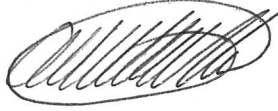


SHIRE OF EAST PILBARA

These minutes were confirmed by the ~~council~~ *committee*
as a true and accurate record at the ordinary
council meeting held on 23/2/2024



Unconfirmed copy of
Ordinary Minutes of the Audit,
Risk and Governance
Committee Meeting held on
15 December 2023 subject to
confirmation at the next Audit
Risk and Governance
Committee Meeting (22
February 2024).



SHIRE OF EAST PILBARA

MINUTES

AUDIT RISK AND GOVERNANCE COMMITTEE MEETING

NOTICE IS HEREBY GIVEN
that a Meeting of the

AUDIT, RISK AND GOVERNANCE COMMITTEE
was held in
Newman Council Chambers
at 10:00 am, Friday 15 December 2023.

Emma Landers
ACTING CHIEF EXECUTIVE OFFICER

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of East Pilbara for any act, omission, statement or intimation occurring during Meetings of Council or its Committees. The Shire of East Pilbara disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, statement or intimation occurring during Meetings of Council or its Committees.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that person's or legal entity's own risk.

In particular and without derogating any planning application or application of a licence, any statement or intimation of approval made by any member or Officer of the Shire of East Pilbara during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of East Pilbara.

The Shire of East Pilbara warns that anyone who has any application lodged with the Shire of East Pilbara must obtain and should only rely on

WRITTEN CONFIRMATION

of the outcome of the application and any conditions attaching to the decision made by the Shire of East Pilbara in respect of the application.

Emma Landers
Acting Chief Executive Officer

AUDIT, RISK AND GOVERNANCE COMMITTEE

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS.....	1
2	ATTENDANCE BY ELECTRONIC MEANS.....	1
3	RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE	1
	3.1 ATTENDANCES	1
	3.2 APOLOGIES	1
	3.3 LEAVE OF ABSENCE	2
4	DISCLOSURES OF INTEREST	2
5	CONFIRMATION OF MINUTES OF PREVIOUS COMMITTEE MEETING	2
	5.1 CONFIRMATION OF MINUTES.....	2
6	OFFICER'S REPORTS	3
	6.1 CHIEF EXECUTIVE OFFICER.....	3
	6.1.1 INTERNAL AUDIT PROGRAM	3
	6.2 ACTING DIRECTOR CORPORATE SERVICES	6
	6.2.1 STATUS UPDATE 2022/23 ANNUAL FINANCIAL STATEMENTS	6
7	GENERAL BUSINESS.....	8
8	CLOSURE	8

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Shire President and Presiding Member declared the Shire of East Pilbara Audit, risk and Governance Committee Meeting of 15 December 2023 open at 10.00am at the Newman Council Chambers.

The President acknowledged the Traditional Owners of the land on which the Council met, the Nyiyaparli People, and their continuing connection to the land, waters and community. Council also acknowledged the Martu People as the Custodians of Jigalong which sits in Nyiyaparli Country. The Council paid its respects to all their Elders, past, present and emerging.

All present were requested to turn off and refrain from using their mobile phones for the duration of the meeting. Tablets and Laptops were permitted for the purpose of accessing agenda items.

All present were also advised that the meeting was being audio recorded which can be accessed by members of the public and the media, as such Council Members were reminded to refrain from making any defamatory statements.

2 ATTENDANCE BY ELECTRONIC MEANS

Nil

3 RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE

3.1 ATTENDANCES

Committee Members

Anthony Middleton	Shire President (Chair)
Cr Peta Baer	Councillor
Cr Lee Anderson	Councillor

Deputy Members (non-voting)

Cr Wendy McWhirter-Brooks	Deputy Shire President / Councillor
Cr David Everett	Councillor
Cr Lou Lockyer	Councillor

Council Members

Cr Annabell Landy	Councillor
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Officers

Emma Landers	Acting Chief Executive Officer
Paul Miller	Acting Director Community Experience
Etienne Vorster	Acting Director Infrastructure Services
Joshua Brown	Manager Governance, Risk & Procurement

3.2 APOLOGIES

Steven Harding	Chief Executive Officer
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3.3 LEAVE OF ABSENCE

Nil

4 DISCLOSURES OF INTEREST

Nil

5 CONFIRMATION OF MINUTES OF PREVIOUS COMMITTEE MEETING

5.1 CONFIRMATION OF MINUTES

[29 September 2023 ARG\Minutes\Ordinary](#)

COMMITTEE DECISION

Moved: Cr Baer

Seconded: Cr Anderson

The Minutes of the Ordinary Audit Risk and Governance Committee Meeting held on 29 September 2023 be confirmed as a true and correct record of proceedings.

**CARRIED UNANIMOUSLY
RECORD OF VOTE 3/0**

For: Shire President, Cr Baer, Cr Anderson

Against: Nil

6 OFFICER'S REPORTS

6.1 CHIEF EXECUTIVE OFFICER

6.1.1 INTERNAL AUDIT PROGRAM

Attachments: [Confidential Appendix 1 Internal Audit Log](#)
(Under Separate Cover)

Responsible Officer: Steven Harding
Chief Executive Officer

Author: Joshua Brown
Manager Governance, Risk and Procurement

Location/Address: N/A

Name of Applicant: N/A

Author Disclosure of Interest: Nil

COMMITTEE DECISION / OFFICER'S RECOMMENDATION

Moved: Cr Baer
Seconded: Cr Anderson

1. That the Committee notes the Internal Audit Log status update; and
2. That Appendix 1 not be published in accordance with section 5.23 (2) of the *Local Government Act 1995* with the following aspect of the Act being applicable to this matter:
 - (f) a matter that if disclosed, could be reasonably expected to:
 - (ii) *endanger* the security of the local government's property.

**CARRIED UNANIMOUSLY
RECORD OF VOTE 3/0**

For: Shire President, Cr Baer, Cr Anderson
Against: Nil

REPORT PURPOSE

To inform the Audit, Risk and Governance Committee of the current status of the Shire's Internal Audit Program, and to seek endorsement of the next tranche of internal reviews.

BACKGROUND

Regulation 17 of the *Local Government (Audit) Regulations) 1996* requires a triennial review of the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, legislative compliance and internal control. Internal audit is a further essential function in meeting the requirements of this regulation. The next Regulation 17 Audit is scheduled to take place in 2024/25.

Internal audit is a facilitator of continuous improvement, innovation and positive change. It evaluates the effectiveness of risk managements, control and governance process across the Shire's broad range of business activities. The review and advice assists management in improving the Shire's service delivery and achievement of outcomes. It is noted that internal audit differs from external audit. External audit is concerns with the accuracy of the Shire's financial statements, which are published as part of the annual report.

COMMENTS/OPTIONS/DISCUSSIONS

Internal Audit Reviews

The Internal Audit Program has been designed to ensure that the activities of the Internal Audit function focus on the risks that matter to the Shire and have been prepared with input from the Shire's Executive. The program was intended to adapt to the dynamic environment within which the Shire operates, so to be flexible and responsive to the Shire and Council's needs. Where matters of higher priority arise over the course of the three year plan, they should be considered and the program plan revised to accommodate new risks and circumstances.

The following four business activities are currently under review:

Corporate Services

- Credit Card Security and Usage
- Accounts Payable

Development Services

- Building

Recreation and Events

- Aquatic Centres

The selection of these four priority areas aligns with the Internal Audit Plan, bringing forward Credit Card Security Usage, to provide assurance that the Shire's systems and controls are robust to mitigate against any fraud and financial risks and vulnerabilities, given a recent increase in the number and use of credit cards.

The review is expected to be completed and the report presented to the next meeting of the Audit, Risk and Governance Committee.

Internal Audit Log Status Update

A copy of the current Internal Audit Log is attached as **Confidential Appendix 1**, which details the current status of the previous reviews.

The Appendix is to be kept confidential in accordance with section 5.23 (2)(f)(ii) of the *Local Government Act 1995* in that disclosure could be reasonably expected to endanger the security of the local government's property.

There are no exceptional areas to report. Progress is in accordance with the action plan.

STATUTORY IMPLICATIONS/REQUIREMENTS

Consistent with the *Local Government (Audit) Regulations 1996*.

POLICY IMPLICATIONS

Recommendation is consistent with Council's previous approval of the Internal Audit Plan.

STRATEGIC COMMUNITY PLAN

5: Governance

G1 Vibrant local democracy, forward-thinking civic leadership, and transparent stewardship of the community's assets and resources.

G1.4 Ensure a high standard of organisational management and effectiveness

RISK MANAGEMENT CONSIDERATIONS

Compliance – Minor

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple Majority.

6.2 ACTING DIRECTOR CORPORATE SERVICES

6.2.1 STATUS UPDATE 2022/23 ANNUAL FINANCIAL STATEMENTS

Responsible Officer: Steve Harding
Chief Executive Officer

Author: Thomas Gorman
Acting Director Corporate Services

Location/Address: N/A

Name of Applicant: N/A

Author Disclosure of Interest: Nil

COMMITTEE DECISION / OFFICER'S RECOMMENDATION

Moved: Cr Baer
Seconded: Cr Anderson

That the Committee notes the advice relating to the current status of the Financial Statements for the year ended 30 June 2023.

**CARRIED UNANIMOUSLY
RECORD OF VOTE 3/0**

For: Shire President, Cr Baer, Cr Anderson
Against: Nil

REPORT PURPOSE

For the Audit, Risk and Governance Committee to receive an update on the status of the audit of the Annual Financial Statements for the year ended 30 June 2023.

BACKGROUND

Section 6.4 of the *Local Government Act 1995* ("the Act") requires that each local government to prepare an annual financial report for the preceding financial year for inclusion in the Annual Report. The Annual Report is to be accepted by the Council within two months of the auditor's report becoming available (if it is received after 31 December). Following acceptance by Council, the Annual Report, including financial statements, is to be reported to the Annual Electors' General Meeting, which must be held within 56 days of the Council's acceptance of the Annual Report.

COMMENTS/OPTIONS/DISCUSSIONS

The Annual Financial Statements for 2022/23 were prepared prior to 30 September 2023 and submitted to RSM Australia Pty Ltd, the external auditors appointed by the Office of the Auditor General (OAG), in accordance with 6.4(3) of the Act. At the time of writing the audit is in its final stages, but not completed for OAG review. It is expected that the audit will be completed by 22 December 2023. As a result it is anticipated the audited Financial Statements will be presented to council shortly after the OAG audit exit meeting expected in early January 2023.

Upon receipt, the audited Financial Statements will be presented to the Audit, Risk and Governance Committee prior to reporting to Council.

STATUTORY IMPLICATIONS/REQUIREMENTS

Council is compliant with section 6.4 of the Act.

POLICY IMPLICATIONS

No known policy implications.

STRATEGIC COMMUNITY PLAN

5: Governance

Demonstrated accountability and corporate governance.

G1 Provide efficient, accountable and ethical governance.

G1.1 Enhance governance capability to deliver sustainable outcomes, roads and buildings

RISK MANAGEMENT CONSIDERATIONS

No known risk management considerations.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Simple Majority.

7 GENERAL BUSINESS

Cr Peta Bear requested that the CEO conduct an internal audit of payments made to Dick Tracey Contracting, and all payments made under RFT 02 2022/2023.

8 CLOSURE

There being no further business the Shire of East Pilbara Audit, Risk and Governance Committee Meeting of 15 December 2023 was declared closed at 10.06am.