



## **UNCONFIRMED MINUTES**

### **AUDIT AND RISK COMMITTEE MEETING**

**27 FEBRUARY 2024**

I certify that the minutes of the meeting of the Audit and Risk Committee held on Tuesday, 27 February 2024 were confirmed on Tuesday, 23 April 2024.

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Presiding Person

**UNCONFIRMED MINUTES  
AUDIT AND RISK COMMITTEE MEETING  
27 FEBRUARY 2024**

**ATTENTION/DISCLAIMER**

The purpose of this Committee Meeting is to discuss and make recommendations to Council about items appearing on the agenda and other matters for which the Committee is responsible. The Committee has no power to make any decisions which are binding on the Council or the Shire of Mundaring unless specific delegation of authority has been granted by Council. No person should rely on or act on the basis of any advice or information provided by a Member or Employee, or on the content of any discussion occurring, during the course of the Committee Meeting.

The Shire of Mundaring expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a Member or Employee, or the content of any discussion occurring during the course of the Committee Meeting.

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**AUDIT AND RISK COMMITTEE**  
**COMMITTEE ROOM, 7000 GREAT EASTERN HIGHWAY, MUNDARING – 4.00PM**

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## **1.0 OPENING PROCEDURES**

The Presiding Person declared the meeting open at 4.00pm.

### Acknowledgement of Country

Shire of Mundaring respectfully acknowledges the Whadjuk people of the Noongar Nation, who are the traditional custodians of this land. We acknowledge Elders past, present and emerging and respect their continuing culture and the contribution they make to the region.

## **1.1 Announcement of Visitors**

Nil

## **1.2 Attendance/Apologies**

<b>Members</b>	Mr Tony Wittcomb (Presiding Member)	External Member
	Cr Trish Cook (Deputy Presiding Member)	South Ward
	Pres Paige McNeil	President
	Cr Prapti Mehta	Central Ward
	Cr Doug Jeans	Central Ward
	Cr Karen Beale	West Ward
	Ms Shona Zulsdorf	External Member
<b>Staff</b>	Jason Whiteaker	Chief Executive Officer
	Garry Bird	Director Corporate Services
	Stan Kocian (arrived 4.01pm)	Manager Finance and Governance
	Elizabeth Nicholls	Governance Coordinator
	Andrea Douglas	Minute Secretary
<b>Apologies</b>	Pascaline Owers	Governance Officer
<b>Guests</b>	Nil	

## **2.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

Mr Wittcomb thanked the committee members for appointing him as presiding member in his absence at the previous meeting.

3.0 DECLARATION OF INTEREST

3.1 Declaration of Financial Interest and Proximity Interests

Council Members must disclose the nature of their interest in matters to be discussed at the meeting (*Part 5 Division 6 of the Local Government Act 1995*).

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting (*Sections 5.70 and 5.71 of the Local Government Act 1995*).

Nil

3.2 Declaration of Interest Affecting Impartiality

A Council Member or an employee who has an interest in a matter to be discussed at the meeting must disclose that interest (*Shire of Mundaring Code of Conduct, Local Government (Admin) Reg. 34C*).

Nil

4.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5.0 PUBLIC QUESTION TIME

Procedures for asking and responding to questions are determined by the Presiding Member and in accordance with the Shire’s Meeting Procedures Local Law 2015. Questions must relate to a function of the Committee.

Nil

6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

OFFICER RECOMMENDATION / COMMITTEE DECISION		ARC1.02.24	
Moved by	Ms Zulsdorf	Seconded by	Pres McNeil
That the Minutes of the Audit and Risk Committee Meeting held 11 December 2023 be confirmed.			
CARRIED 7/0			
For:	Pres McNeil, Cr Beale, Cr Cook, Cr Mehta, Mr Wittcomb, Ms Zulsdorf and Cr Jeans		
Against:	Nil		

7.0 REPORTS OF EMPLOYEES

7.1 2023 Compliance Audit Return

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<b>File Code</b>	GV.CAR 1
<b>Author</b>	Elizabeth Nicholls, Governance Co-ordinator
<b>Senior Employee</b>	Garry Bird, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil
<b>Attachments</b>	1. Compliance Audit Return 2023 <a href="#">↓</a>

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**PURPOSE**

The Audit and Risk Committee is requested to review the completed 2023 Compliance Audit Return (the Return) (**Attachment 1**) and recommend its adoption to Council for the Shire President and Chief Executive Officer to certify the Return.

**BACKGROUND**

In accordance with the *Local Government Act 1995* (the Act) and *Local Government (Audit) Regulations 1996*, a local government is required to complete an annual Return for the period 1 January to 31 December of the preceding year.

The Return covers a sample of legislative provisions required under the provisions of the Act, which is required to be completed by officers and endorsed by Council prior to submission.

The Return, after being adopted by Council, is required to be submitted to the Department of Local Government, Sport and Cultural Industries by the due date of 31 March 2024.

**STATUTORY / LEGAL IMPLICATIONS**

Section 7.13 of the Act provides the following in relation to the Audits (in part):

- (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.*
- (2) *Regulations may also make any provision about audit committees that may be made under section 5.25 in relation to committees.*

Regulation 13 of the *Local Government (Audit) Regulations 1996* details the statutory requirements that must be addressed within the compliance audit.

Regulation 14 of the *Local Government (Audit) Regulations 1996* provides the following in relation to the completion of compliance audits:

- (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.*

Regulation 15 of the *Local Government (Audit) Regulations 1996* provides the following for the certification of compliance audits:

- (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

“Internal Audit Charter Policy” provides that the CEO will develop a three year internal audit plan to be presented to the Audit and Risk Committee for information.

The Internal Audit Plan 2023/24 to 2026/27 provides for the Compliance Audit Return to be completed in 2023/24 financial year to be conducted internally.

## FINANCIAL IMPLICATIONS

Nil.

## STRATEGIC IMPLICATIONS

Mundaring Strategic Community Plan 2020 - 2030

Priority 4 - Governance

Objective 4.4 – High standard of governance and accountability

Strategy 4.4.8 – Compliance with the Local Government Act 1995 and all relevant legislation and regulations

## SUSTAINABILITY IMPLICATIONS

Governance

## RISK IMPLICATIONS

**Risk:** Compliance: Failure to complete and submit the Return by 31 March 2023 would result in non-compliance with the legislative requirements of the *Local Government (Audit) Regulations 1996*.

Likelihood	Consequence	Rating
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Unlikely	Minor	Low
<b>Action / Strategy</b>		
On an annual basis, officers complete the Return in January, the Return is then considered by the Audit and Risk Committee in February and subsequently Council adopts the Return at the March Ordinary Council Meeting.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

The purpose of the Return is for individual local governments to assess their level of compliance with Act and associated regulations.

The Return has a total of 94 questions focused on the following areas of compliance:

1. Commercial Enterprises by Local Governments (5 questions)
2. Delegation of Power/ Duty (13 questions)
3. Disclosure of Interest (21 questions)
4. Disposal of Property (2 questions)
5. Elections (3 questions)
6. Finance (7 questions)
7. Integrated Planning and Reporting (3 questions)
8. Local Government Employees (5 questions)
9. Official Conduct (4 questions)
10. Optional questions (9 questions)
11. Tenders for Providing Goods and Services (22 questions)

The Shire has achieved a 95% compliance rating for the period covered by the Return (a score of 89 out of 94 questions).

This compares with the Shire achieving the following levels of compliance in recent years:

Year	Compliance
2022	99%
2021	96%
2020	99%
2019	98%
2018	98%
2017	99%
2016	100%
2015	100%
2014	97.5%

The Return is provided for review. Areas of non-compliance found in the Return are listed below. Comments, an explanation for non-compliance and further actions (where applicable) are also included.



## Delegation of Power/Duty

### Question

**Q13** 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 *Local Government (Administration) Regulations 1996*, regulation 19?

### Comment included in return

Form, email, letter, memorandum etc. of delegation exercised entered into Shire's record keeping system.

One decision to reject a tender did not utilise appropriate delegation (CE-151).

### Reason for non-compliance and follow up actions (if applicable)

The tender has not been able to be finalised to date. Responses to the Request for Tender provided costs that were not able to be accepted as they were significantly greater than what officers anticipated. Officers are investigating an amendment to the scope of the tender. Tender may be accepted or rejected under delegation CE-151.

## Disclosure of Interest

### Question

**Q4** 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?

### Comment included in return

One employee submitted a primary return after the prescribed period.

### Reason for non-compliance and follow up actions (if applicable)

The Shire has nominated employees who hold corporate purchasing cards to be a 'designated employee' under section 5.74 (1). As a 'designated employee' they are a 'relevant person' for the purpose of section 5.74 (1) of the Act.

The Shire's "Disclosure of Financial Interests Primary and Annual Returns Procedure" provides a number of ways that relevant persons are advised of the requirement to complete a primary return.

The employee was not a relevant person upon commencement of employment. This changed during course of employment and relevant notification to be included on relevant persons list did not occur.

The Shire's "Disclosure of Financial Interests Primary and Annual Returns Procedure" has since been updated with Finance to provide a list of corporate purchasing card holders every three months to be checked against the Returns Register.

Note: It is the responsibility of the relevant person to complete and submit their return.

## Disclosure of Interest

<b>Question</b> <b>Q5</b> s5.75 Admin Reg 22, Form 3 Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2023?
<b>Comment included in return</b> Three employees submitted annual returns after the prescribed deadline.
<b>Reason for non-compliance and follow up actions</b> (if applicable) Annual returns forms are provided by email in July each year to relevant persons (council members and officers). A link is included for the Department of Local Government Operational Guideline. Reminders are sent to relevant persons to encourage early submission with follow up reminders (by email and by phone) provided as required. In one instance, the employee failed to submit an annual return within the prescribed deadline. In the other two instances, the employees were on leave on the date of the prescribed deadline. Both annual returns were submitted the day they returned to work. Note: It is the responsibility of the relevant person to complete and submit their return.

## Optional Questions

<b>Question</b> <b>Q5</b> 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) of the <i>Local Government Act 1995</i> ?
<b>Comment included in return</b> One tender register document outstanding [s. 5.96A (1)(i)].
<b>Reason for non-compliance and follow up actions</b> (if applicable) Tender register document has not provided by relevant service area for inclusion on the Shire's official website for the reporting period. See further information under 'Tenders for Providing Goods and Services' Q7 F&G Reg 17.

## Tenders for Providing Goods and Services

<b>Question</b> <b>Q7</b> F&G Reg 17 Did the information recorded in the local government's tender register comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?
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**Comment included in return**

Available on Shire's website under 'Governance Registers'.

One tender register document outstanding.

**Reason for non-compliance and follow up actions (if applicable)**

Information contained in the Shire's tender register complies with the requirements of the *Local Government (Functions and General) Regulations 1996*, Regulation 17, however one tender register document was not provided by relevant service area for inclusion on the Shire's official website for the reporting period.

The tender has not been able to be finalised to date. Responses to the Request for Tender provided costs that were not able to be accepted as they were significantly greater than what officers anticipated. Officers are investigating an amendment to the scope of the tender. Tender may be accepted or rejected under delegation CE-151.

**VOTING REQUIREMENT**

Simple Majority

<b>COMMITTEE / OFFICER RECOMMENDATION</b>			<b>ARC2.02.24</b>
Moved by	Ms Zulsdorf	Seconded by	Cr Beale
That Council:			
1. Adopts the completed 2023 Compliance Audit Return for the period 1 January 2023 to 31 December 2023.			
2. Notes the areas on non-compliance listed in the Compliance Audit Return; and			
3. Authorises the Shire President and Chief Executive Officer to certify the Compliance Audit Return so it may be submitted to the Department of Local Government, Sport and Cultural Industries by the due date of 31 March 2024.			
			<b>CARRIED 7/0</b>
<b>For:</b>	Pres McNeil, Cr Beale, Cr Cook, Cr Mehta, Mr Wittcomb, Ms Zulsdorf and Cr Jeans		
<b>Against:</b>	Nil		

### Department of Local Government, Sport and Cultural Industries - Compliance Audit Return 2023

#### Commercial Enterprises by Local Governments

No	Reference	Question	Response	Comment
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 2023?	N/A	No major trading undertaking.
2	s3.59(2)(b) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2023?	N/A	No major land transaction.
3	s3.59(2)(c) F&G Regs 7,8A,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 2023?	N/A	
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 2023?	N/A	
5	s3.59(5)	During 2023, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

#### Delegation of Power/Duty

No	Reference	Question	Response	Comment
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	Yes	Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
2	s5.16 (2)	Were all delegations to committees in writing?	Yes	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the <i>Local Government Act 1995</i> ?	Yes	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes	Included in Delegations Register: COM-46 Annual Meeting with Auditor.
5	s5.18	Has council reviewed delegations to its committees in the 2022/2023 financial year?	Yes	Reviewed Delegations Register adopted 11 April 2023 (C11.04.23). Available on Shire's website under 'Governance Registers'.
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 <i>Local Government Act 1995</i> ?	Yes	

No	Reference	Question	Response	Comment
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	
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	Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
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	Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2022/2023 financial year?	Yes	Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
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 <i>Local Government (Administration) Regulations 1996</i> , regulation 19?	No	Form, email, letter, memorandum etc. of delegation exercised entered into Shire's record keeping system.  Decision to reject tender did not utilise appropriate delegation (CE-151).

**Disclosure of Interest**

No	Reference	Question	Response	Comment
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 of the <i>Local Government Act 1995</i> , did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	Minutes show where financial interests were disclosed that required a council member to leave a meeting they did so.
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 <i>the Local Government (Administration) Regulations 1996</i> regulation 21A, recorded in the minutes of the relevant council or committee meeting?	Yes	Minutes include details of participation approval.

No	Reference	Question	Response	Comment
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) of the <i>Local Government Act 1995</i> recorded in the minutes of the meeting at which the disclosures were made?	Yes	
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?	No	One employee submitted a primary return after the prescribed period.
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2023?	No	Three employees submitted annual returns after the prescribed deadline.
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	
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 of the <i>Local Government Act 1995</i> ?	Yes	Completed returns entered into Shire's record keeping system. Centralised register maintained.
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 of the <i>Local Government Act 1995</i> , in the form prescribed in the <i>Local Government (Administration) Regulations 1996</i> , regulation 28?	Yes	Completed disclosure forms entered into Shire's record keeping system. Centralised register maintained of completed disclosure forms and disclosures made at meetings.
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> , did the CEO remove from the register all returns relating to that person?	Yes	Details of relevant person removed from internal register.
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the <i>Local Government Act 1995</i> 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	Retained in Shire's record keeping system.
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 of the <i>Local Government Act 1995</i> , in the form prescribed in the <i>Local Government (Administration) Regulations 1996</i> , regulation 28A?	Yes	
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	Available on Shire's website under 'Governance Registers'.

No	Reference	Question	Response	Comment
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the <i>Local Government Act 1995</i> , did the CEO remove from the register all records relating to those people?	Yes	
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) <i>Local Government Act 1995</i> been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	Retained in Shire's record keeping system.
15	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	
16	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) of the <i>Local Government Act 1995</i> 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	No known cases where interests were not disclosed.
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) of the <i>Local Government Act 1995</i> recorded in the minutes of the council meeting at which the decision was considered?	N/A	No occasions where participation approval was sought from the Minister.
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	Yes	Adopted 13 April 2021 (C10.04.21). Reviewed 13 December 2022 (C5.12.22).
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the <i>Local Government Act 1995</i> ?	Yes	Complies with section 5.104 (3) and (4).
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	Code of Conduct for Council Members, Committee Members and Candidates available on the Shire's website under 'Policies'.

No	Reference	Question	Response	Comment
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government in accordance with section 5.51A(1) of the <i>Local Government Act 1995</i> ?	Yes	Code of Conduct for Employees prepared and available on Shire's website under 'Working with Us'.

#### Disposal of Property

No	Reference	Question	Response	Comment
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) of the <i>Local Government Act 1995</i> (unless section 3.58(5) applies)?	N/A	4 new and renewed leases exempt under section 3.58(3)
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the <i>Local Government Act 1995</i> , did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	N/A	

#### Elections

No	Reference	Question	Response	Comment
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 in accordance with regulations 30G(1) and 30G(2) of the <i>Local Government (Elections) Regulations 1997</i> ?	Yes	Ordinary election held Saturday 21 October 2023. Gift declarations received included on electoral gift register.
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 in accordance with regulation 30G(4) of the <i>Local Government (Elections) Regulations 1997</i> ?	N/A	No gift declarations required to be removed from electoral gift register.



No	Reference	Question	Response	Comment
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 regulation 30G(5) of the <i>Local Government (Elections) Regulations 1997</i> ?	Yes	Available on Shire's website under 'Governance Registers'.

#### Finance

No	Reference	Question	Response	Comment
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 <i>Local Government Act 1995</i> ?	Yes	Members appointed by absolute majority at Special Council Meeting held 31 October 2023 (SC12.10.23). Replacement member (due to resignation) appointed by absolute majority at December 2023 Ordinary Council Meeting (C7.12.23)
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the <i>Local Government Act 1995</i> , did it do so by absolute majority?	Yes	COM-46 Annual Meeting with Auditor. Delegations Register reviewed and adopted by absolute majority 11 April 2023 (C11.04.23).
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2023 received by the local government by 31 December 2023?	Yes	Audit Report received 12 December 2023.
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the <i>Local Government Act 1995</i> required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A	No matters identified
5	s7.12A(4)(a) & (4)(b)	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? 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	
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the <i>Local Government Act 1995</i> , did the CEO publish a copy of the report on the local government's official website?	N/A	

No	Reference	Question	Response	Comment
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2023 received by the local government within 30 days of completion of the audit?	Yes	Audit clearance provided on 11 December 2023, Audit exit meeting occurred on 11 December 2023 and Audit Report was received 12 December 2023.

### Integrated Planning and Reporting

No	Reference	Question	Response	Comment
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	Strategic Community Plan adopted 10 March 2020 (C21.03.20). Next review to be undertaken by March 2024.
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	Corporate Business Plan adopted 8 August 2023 (C6.08.23).
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of <i>Local Government (Administration) Regulations 1996</i> 19DA(2) & (3)?	Yes	Available on Shire's website under 'Documents and Forms' - Plans.

### Local Government Employees

No	Reference	Question	Response	Comment
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with <i>Local Government (Administration) Regulations 1996</i> , regulation 18A?	Yes	Advertising for the role of CEO commenced 14 April 2023 and closed on Monday 8 May 2023.
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	Yes	
3	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) of the <i>Local Government Act 1995</i> ?	Yes	
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	No senior employee vacancies advertised in 2023.

No	Reference	Question	Response	Comment
5	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	

**Official Conduct**

No	Reference	Question	Response	Comment
1	s5.120	Has the local government designated an employee to be its complaints officer?	Yes	CEO designated as Complaints Officer 9 February 2021 (C12.02.21).
2	s5.121(1) & (2)	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) of the <i>Local Government Act 1995</i> ?	Yes	
3	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the <i>Local Government Act 1995</i> ?	Yes	
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	Available on Shire's website under 'Governance Registers'.

**Optional Questions**

No	Reference	Question	Response	Comment
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 the <i>Local Government (Financial Management) Regulations 1996</i> regulations 5(2)(c) within the three years prior to 31 December 2023? If yes, please provide the date of council's resolution to accept the report.	Yes	Review undertaken and presented to Council January 2022 (C5.01.22).
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 <i>Local Government (Audit) Regulations 1996</i> regulation 17 within the three financial years prior to 31 December 2023? If yes, please provide date of council's resolution to accept the report.	Yes	Review undertaken and presented to Council January 2022 (C5.01.22).

No	Reference	Question	Response	Comment
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the <i>Local Government Act 1995</i> , were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	Yes	
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	Yes	"Attendance by Council Members and CEO at Conferences and Events Policy" reviewed and adopted in March 2023 (C2.03.23). Available on the Shire's website under 'Policies'.
5	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) of the <i>Local Government Act 1995</i> ?	No	One tender register document outstanding [s. 5.96A (1)(i)]
6	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	"Council Member Continuing Professional Development, Training and Professional Membership Policy" reviewed and adopted in March 2023 (C2.03.23). Available on the Shire's website under 'Policies'.
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2022/2023 financial year and publish it on the local government's official website by 31 July 2023?	Yes	Available on Shire's website under 'Governance Registers'.
8	s6.4(3)	By 30 September 2023, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2023?	Yes	Balanced accounts and annual financial report were submitted 26 September 2023.
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	

**Tenders for Providing Goods and Services**

No	Reference	Question	Response	Comment
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the <i>Local Government (Functions and General) Regulations 1996</i> , regulations 11A(1) and (3) 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	The Shire utilise an online procurement system (Tenderlink). No known instances of non-compliance.
2	s3.57 F&G Reg 11	Subject to <i>Local Government (Functions and General) Regulations 1996</i> , regulation 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 regulation 11(1) of the Regulations?	Yes	
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the <i>Local Government (Functions and General) Regulations 1996</i> , required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Yes	
4	F&G Reg 12	Did the local government comply with <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	
5	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	Forum/Addendum provided via Tenderlink where applicable.
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 15 and 16?	Yes	Tenderlink restricts access to submissions until closing date and requires a password to access submissions for each tender.
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	No	Available on Shire's website under 'Governance Registers'.  1 tender register document outstanding.

No	Reference	Question	Response	Comment
8	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?	N/A	Tenderlink does not allow submission after the closing date/time of the tender.
9	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	
10	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	Retained in Shire's record keeping system.
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulations 21 and 22?	N/A	No expressions of interest sought.
12	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	No expressions of interest sought.
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	
14	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 <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24?	N/A	
15	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 <i>Local Government (Functions and General) Regulations 1996</i> , Regulations 24AD(4) and 24AE?	N/A	No pre-qualified suppliers sought.
16	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	

No	Reference	Question	Response	Comment
17	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 <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	
18	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 <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24AG?	N/A	
19	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	
20	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	
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24E and 24F?	N/A	Regional price preference not applicable to the Shire.

7.2 Policy Review - Risk Management

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<b>File Code</b>	GV.OPP 1
<b>Author</b>	Elizabeth Nicholls, Governance Co-ordinator
<b>Senior Employee</b>	Garry Bird, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil
<b>Attachments</b>	1. Draft - Risk Management Policy <a href="#">↓</a>

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**PURPOSE**

The Audit and Risk Committee is asked to consider and recommend that Council adopt the draft reviewed “Risk Management Policy” (**Attachment 1**).

**BACKGROUND**

The “Risk Management Policy” was last reviewed in December 2018 (the 2018/19 financial year).

The Governance Committee Work Plan was presented to the Governance Committee meeting held 18 December 2023 for endorsement (GC2.12.23). At that meeting, the Governance Committee considered it appropriate that the reviewed “Risk Management Policy” be presented to the Audit and Risk Committee for consideration prior to being presented to Council.

**STATUTORY / LEGAL IMPLICATIONS**

Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the Chief Executive Officer to review, at least once every three financial years, the local government’s systems and procedures relating to risk management, internal control and legislative compliance.

**POLICY IMPLICATIONS**

The reviewed policy will be adopted and current policy replaced if the recommendation is supported by Council.

**FINANCIAL IMPLICATIONS**

Nil

**STRATEGIC IMPLICATIONS**

Mundaring Strategic Community Plan 2020 - 2030

Priority 4 - Governance

Objective 4.4 – High standard of governance and accountability

Strategy 4.4.8 – Compliance with the Local Government Act 1995 and all relevant legislation and regulations

**SUSTAINABILITY IMPLICATIONS**

Nil



## RISK IMPLICATIONS

<b>Risk:</b> Compliance and Reputation: Council and community members are not aware of the Shire's approach to risk management.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Moderate	Moderate
<b>Action / Strategy</b>		
The reviewed "Risk Management Policy" is adopted.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

Changes to the reviewed draft "Risk Management Policy" include:

- updated purpose
- inclusion of the scope of the policy (moved from the content of the current "Risk Management Policy")
- inclusion and removal of definitions
- the Shire's risk appetite and risk acceptance
- updated roles and responsibilities.

If the draft "Risk Management Policy" is adopted by Council, further work will be undertaken by officers to update:

- the current "Risk Management Procedure"
- information captured in the Shire's Risk Register (currently presented to the Audit and Risk Committee annually)
- risk implication table included in Council reports.

## VOTING REQUIREMENT

Simple Majority

### OFFICER RECOMMENDATION

That Council adopts reviewed “Risk Management Policy” (**Attachment 1**).

### COMMITTEE RECOMMENDATION

ARC3.02.24

Moved by

Cr Mehta

Seconded by

Cr Cook

That Council adopts the reviewed “Risk Management Policy” (**Attachment 1**) subject to the following amendments:

- Amend the Purpose to include reference to a risk management culture and continuous improvement.
- Add definitions for ‘inherent risk’ and ‘residual risk’.
- Under Policy removes the second sentence in the first paragraph:  
*“It recognises that the risk management responsibility for managing specific risks lies with the person who has the responsibility for the function, service or activity that gives rise to that risk.”*  
Adding “, **recognising that risk management is a shared responsibility.**” At the end of the first sentence.
- Amend the Risk Appetite (4.1) to state:  
**“Council determines the Shire’s risk appetite based on a risk ranking. Risk appetite relates to the amount and type of risk that Council is willing to accept in order to achieve its strategic objectives.”**
- Amend the table for the Risk Appetite for Residual Risk (4.1.2) to state  
“Recommendation report provided to Council for consideration via the **Audit and Risk Committee**”.
- Amend the first dot point of the Roles and Responsibilities for the Chief Executive Officer (4.3.3) to state:  
“Providing advice to Council on risk appetite and risk acceptance.”

**CARRIED 6/1**

**For:** Pres McNeil, Cr Beale, Cr Cook, Cr Mehta, Mr Wittcomb and Cr Jeans

**Against:** Ms Zulsdorf



2.X RISK MANAGEMENT

Responsible Directorate	Corporate Services
Responsible Service Area	Governance
Resolution	March 2024 XXX
Procedure Ref	Risk Management Procedure (Admin-36)

PURPOSE

~~The Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives.~~

To maintain a robust, integrated and effective approach to risk management across all strategic and operational functions of the Shire consistent with the Australian Standard for Risk Management Guidelines (AS/NZ ISO 31000:2018).

1. SCOPE

Every employee, council member, volunteer and contractor within the Shire is recognised as having a role in risk management.

This policy will be reviewed every three years and presented to the Audit and Risk Committee prior to being presented to Council.

2. DEFINITIONS

consequence outcome of an event affecting objectives.

likelihood chance of something happening.

~~R~~risk effect of uncertainty on objectives.

Note 1: an effect is a deviation from the expected. – It can be positive or negative or both, and can address, create or result in opportunities and threats.

Note 2: objectives can have different aspects ~~(such as financial, health and safety and environmental goals)~~ and categories and can be applied at different levels ~~(such as strategic, organisation-wide project, product or process).~~

~~r~~Risk ~~m~~Management coordinated activities to direct and control an organisation with regard to risk.

Risk Management Committee Comprises the Executive Leadership Team and Manager Finance and Governance



## **Risk Management Process**

Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

### **3. POLICY**

The Shire of Mundaring considers risk management to be an essential management function in its operations. It recognises that the risk management responsibility for managing specific risks lies with the person who has the responsibility for the function, service or activity that gives rise to that risk. Council is committed to the principles, framework and process of managing risk as outlined in AS/NZS ISO 31000:2018.

The Shire of Mundaring will manage risks continuously using a process involving the identification, analysis, evaluation, treatment, monitoring and review of risks. It will be applied to decision making through all levels of the organisation in relation to planning or executing any function, service or activity.

It is the Shire's Policy to achieve best practice (aligned with ISO 31000:2018 Risk Management – Guidelines), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public. A risk is often specified in terms of risk sources, potential events or circumstances and the consequences and likelihood that flow from it.

Risk Management will form part of the strategic, operational, project and line management responsibilities and where possible will be incorporated within the Shire's Integrated Planning Framework.

The Risk Management Committee (RMC) will communicate the Risk Management policy, objectives and procedures, as well as direct and monitor implementation, practice and performance.

Every employee, elected member, volunteer and contractor within the Shire is recognised as having a role in risk management, from the identification of risks to implementing risk treatments and shall be invited and encouraged to participate in the process.

Consultants may be engaged at times to advise and assist in the risk management process or management of specific risks or categories of risk.

#### **4.1. Risk Management Objectives**

- Optimise the achievement of our vision, experiences, strategies, goals and objectives
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making
- Enhance risk versus return within our risk appetite
- Embed appropriate and effective controls to mitigate risk
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations
- Enhance organisational resilience

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Identify and provide for the continuity of critical operations

#### 4.2.4.1. Risk Appetite

The Shire's ~~defined its~~ risk appetite is determined based on risk ranking. Risk appetite relates to the amount and type of risk that the Shire is willing to take in order to achieve its strategic objectives.

To guide the organisation the following assessment, treatment, actions and reporting will be applied.

##### 4.1.1 Inherent Risk

<u>Inherent Risk Ranking</u>	<u>Minimum treatment required</u>	<u>Description</u>
<u>Low</u>	<u>Accept with control</u>	<u>Manage by routine procedures.</u>
<u>Medium</u>	<u>Accept with control</u>	<u>Manage by specific monitoring or response procedures.</u>
<u>High</u>	<u>Accept with control</u>	<u>Mitigate with actions as required.</u> <u>Relevant manager assigned risk.</u>
<u>Extreme</u>	<u>Avoid or accept with control</u>	<u>Immediate action required in consultation with the CEO or Director.*</u>

\* Council decision may be required to address residual risk, refer to item 4.1.2.

If council decision not required, details of risk and treatment will be provided to the next available Audit and Risk Committee.

##### 4.1.2 Residual Risk

<u>Residual Risk Ranking</u>	<u>Reporting</u>
<u>High</u>	<u>Recommendation report provided to CEO.</u>
<u>Extreme</u>	<u>Recommendation report provided to Council for consideration.</u>

#### 4.2. Risk Acceptance

Risk rankings determine the Shire's acceptance and their responsibility. (refer to Appendix 1 – Risk Assessment and Acceptance Criteria, Table 4: Risk Acceptance).

Where a risk assessment is undertaken and it is determined:

- the risk ranking is greater than 10 and is therefore categorised as either a 'high' or 'extreme' risk; and/or
  - is apparent to be ongoing;
- the risk is to be listed on the Shire's risk register.

~~through the development and endorsement of the Shire's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedure Admin-36 and are subject to ongoing review in conjunction with this policy.~~

~~All organisational risks to be reported at a corporate level are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements, such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisation's appetite and are to be noted within the individual risk assessment and approved by RMC.~~

#### **4.3. Roles and, Responsibilities & Accountabilities**

Risk management applies to all Shire activities encompassing all employees and council members and includes consideration of visitors, third parties and key stakeholders.

Consultants may be engaged at times to advise and assist in the risk management process or management of specific risks or categories of risk.

##### 4.3.1 Council

~~Council's role is to –~~ is responsible for:

- Identifying and managing strategic risks associated with the Shire
- Establishing the expected risk management performance and compliance levels of the Shire, including the risk appetite and acceptance levels (after considering advice from the CEO) captured in the Council adopted Review and approve the Shire's "Risk Management Policy" (this document) including the Risk Assessment and Acceptance Criteria.
- ~~Appoint external auditors to report on financial statements annually~~
- Establishing and maintaining an Audit Committee in accordance with the Local Government Act 1995.

##### 4.3.14.3.2 Audit and Risk Committee

The Audit and Risk Committee (the Shire's Audit Committee in accordance with the Local Government Act 1995) is responsible for:

- Providing assurance and advice to Council as to whether risk management is being appropriately conducted.
- Meeting the risk-related responsibilities as included in the adopted Audit and Risk Committee Terms of Reference.

#### 4.3.3 Chief Executive Officer (CEO)

The CEO is responsible for:

- Providing advice to Council on risk appetite and risk acceptance for the Shire.
- The allocation of roles, responsibilities and accountabilities as documented in the Risk Management Procedure Admin—36 across the organisation.

#### Monitor & Review

The Shire will implement and integrate a monitor and review process to report on the achievement of its risk management objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be reviewed by the RMC and appropriate employees prior to a formal review by Council every three years.

## **4. APPENDICES**

**Appendix 1** Risk Assessment and Acceptance Criteria

## **5. RELATED LEGISLATION**

Local Government (Audit) Regulations 1996, regulation 17

Work Health and Safety Act 2020 Occupational Health & Safety Act 1984

## **6. RELATED DOCUMENTS**

Australian Standard for Risk Management Guidelines (AS/NZ ISO 31000:2018)  
—Risk Management—Guidelines

7.3     **Audit and Risk Committee Action Items - Status Report**

<b>File Code</b>	GV.MTG 6.1
<b>Author</b>	Stan Kocian, Manager Finance and Governance
<b>Senior Employee</b>	Garry Bird, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil
<b>Attachments</b>	Nil

**PURPOSE**

To provide an update on the status of Audit and Risk Committee action items for the information of committee members.

**BACKGROUND**

A number of matters have previously been considered by the Audit and Risk Committee, several of which required follow up actions.

**STATUTORY / LEGAL IMPLICATIONS**

There are statutory or legal implications for some of the action items listed. Please refer to the minutes of the meeting at which the matter was considered for further information.

**POLICY IMPLICATIONS**

There are policy implications for some of the action items listed. Please refer to the minutes of the meeting at which the matter was considered for further information.

**FINANCIAL IMPLICATIONS**

There may be financial implications for some of the action items listed. Please refer to the minutes of the meeting at which the matter was considered for further information.

**STRATEGIC IMPLICATIONS**

Mundaring Strategic Community Plan 2020 - 2030  
Priority 4 - Governance  
Objective 4.4 – High standard of governance and accountability  
Strategy 4.4.3 – Risks are well managed

**SUSTAINABILITY IMPLICATIONS**

There are sustainability implications for some of the action items listed. Please refer to the minutes of the meeting at which the matter was considered for further information.

**RISK IMPLICATIONS**

**Risk:** That action items from the Committee are not completed and expose Council to the risks being addressed by the item.

<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
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Possible	Moderate	Moderate
<b>Action / Strategy</b>		
That staff update the Committee regularly on progress towards completing the required actions.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

The following matters have previously been considered by the Audit and Risk Committee, with follow up actions required.

MEETING REFERENCE	RESPONSIBLE OFFICER	ACTION	STATUS – 15 February 2024
<b>26.5.20 Item 8.3</b> Auditor General's Report – Contract Extensions and Variations Related <b>17.08.21</b> Internal Audit Report Contract Management	Director Corporate Services	Draft Contract Management Policy by 30 June 2021 and Guidelines, Templates and Procedures by 30 June 2022. Create and fill new Contracts Management Officer position by September 2021.	Contract Management Policy adopted by Council 9 March 2021 (C5.03.21). Purchasing and Contracts Officer was appointed in October 2023. Contract Extensions and Variations guidelines to be drafted. Revised due date: 31 December 2023
<b>Comment</b> The draft guidelines and templates for the management of contract extensions and variations were developed in January 2024. We are currently seeking feedback from key staff who manage contracts before finalising the guidelines. Draft expected to be finalised in early March.			
<b>25.01.2022 Item 8.2</b> Internal Audit Report - Infringements	Director Statutory Services	An Infringements Procedures Manual will be created and maintained focused on the three stages of the process: <ul style="list-style-type: none"> <li>• Issue of infringements, including authorised employees;</li> <li>• Maintenance and</li> </ul>	Due date: 31 December 2022 Revised due date: 30 June 2023. Revised due date #2 – 31 December 2023

		<p>management of infringements; and</p> <ul style="list-style-type: none"> <li>• Referral to FER.</li> </ul> <p>This Manual will be available to all sections of Statutory Services (Rangers, Fire, Health, Planning and Building including Swimming Pools).</p>	
<p><b>Comment</b></p> <p>The delivery of this project is scheduled to commence in early January 2024 and is expected to be completed by 31 May 2024.</p>			
<p><b>25.01.2022 Item 8.2</b></p> <p>Internal Audit Report - Infringements</p>	<p>Director Statutory Services</p>	<p>1. A Compliance Register, which will show a more comprehensive picture of the Shire's compliance and enforcement actions, compared to an Infringements Register will be implemented across Statutory Services (Rangers, Fire, Health, Planning and Building including Swimming Pools).</p> <p>This will take the form of a centralised spreadsheet with tabs for each service, which will be maintained by a responsible employee from each service. It is proposed that this spreadsheet is used as an interim measure pending implementation of point 2 below; and</p> <p>2. Improvements to the infringement's module in Authority (the Shire's</p>	<p>Due date: 31 December 2022</p> <p>Revised due date: 30 June 2023.</p> <p>Revised due date #2 – 31 December 2023</p>

		accounting software) will be investigated.	
<b>Comment</b> The delivery of this project is scheduled to commence in early January 2024 and is expected to be completed by 31 May 2024.			
<b>25.01.2022 Item 8.2</b> Internal Audit Report - Infringements	Director Statutory Services	Infringement Reports - Statutory Services staff will liaise with IT and explore whether improvements can be made to the existing reporting facility in Authority.	Due date: 31 December 2022.  Revised due date: 31 December 2023.
<b>Comment</b> This action item will be addressed as part of the development of the Infringements Register. The delivery of this project is scheduled to commence in early January 2024 and is expected to be completed by 31 May 2024.			
<b>25.01.2022 Item 8.2</b> Internal Audit Report - Infringements	Director Statutory Services	Timing of the issue of infringements- The timeframe for issuing infringement notices depends on the legislation under which the infringement notice is issued. The various timeframes will form part of the Register that will be implemented. Age analysis reporting will be considered when exploring improvements to Authority.	Due date: 31 December 2022.  Revised due date: 31 December 2023.
<b>Comment</b> This action item will be addressed as part of the development of the Infringements Procedures Manual. The delivery of this project is scheduled to commence in early January 2024 and is expected to be completed by 31 May 2024.			
<b>28.06.2022 Item 8.3</b> Review of WALGA Contestable Energy	Director Infrastructure Services	Give further consideration and clarity in a future	Due date: 30 June 2024

Supply.		revision of the Purchasing Policy in regards to the use of the tender exempt procurements for goods or services supplied or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government.	
<b>Comment</b> The review of the Purchasing Policy has been reviewed internally and will be presented to the April committee meeting for consideration.			
<b>25.10.2022 Item 8.1;</b> and <b>7.03.2023 Item 7.1</b> WHS Management Plan and Action Plan.	Director Corporate Services	Provide regular updates to the Committee on progress of these plans	Due date: March 2024
<b>Comment</b> Six monthly update have been requested by the Committee as follows; <ul style="list-style-type: none"> <li>• September 2023 (completed December 2023)</li> <li>• March 2024</li> <li>• September 2024</li> <li>• March 2025</li> <li>• September 2025</li> </ul>			
<b>28.02.2023 Item 9.1</b> General Computer Controls – Capability Maturity Framework	Director Corporate Services	Provide an update to the Committee by June 2023 (six monthly update).	Due date: June 2024
<b>Comment</b> Six monthly update have been requested by the Committee as follows; <ul style="list-style-type: none"> <li>• June 2023 (completed)</li> <li>• January 2024 (completed December 2023)</li> <li>• June 2024</li> <li>• January 2025</li> </ul>			

- June 2025

## VOTING REQUIREMENT

Simple Majority

### OFFICER RECOMMENDATION / COMMITTEE DECISION    ARC4.02.24

Moved by                      Pres McNeil                      Seconded by                      Cr Mehta

That the Committee notes the Action Items Status Report as at 15 February 2024.

#### **CARRIED 7/0**

**For:**              Pres McNeil, Cr Beale, Cr Cook, Cr Mehta, Mr Wittcomb, Ms Zulsdorf and  
                         Cr Jeans

**Against:** Nil

## **8.0 URGENT BUSINESS (LATE REPORTS)**

Nil

## **9.0 CLOSING PROCEDURES**

### **9.1 Date, Time and Place of the Next Meeting**

The next Audit and Risk Committee meeting will be held on Tuesday, 23 April 2024 at 4.00pm in the Committee Room, 7000 Great Eastern Highway, Mundaring.

### **9.2 Closure of the Meeting**

The Presiding Member closed the meeting at 5.15pm.