



The Council of the City of Cockburn
Audit Risk and Compliance
Agenda Paper

For Thursday, 17 March 2022

Adjourned to Thursday, 24 March 2022

The Council of the City of Cockburn

Audit Risk and Compliance Meeting Thursday, 17 March 2022

Adjourned to Thursday, 24 March 2022 at 6.30pm

Agenda

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The Council of the City of Cockburn
Audit Risk and Compliance Thursday, 17 March 2022

Adjourned to Thursday 24 March 2022

AGENDA

- 1. Declaration of Meeting**
- 2. Appointment of Presiding Member (If required)**
- 3. Disclaimer (To be read aloud by Presiding Member)**
Members of the public, who attend Council Meetings, should not act immediately on anything they hear at the Meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.
- 4. Acknowledgement of receipt of Written Declarations of Financial Interests and Conflict of Interest (by Presiding Member)**
- 5. Apologies & Leave of Absence**
Nil
- 6. Public Question Time**
- 7. Confirmation of Minutes**
 - 7.1 Minutes of the Audit & Strategic Finance Committee Meeting - 25/11/2021**

Recommendation

That Committee confirms the Minutes of the Audit and Strategic Finance Committee Meeting held on Thursday, 25 November 2021 as a true and accurate record.
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8. Deputations

9. Business Left Over from Previous Meeting (if adjourned)

Nil

10. Declaration by Members who have Not Given Due Consideration to Matters Contained in the Business Paper Presented before the Meeting

11. Built and Natural Environment

Nil

12. Finance

Nil

13. Operations

Nil

14. Community Services

Nil

15. Governance and Strategy

15.1 Local Government Act Compliance Audit Return 2021

Author(s) Emma Milne

Attachments 1. Compliance Audit Return 2021 - Certified Copy of Return [↓](#)
2. Compliance Audit Return 2021 - Independent Auditor's Report
[↓](#)

RECOMMENDATION

The Committee recommends that Council:

- (1) RECEIVES the report;
- (2) REVIEWS the Certified Copy of the City of Cockburn Compliance Audit Return 2021, for the period 1 January 2021 to 31 December 2021; and
- (3) RECEIVES the City of Cockburn Compliance Audit Return 2021 Independent Auditor's Report from Macri Partners.

Background

Pursuant to Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*, completion of the Local Government Compliance Audit Return (CAR) has been mandatory for all local governments in Western Australia since 2000.

Following good governance practice, the City of Cockburn (the City) has subjected the CAR 2021 to an external validation review before reporting to the Audit, Risk and Compliance (ARC) Committee on 17 March 2022.

Submission

N/A

Report

Pursuant to Regulation 14(3A) of the *Local Government (Audit) Regulations 1996* the CAR 2021 is to be presented to, and reviewed by, a meeting of the ARC Committee, and the result of that review reported to a meeting of Council for adoption.

Attachment 1 represents the CAR 2021 completed by City Officers, to be reviewed by the ARC Committee.

Attachment 2 represents the Macri Partners Independent Auditor's Report validating the CAR 2021 City Officers' responses to questionnaires.

Due to time constraints for submission of the CAR 2021 to the ARC Committee and Ordinary Council Meeting for adoption, before submitting to the Director General,

Department of Local Government, Sports and Cultural Industries (DLGSC), by 31 March 2022, the following sample of CAR 2021 questionnaires, comprising a total of 44 City Officers' responses, were selected for an external validation review by Macri Partners:

- Commercial Enterprises by Local Governments 2021
- Delegation of Power/Duty 2021
- Disposal of Property 2021
- Elections 2021
- Integrated Planning and Reporting 2021
- Local Government Employees 2021
- Official Conduct 2021
- Optional Questions 2021.

By comparison, in March 2021, a total of 54 City Officers' responses to the CAR 2020 questionnaires were submitted for external validation:

- Finance 2020
- Disclosure of Interest 2020
- Tenders for Providing Goods and Services 2020.

Macri Partner's audit methodology for the CAR 2021 entailed the following audit procedures:

1. Review of the responses provided by City Officers to the questions in the above areas of the CAR 2021
2. Face to face interviews with the officers responsible for the completion of the relevant areas of the CAR 2021
3. Audit verification of the documentation referred to in the City officers' responses to the questions in the CAR 2021
4. Provision of Independent Auditor's Report on the part validation of the CAR 2021.

Based on the audit methodology employed, Macri Partners confirmed that the City's responses to the questions in the audited sections of the CAR 2021 are correct.

The selected questionnaires audited were a representative sample of the total CAR 2021 responses by City Officers.

Following its adoption by Council, and pursuant to Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*, the City will submit the following documents by 31 March 2022:

- City of Cockburn CAR 2021 Certified Copy of Return for the period 1 January 2021 to 31 December 2021, signed by the Mayor and Chief Executive Officer. The CAR 2021 indicates a conformity rating of 100% for the year
- City of Cockburn CAR 2021 Independent Auditor's Report from Macri Partners as the external independent validation of the CAR 2021
- Copy of the relevant section of the Council Minutes, confirming Council's adoption of the CAR 2021.

Strategic Plans/Policy Implications

Leading and Listening

Deliver sustainable governance through transparent and robust policy and processes.

Budget/Financial Implications

N/A

Legal Implications

Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996* refer.

Community Consultation

N/A

Risk Management Implications

Failure to adopt the recommendation will result in non-compliance with meeting the 31 March 2022 deadline for the CAR statutory reporting requirements to the regulator, the DLGSC.

Advice to Proponents/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

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



Department of
Local Government, Sport
and Cultural Industries

Cockburn - Compliance Audit Return 2021

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
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 2021?	N/A	The City did not enter any major trading undertakings in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major land transaction in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major land transaction in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major trading undertakings or major land transaction in 2021.	Anton Lees
5	s3.59(5)	During 2021, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	The City did not enter any major trading undertakings or major land transaction in 2021.	Anton Lees

Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	Yes	All appointments to standing committees / reference groups were decided at the: SCM – 21/10/21; OCM – 11/11/21 All appointments to external committees were decided at the SCM – 21 October 2021.	Emma Milne
2	s5.16	Were all delegations to committees in writing?	No	The Presiding Member has since been advised in writing.	Emma Milne
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	Yes	OCM – 21/10/2021.	Emma Milne
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Emma Milne
5	s5.18	Has council reviewed delegations to its	No		Emma Milne

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Department of Local Government, Sport and Cultural Industries – Compliance Task Report



Department of
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		committees in the 2020/2021 financial year?		
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 Act?	Yes	Emma Milne
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Emma Milne
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	Contained in the Register of Delegations. Emma Milne
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	Emma Milne
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	OCM – 09/10/2021. Emma Milne
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	Emma Milne
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2020/2021 financial year?	Yes	OCM – 10/09/2020. Emma Milne
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 Admin Reg 19?	Yes	All delegations exercised have been recorded in the City's Enterprise Content Management (ECM) system. Emma Milne

Department of Local Government, Sport and Cultural Industries – Compliance Task Return



Department of
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Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
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, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Emma Milne
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 by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	No application received to participate in relevant meeting.	Emma Milne
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Emma Milne
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?	Yes		Emma Milne
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2021?	Yes	One Elected Member failed to lodge their Annual Return.	Emma Milne
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		Emma Milne
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?	Yes	City of Cockburn website.	Emma Milne
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, in the form prescribed in Admin Reg 28?	Yes		Emma Milne
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Emma Milne
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) 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		Emma Milne
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, in the form prescribed in Admin Reg 28A?	Yes		Emma Milne
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		Emma Milne
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all	Yes		Emma Milne

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Department of Local Government, Sport and Cultural Industries – Compliance Risk Register



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		records relating to that person?			
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Emma Milne
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?* *Question not applicable after 2 Feb 2021	N/A		Emma Milne
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11(2) was the nature of the interest recorded in the minutes?*	N/A		Emma Milne
		*Question not applicable after 2 Feb 2021			
17	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		Emma Milne
18	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) 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 application made.	Emma Milne
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Emma Milne
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?*	N/A		Emma Milne
		*Question not applicable after 2 Feb 2021			
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?*	N/A		Emma Milne
		*Question not applicable after 2 Feb 2021			
22	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	Ordinary Council Meeting 11 Mar 2021.	Emma Milne
23	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes,	Yes	Ordinary Council Meeting 9 Sep 2021.	Emma Milne

Department of Local Government, Sport and Cultural Industries - Compliance Task Return



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		does it comply with section 5.104(3) and (4)?		
24	s5.104(7)	Did the CEO publish an up-to-date version of the adopted code of conduct on the local government's website?	Yes	Emma Milne
25	s5.51A(1) & (3)	Did the CEO prepare, and implement and publish an up-to-date version on the local government's website, a code of conduct to be observed by employees of the local government?	Yes	Emma Milne

Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
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) (unless section 3.58(5) applies)?	Yes	1 Semple Court, South Lake WA 6164: The property was disposed of in accordance with s3.58(3). ECM Doc Set ID: 9015392 and 8624932.	Joe Saraceni
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes	1 Semple Court, South Lake WA 6164: The property was disposed of in accordance with s3.58(3). ECM Doc Set ID: 9015392 and 8624932.	Joe Saraceni

Department of Local Government, Sport and Cultural Industries – Compliance Task Report



Department of
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Elections					
No	Reference	Question	Response	Comments	Respondent
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?	No	No gifts received by any candidate.	Emma Milne
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?	N/A		Emma Milne
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 Elect Reg 30G(6)?	N/A		Emma Milne
Finance					
No	Reference	Question	Response	Comments	Respondent
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 Act?	Yes	Special Council Meeting 24 Oct 2019.	Stuart Downing
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes	Special Council Meeting 24 Oct 2019.	Stuart Downing
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2021 received by the local government by 31 December 2021?	Yes	Ordinary Council Meeting 9 Dec 2021.	Stuart Downing
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes	Matter reported to Audit Committee 25 Nov 2021, then to Council 9 Dec 2021. Letter to Minister for Local Government sent February 2022.	Stuart Downing
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?	Yes	Matter reported to Audit Committee 25 Nov 2021, then to Council 9 Dec 2021. Letter to Minister for Local Government sent 10 Jan 2022.	Stuart Downing
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	Yes	Report was placed on City of Cockburn website 12 Jan 2022.	Stuart Downing

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Department of Local Government, Sport and Cultural Industries - Compliance Task Report



Department of
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7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes	Auditor General's report was received on 26 Nov 2021 and received by the City of Cockburn at the Ordinary Council Meeting 9 Dec 2021.	Stuart Downing
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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
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	The SCP 2020-2030 was reviewed and adopted by Absolute Majority (7/1) at the Special Council meeting 24 Jun 2021 Minute number (0094).	Gail Bowman
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	The CBP 2020-24 was reviewed and adopted by Absolute Majority (8/0) at the Special Council meeting 24 Jun 2021. Minute Number (0095).	Gail Bowman
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes	The corporate business plan meets all the requirements in the regulations; ECM Doc Set ID: 10603566.	Gail Bowman

Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	CEO was appointed to the role on 24 Nov 2020 and therefore not included in this CAR 2021 period.	Jemma Iles
2	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	Yes	Requisition Number for advertisement that appeared in 'The West Australian' on Saturday 24 April 2021 - R114014 Order number 111452. Supplier name: Marketforce.	Jemma Iles
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Jemma Iles
4	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)?	N/A		Jemma Iles

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Department of Local Government, Sport and Cultural Industries - Complaints Task Report



Department of
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5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes	ECM Document Set ID: Jemma Iles 11211035 (Ordinary Council Meeting Confidential Minutes dated 08 Jul 2021 Confidential Business 24.1 Contract Executive Governance and Strategy).
6	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	Jemma Iles

Official Conduct

No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	Ordinary Council Meeting 11 Mar 2021.	Emma Milne
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)? Does the complaints register include all information required by section 5.121(2)?	Yes	All complaints recorded in Enterprise Content Management (ECM) system.	Emma Milne
3	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	Register published on City of Cockburn website.	Emma Milne

Optional Questions

No	Reference	Question	Response	Comments	Respondent
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 Financial Management Reg 5(2)(c) within the three years prior to 31 December 2021? If yes, please provide the date of council's resolution to accept the report.	Yes	9 April 2020 Ordinary Council Meeting arising from the Audit Committee meeting of 19 March 2020 The FMR was completed in June 2019.	Stuart Downing
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 Audit Reg 17 within the three years prior to 31 December 2021? If yes, please provide date of council's resolution to accept the report.	Yes	10 December 2020 Ordinary Council Meeting arising from the Audit Committee meeting of 19 Nov 2020 The report was prepared in October 2020.	Stuart Downing
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C?	Yes	All declarations were made within the statutory period of 10 days.	Emma Milne

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Department of Local Government, Sport and Cultural Industries - Compliance Task Results



Department of
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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	City of Cockburn Policy 'Attendance at Conferences, Seminars, Events and Training' 9 Dec 2021 Ordinary Council Meeting.	Emma Milne
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)?	Yes		Emma Milne
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	City of Cockburn Policy 'Attendance at Conferences, Seminars, Events and Training' 9 Dec 2021 Ordinary Council Meeting.	Emma Milne
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2020/2021 financial year and publish it on the local government's official website by 31 July 2021?	Yes		Emma Milne
8	s6.4(3)	By 30 September 2021, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2021?	Yes	The draft annual financial report for 30 June 2021 was submitted to the Auditor by 30 Sep 2021.	Stuart Downing
9	s6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	The City of Cockburn took into account all of its expenditure, revenue and income when preparing and submitting the 2021 budget to Council as disclosed in the Rate Setting Statement.	Stuart Downing

Department of Local Government, Sport and Cultural Industries - Compliance Task Report



Department of
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Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy [adopted under F&G Reg 11A(1) & (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	All purchases were made in accordance with the requirements of the Regulations.	Stuart Downing
2	s3.57 F&G Reg 11	Subject to F&G Reg 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 F&G Reg 11(1)?	Yes	All applicable expenditure was tendered.	Stuart Downing
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes	Tender registers.	Stuart Downing
4	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	Yes	Procurement Plan.	Stuart Downing
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	Tendering systems.	Stuart Downing
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes	Tender registers.	Stuart Downing
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes	Tender registers are available for viewing.	Stuart Downing
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	Tenders were rejected as recorded in the Tendering system.	Stuart Downing
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	Tender recommendations.	Stuart Downing
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	Procurement systems.	Stuart Downing
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	Yes	Tender registers.	Stuart Downing

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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 were conducted.	Stuart Downing
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under F&G Reg 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	No expressions of interest were conducted.	Stuart Downing
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 F&G Reg 24?	N/A	No expressions of interest were conducted.	Stuart Downing
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 F&G Reg 24AD(4) and 24AE?	N/A	No panel of pre-qualified suppliers was conducted.	Stuart Downing
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 panel of pre-qualified suppliers was conducted.	Stuart Downing
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 F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	No panel of pre-qualified suppliers was conducted.	Stuart Downing
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 F&G Reg 24AG?	N/A	No panel of pre-qualified suppliers was conducted.	Stuart Downing
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	No panel of pre-qualified suppliers was conducted.	Stuart Downing
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	No panel of pre-qualified suppliers was conducted.	Stuart Downing
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	No panel of pre-qualified suppliers was conducted.	Stuart Downing
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	N/A	No regional price preference was applicable within the City of Cockburn policy.	Stuart Downing

I certify this Compliance Audit Return has been adopted by Council at its meeting on

24 March 2022

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Department of
**Local Government, Sport
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Signed: His Worship the Mayor
Logan K. Howlett, JP
City of Cockburn

Signed: Anthony Brun
Chief Executive Officer
City of Cockburn



Chartered Accountants

PARTNERS
Anthony Macri CA FCPA
Domenic Macri CA CPA
Connie De Felice CA CPA

INDEPENDENT AUDITOR'S REPORT

TO: CITY OF COCKBURN

Report on the validation audit of the City's responses to Compliance Audit Return (CAR) 2021

At the request of the City of Cockburn, we carried out a validation audit of the City's responses to the questions in the following sections of the CAR 2021.

- (a) Delegation of Power/Duty
- (b) Elections
- (c) Official Conduct
- (d) Integrated Planning and Reporting
- (e) Local Government Employees
- (f) Commercial Enterprises by Local Governments
- (g) Disposal of Property
- (h) Optional Questions

Our validation process included the following audit procedures:

- (a) Review of the City's responses to the questions for any obvious inaccuracies
- (b) Interviews with the City's senior management responsible for completion of the above sections of the CAR
- (c) Verification of the documentation considered necessary to support the responses to the questions in the above 8 sections of the CAR.

The following officers of the City were interviewed:

Delegations of Power/Duty, Elections, Official Conduct, Optional Questions

- Emma Milne – Executive Governance and Strategy

Optional Questions

- Stuart Downing - Director Finance and Corporate Services

Integrated Planning and Reporting

- Gail Bowman – Chief of Community Services

Local Government Employees

- Jemma Iles – Executive People Experience and Transformation




Commercial Enterprises by Local Governments

- Anton Lees – Chief Operations Officer

Disposal of Property

- Joe Saraceni – Head of Property and Assets

Based on the audit procedures performed, we confirm that the City's responses to the questions in the above sections of the CAR are correct. The audit stamped questionnaires relevant to the 8 sections of the CAR are attached herewith.



**MACRI PARTNERS
CHARTERED ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100**

**A MACRI
PARTNER**

**PERTH
DATED THIS 17th DAY OF FEBRUARY 2022.**



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



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Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	Yes	All appointments to standing committees / reference groups were decided at the: SCM – 21/10/21; OCM – 11/11/21 All appointments to external committees were decided at the SCM – 21 October 2021.	Emma Milne
2	s5.16	Were all delegations to committees in writing?	No	The Presiding Member has since been advised in writing.	Emma Milne
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	Yes	OCM – 21/10/2021.	Emma Milne
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Emma Milne
5	s5.18	Has council reviewed delegations to its committees in the 2020/2021 financial year?	No		Emma Milne
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 Act?	Yes		Emma Milne
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Emma Milne
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	Contained in the Register of Delegations.	Emma Milne
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Emma Milne
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	OCM – 09/10/2021.	Emma Milne
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		Emma Milne
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2020/2021 financial year?	Yes	OCM – 10/09/2020.	Emma Milne
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 Admin Reg 19?	Yes	All delegations exercised have been recorded in the City's Enterprise Content Management (ECM) system.	Emma Milne



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Elections					
No	Reference	Question	Response	Comments	Respondent
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?	No	No gifts received by any candidate.	Emma Milne
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?	Not applicable		Emma Milne
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 Elect Reg 30G(6)?	Not applicable		Emma Milne



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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	Ordinary Council Meeting 11 Mar 2021.	Emma Milne
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)? Does the complaints register include all information required by section 5.121(2)?	Yes	All complaints recorded in Enterprise Content Management (ECM) system.	Emma Milne
3	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	Register published on City of Cockburn website.	Emma Milne



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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
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	The SCP 2020-2030 was reviewed and adopted by Absolute Majority (7/1) at the Special Council meeting 24 Jun 2021 Minute number (0094).	Gail Bowman
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	The CBP 2020-24 was reviewed and adopted by Absolute Majority (8/0) at the Special Council meeting 24 Jun 2021. Minute Number (0095).	Gail Bowman
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes	The corporate business plan meets all the requirements in the regulations; ECM Doc Set ID: 10603566.	Gail Bowman



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Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	Not applicable	CEO was appointed to the role on 24 Nov 2020 and therefore not included in this CAR 2021 period.	Jemma Iles
2	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	Yes	Requisition Number for advertisement that appeared in <i>The West Australian</i> on Saturday 24 April 2021 – R114014 Order number 111452. Supplier name: Marketforce.	Jemma Iles
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	Not applicable		Jemma Iles
4	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)?	Not applicable		Jemma Iles
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes	ECM Document Set ID: 11211035 (Ordinary Council Meeting Confidential Minutes dated 08 Jul 2021 Confidential Business 24.1 Contract Executive Governance and Strategy).	Jemma Iles
6	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?	Not applicable		Jemma Iles



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Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
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 2021?	N/A	The City did not enter any major trading undertakings in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major land transaction in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major land transaction in 2021.	Anton Lees
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 2021?	N/A	The City did not enter any major trading undertakings or major land transaction in 2021.	Anton Lees
5	s3.59(5)	During 2021, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	The City did not enter any major trading undertakings or major land transaction in 2021.	Anton Lees



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Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
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) (unless section 3.58(5) applies)?	Yes	1 Semple Court, South Lake WA 6164: The property was disposed of in accordance with s3.58(3). ECM Doc Set ID: 9015392 and 8624932.	Joe Saraceni
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes	1 Semple Court, South Lake WA 6164: The property was disposed of in accordance with s3.58(3). ECM Doc Set ID: 9015392 and 8624932.	Joe Saraceni



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Optional Questions					
No	Reference	Question	Response	Comments	Respondent
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 Financial Management Reg 5(2)(c) within the three years prior to 31 December 2021? If yes, please provide the date of council's resolution to accept the report.	Yes	9 April 2020 Ordinary Council Meeting arising from the Audit Committee meeting of 19 March 2020 The FMR was completed in June 2019.	Stuart Downing
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 Audit Reg 17 within the three years prior to 31 December 2021? If yes, please provide date of council's resolution to accept the report.	Yes	10 December 2020 Ordinary Council Meeting arising from the Audit Committee meeting of 19 Nov 2020 The report was prepared in October 2020.	Stuart Downing
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C?	Yes	All declarations were made within the statutory period of 10 days.	Emma Milne
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	City of Cockburn Policy 'Attendance at Conferences, Seminars, Events and Training' 9 Dec 2021 Ordinary Council Meeting.	Emma Milne
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)?	Yes		Emma Milne
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	City of Cockburn Policy 'Attendance at Conferences, Seminars, Events and Training' 9 Dec 2021 Ordinary Council Meeting.	Emma Milne
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2020/2021 financial year and publish it on the local government's official website by 31 July 2021?	Yes		Emma Milne
8	s6.4(3)	By 30 September 2021, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2021?	Yes	The draft annual financial report for 30 June 2021 was submitted to the Auditor by 30 Sep 2021.	Stuart Downing



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9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	The City of Cockburn took into account all of its expenditure, revenue and income when preparing and submitting the 2021 budget to Council as disclosed in the Rate Setting Statement.	Stuart Downing
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15.2 Terms of Reference - Audit, Risk and Compliance Committee

Author Emma Milne

Attachments 1. DRAFT - Terms of Reference - Audit, Risk and Compliance Committee [↓](#)

RECOMMENDATION

The Committee recommend that Council:

- (1) RECEIVES this report;
- (2) REVIEWS the Draft – Terms of Reference – Audit, Risk and Compliance Committee; and
- (3) RECOMMENDS a Final Terms of Reference to Council.

Background

The Governance Review Steering Committee (GRSC) conducted a meeting on 23 February 2022. The primary theme for the Meeting was to review the Council's Committee Meeting Structure.

The Committee recommendations made at the Meeting will be presented for consideration and endorsement as the decisions of Council on the 10 March 2022.

The Committee has made recommendations along the following lines:

1. To disband the current five (5) Standing Committees established under the *Local Government Act 1995* (Act) and establish four (4) new Standing Committees to undertake the functions of the previous Committees, plus incorporate other new key responsibilities.
2. Refer the Draft Terms of Reference (TOR) for each of the new Committees to the inaugural Meeting of each Committee for consideration, recommending changes to those proposed, including scheduling and commencement time of all Committees.

Submission

N/A

Report

Pursuant to Part 5, Division 2, s. 5.8 of the Act and Part 7, Division 1A, s. 7.1A of the Act, this report presents the Draft Terms of Reference for the newly named Audit, Risk and Compliance (ARC) Committee.

Objectives and Duties are as follows:

1. External financial audit reporting
2. The examination of an Annual Financial Audit Report received and follow up of any matters raised in the Report and subsequent management letter, to ensure appropriate action is taken in respect of those matters
3. Vetting and responding to Office of the Auditor General (OAG) Local Government performance audits, whether the City is directly involved or not
4. Compliance with the Council functions under Part 6 of the Local government act 1995 (the Act) in relation to the City`s financial management
5. Compliance with the Council functions under Part 7 of the Act in relation to Audit requirements
6. An appropriate internal audit program endorsed by Council
7. The review of the CEO`s Report provided under:
 - a. Regulation 17 (3) of the *Local Government (Audit) Regulations 1996*, and
 - b. Regulation 5 (2) (c) of the *Local Government (Financial Management) Regulations 1996*
8. Compliance with Regulation 17 of the *Local Government (Audit) Regulations 1996* in relation to:
 - a. Risk management
 - b. Internal control and
 - c. Legislative compliance

and to review the appropriateness and effectiveness of the systems and procedures in relation to these matters on a triennial basis every three (3) financial years
9. Effective communication between the external auditor, internal auditor, administration (management) and the Council
10. Effective management of financial and other risks to the City through a comprehensive risk management framework,
11. The protection of City assets, and
12. Review of the annual Compliance Audit Return required under Regulation 14 of the *Local Government (Audit) Regulations 1996*

Strategic Plans/Policy ImplicationsListening & Leading

A community focused, sustainable, accountable and progressive organisation.

- Best practice Governance, partnerships and value for money.

Budget/Financial Implications

N/A

Legal Implications

Sections 5.11 (1) (c), 5.8 and 5.10 (1) of the *Local Government Act 1995* refers in relation to the disbanding of the current Committee, establishment of proposed new Committee and appointment of membership to the proposed new Committee.

Community Consultation

N/A

Risk Management Implications

There is a “Low” level of “Brand / Reputation” and “Compliance” risk associated with this item.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

Nil

AUDIT, RISK AND COMPLIANCE (ARC) COMMITTEE**TERMS OF REFERENCE****Background**

1. The Audit, Risk and Compliance (ARC) Committee is a formally appointed Committee of Council.
2. The ARC does not have executive powers or authority to implement actions in areas over which the administration (management) has responsibility and remains independent of the administration.

Objectives and Duties

1. As part of the Council's obligations, the ARC facilitates:
 - a. external financial audit reporting;
 - b. the examination of an Annual Financial Audit Report received and follow up of any matters raised in the Report and subsequent management letter, to ensure appropriate action is taken in respect of those matters;
 - c. vetting and responding to Office of the Auditor General (OAG) Local Government performance audits, whether the City is directly involved or not;
 - d. compliance with the Council functions under Part 6 of the Local government act 1995 (the Act) in relation to the City's financial management;
 - e. compliance with the Council functions under Part 7 of the Act in relation to Audit requirements;
 - f. an appropriate internal audit program endorsed by Council;
 - g. the review of the CEO's Report provided under:
 - i. Regulation 17 (3) of the Local Government (Audit) regulations 1996; and
 - ii. Regulation 5 (2) (c) of the Local Government (Financial Management) Regulations 1996;
 - h. compliance with Regulation 17 of the Local Government (Audit) Regulations 1996 in relation to:
 - i. risk management;
 - ii. internal control; and
 - iii. legislative compliance;and to review the appropriateness and effectiveness of the systems and procedures in relation to these matters on a triennial basis every three (3) financial years;
 - i. effective communication between the external auditor, internal auditor, administration (management) and the Council;
 - j. effective management of financial and other risks to the City through a comprehensive risk management framework;
 - k. the protection of City assets; and
 - l. review of the annual Compliance Audit Return required under Regulation 14 of the Local government (Audit) Regulations 1996.
2. The ARC performs any other function conferred on it by the Act, Regulations, or any other written law.

Membership

1. The Committee will comprise of a minimum of four Elected Members, who shall be appointed by Council the five (5) elected members and one (1) independent appropriately qualified appointed member.
2. The CEO and the officers responsible for the external and internal audit functions, risk management and legislative compliance will attend meetings to advise and provide information, as required.
3. Other City officers shall attend as required to provide administrative and secretarial support.
4. Representatives of the OAG and the contracted external and internal auditor shall be invited to attend the meetings as appropriate but must attend the meetings where the draft annual financial report and results of the external audit are to be considered.

Meetings

1. The Committee shall meet on the third Thursday in March, May, July, September, and November and on any other occasion necessitating the consideration of any function of the Committee.
2. The Committee shall be held in person at 6:00pm to 7:00pm or at 7:30 to 8:30pm on a rotating basis with the other 3 Committees as determined in advance by the City for the calendar year.
~~The Committee shall be held between 5:00pm and 7:00pm and followed by dinner.~~
1.1 ~~The Committee may continue past 7:00pm, following an adjournment for dinner, if the business of the Committee is not finished, but not continuing beyond 9:00pm.~~
3. An Audit Committee Calendar will be produced as guidance for the matters to be included on each regular meeting agenda and will be arranged to coincide with legislative timeframes where necessary

Delegation

1. The ARC will be delegated the authority to meet with the appointed external auditor, as required by section 7.12A of the Act.

Reporting

1. The Committee shall ensure the preparation of meeting minutes to be forwarded to the next practicable ordinary Council Meeting for consideration by Council.
2. The accompanying officer report will include all specific recommendations and a summary of the items considered at the relevant Committee meeting.

15.3 Audit, Risk and Compliance Committee - Annual Calendar of Business**Author(s)** Emma Milne**Attachments** 1. ARC - Annual Calendar of Business [↓](#)**RECOMMENDATION**

That Council:

- (1) NOTES the Officer's report; and
- (2) ACCEPTS the proposed Meeting Outline for 2022.

Background

Following the disbanding of the former Audit and Strategic Finance Committee the Audit, Risk and Compliance (ARC) Committee was formally appointed by Council at the Ordinary Meeting of Council on 10 March 2022.

As this is a newly formed Committee, the Annual Calendar of Business is presented for review and agreement.

Submission

N/A

Report

In order to assist with effect planning and preparation for the operations of the Committee it is recommended the Committee adopt a calendar of activities.

An Annual Calendar of events has been attached.

The calendar is indicative, in that additional matters may be raised and also orders may amend to reflect priority areas or changes from external drivers.

Strategic Plans/Policy ImplicationsListening & Leading

A community focused, sustainable, accountable, and progressive organisation.

- Best practice Governance, partnerships and value for money.

Budget/Financial Implications

N/A

Legal Implications

Compliance with the Council functions under Part 6 of the *Local government act 1995* (the Act) in relation to the City`s financial management; Part 7 of the Act in relation to Audit requirements; Regulation 17 (3) and Regulation 14 of the *Local Government (Audit) regulations 1996* and Regulation 5 (2) (c) of the *Local Government (Financial Management) Regulations 1996*.

Community Consultation

N/A

Risk Management Implications

There is a “Low” level of “Brand / Reputation” and “Compliance” risk associated with the implementation of this item.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

Nil

AUDIT, RISK AND COMPLIANCE (ARC) COMMITTEE

Terms of Reference

1. External audit reporting on annual financial statements.
2. The examination of the annual financial audit report (Report) received and follow up of any matters raised in the Report and subsequent management letter, to ensure appropriate action is taken in respect of those matters.
3. Vetting and responding to Office of the Auditor General (OAG) Local Government performance audits, whether the City is directly involved or not.
4. Compliance with the Council functions under Part 6 of the *Local Government Act 1995* (the Act) in relation to the City's financial management.
5. Compliance with the Council functions under Part 7 of the Act in relation to Audit requirements.
6. An appropriate internal audit program endorsed by Council.
7. The review of the CEO's Report provided under:
 - a. Regulation 17 (3) of the *Local Government (Audit) Regulations 1996*; and
 - b. Regulation 5 (2) (c) of the *Local Government (Financial Management) Regulations 1996*.
8. Compliance with Regulation 17 of the *Local Government (Audit) Regulations 1996* in relation to:
 - a. Risk management; and
 - b. Internal control.
9. Legislative compliance - to review the appropriateness and effectiveness of the systems and procedures in relation to these matters on a triennial basis every three (3) financial years.
10. Effective communication between the external auditor, internal auditor, administration (management) and the Council.
11. Effective management of financial and other risks to the City through a comprehensive risk management framework.
12. The protection of City assets.
13. Review of the annual Compliance Audit Return required under Regulation 14 of the *Local Government (Audit) Regulations 1996*.

AUDIT, RISK AND COMPLIANCE (ARC) COMMITTEE

Annual Calendar of Business

March	May	July	September	November
Compliance Audit Return (Part 7)	Review new FY Internal Audit Schedule	Audit Plan for End of Financial Year (KPMG)	Review of organisational risks, OSH, Cyber, Harassment & Bullying	Review of Monetary and Non-Monetary Investments
Enterprise Risk Management Framework Review (Biennial 2023)	Review of systems and procedures for risk management; internal control; and legislative compliance (3 yearly program)	Audit Results Report – Annual Financial Audits of Local Government Entities (OAG)	Annual Calendar / Program (following year)	Annual Bad Debts Review and Write-offs
	Strategic Risk Report	Risk Review Register	Scheduled Internal Audit Review	Examination of an Annual Financial Audit Report
	Appointment of Independent Auditor		Operational Risk Report	Legal Proceedings between Council and Other Parties
Standing Items				
Audit Recommendations / Action Status Report				
Review of OAG focus area/performance audits Report				
Review of CCC Report				
Legislative Changes				

16. Corporate Affairs

Nil

17. Office of the CEO

Nil

18. Motions of Which Previous Notice Has Been Given

Nil

19. Notices Of Motion Given At The Meeting For Consideration At Next Meeting

20. New Business of an Urgent Nature Introduced by Members or Officers

21. Matters to be Noted for Investigation, Without Debate

Nil

22. Confidential Business

Nil

23. Closure of Meeting