, ethical decision-making and personal integrity. Councillors and staff adhere to the statutory requirements to declare financial, proximity and impartiality interests and once declared follow the legislation as required.

7.1B. Delegation of some powers and duties to audit committees

- (1) Despite section 5.16, the only powers and duties that a local government may delegate* to its audit committee are any of its powers and duties under this Part other than this power of delegation.

** Absolute majority required.*

- (2) A delegation to an audit committee is not subject to section 5.17.

[Section 7.1B inserted by No. 49 of 2004 s. 5.]

7.1C. Decisions of audit committees

Despite section 5.20, a decision of an audit committee is to be made by a simple majority.

[Section 7.1C inserted by No. 49 of 2004 s. 5.]

Table of Contents

- 1. Declaration of Opening**
 - 1.1 Declaration of Opening
- 2. Record of Attendance, Apologies, Approved leave of Absence**
 - 2.1 Present
 - 2.2 Staff
 - 2.3 Apologies
 - 2.4 Visitors
 - 2.5 Gallery
- 3. Confirmation of minutes of previous meetings**
 - 3.1 Confirmation of the Minutes of Audit Committee Meeting held 12 March 2024.
- 4. Matters for which the meeting may be closed**
 - 4.1 Nill
- 5. Reports of Committees and Officers**
 - 5.1 Interim Audit Management Letter for Year Ending 2023-2024.
- 6. Closure of Meeting**

Agenda of the Audit Committee Meeting to be held in Council Chambers, Maddock Street, Mukinbudin on Tuesday 16 July 2024.

1. Declaration of Opening

1.1 The Shire President declared the Meeting open at ____am

2. Record of attendance, apologies and approved leave of absence

2.1 Present:

Cr Gary Shadbolt	President
Cr Romina Nicoletti	Deputy President

Cr G Bent
Cr A Farina
Cr C McGlashan
Cr S Ventris
Cr A Walker

2.2 Staff:

Tanika McLennan – Acting Chief Executive Officer
Renee Jenkin – Manager of Corporate and Community Services

2.3 Apologies:

2.4 Visitors:

2.5 Gallery:

3. Confirmation of the Minutes of previous meetings

4. Matters for which the meeting may be closed

5. Reports of Committees and Officers

5.1 Report on Findings During the 2023-2024 Interim Audit	
Location:	Mukinbudin
File Ref:	ADM 289
Applicant:	Tanika McLennan, Acting Chief Executive Officer
Date:	24 June 2024
Disclosure of Interest:	Nil
Responsible Officer	Tanika McLennan, Acting Chief Executive Officer
Author:	Tanika McLennan, Acting Chief Executive Officer
Voting Requirements	Simple Majority
Documents Attached	1. Interim Management Letter to President 2. Findings Identified During the Interim Audit - Including Management Comments
Documents Tabled	Nil

Summary

To note the:

- Interim Management Letter to President
- Findings Identified During the Interim Audit - Including Management Comments

Background Information

An extract from Department of Local Government and Communities Operational Guideline Number 09 – ‘Audit in Local Government’ revised September 2013 is regarding roles and responsibilities is given below.

“Role and Responsibilities

8 The role of the audit committee is to support Council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability.

9 The audit committee should critically examine the audit and management reports provided by the external auditor. The committee would then determine if matters raised in the reports require action to be taken by the local government and ensure that appropriate action is implemented.

10 A further role for the audit committee would be to receive and authorise the report relating to the audit prepared by the CEO that is to be sent to the Minister.

This report would outline any actions the local government has taken or intends to take in relation to the matters identified by the auditor.

11 While a formal internal audit function could be considered to be an operational function and therefore the responsibility of the CEO, it is desirable for an internal auditor to have a direct line of communication to the Audit Committee.

The Audit Committee needs to form an opinion of the local government’s internal audit requirements and recommend a course of action that ensures that any internal audit processes adopted are appropriate, accountable and transparent. The role of the external auditor in this regard can be established at the time of appointment.

Please note that an audit committee (or any other committee) cannot be given a management task where the Act and Regulations make the CEO specifically responsible. Where the local government is assigned the function through the legislation, the audit committee may have a role unless the function has been delegated to the CEO by the Council.”

Officer Comment

The Interim Audit Findings Report 2024 identified no significant items however 5 items were raised as moderate, these being;

- Review of Bank Reconciliations
- Corporate Business Plan Expired
- Risk Register Not Maintained
- Workforce Plan Not Updated
- No Employee Exit Checklist

Further details of these findings, including management comments, can be found in the attached Interim Management Letter.

Strategic & Social Implications

N/A

Consultation

N/A

Statutory Environment

The Local Government Act 1995 Section 7.12A provides:

- (3) A local government must —
 - (aa) examine an audit report received by the local government; and
 - (a) determine if any matters raised by the audit report, 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 must —
 - (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- 5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

Policy Implications

N/A

Financial Implications

There is no direct financial implication in relation to this matter.

OFFICER RECOMMENDATION

Council Decision Number –

Moved: Cr

Seconded: Cr

That the Audit Committee:

- 1. Note the report on Findings Identified During the Interim Audit.**

Carried /

6. Closure of Meeting

The Chairperson thanked Elected Members and Staff for attending and declared the meeting closed at ____am.