

MINUTES

AUDIT COMMITTEE MEETING

11 MARCH 2014

MURCHISON REGIONAL VERMIN COUNCIL
Minutes for the Audit Committee Meeting
In Council Chambers, Lot 163 Hepburn Street, Mount Magnet
11 March 2014 commencing at 10:00am

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MURCHISON REGIONAL VERMIN COUNCIL
Minutes for the Ordinary Meeting of Council
In Council Chambers, Lot 163 Hepburn Street, Mount Magnet
11 March 2014 commencing at 10:00am

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The President opened the meeting at 10:10am.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Attendance

President	Cr Jason Homewood
Deputy President	Cr Neil Grinham
Member	Cr Carol Hodshon
Member	Cr Robert Grinham
Member	Cr Alan Bloore
Member	Cr Harvey Nichols
Member	Cr Joe O'Brien
Member	Cr Martin King
Member	Cr Roger Le Maitre

Chief Executive Officer	Mr Geoff Brooks
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Apologies

Member	Cr Peter Clancy
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3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME AND ADDRESS BY MEMBERS OF THE PUBLIC

5.1 Public Question Time

Nil

5.2 Address by Members of the Public

Nil

5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

6. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

Nil

7. CONFIRMATION OF COUNCIL MINUTES OF PREVIOUS MEETING

8.1 Minutes of the Audit Committee Meeting held on 3 May 2010
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OFFICER RECOMMENDATION

Moved: Cr Nichols

Seconded: Cr LeMaitre

That the minutes of the Audit Committee Meeting held on 3 May 2010 be confirmed as a true and correct record of proceedings.

CARRIED 9/0

8. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil

9. PETITIONS

Nil

10. DECLARATIONS OF INTEREST

Nil

11. BUSINESS DEFERRED FROM PREVIOUS MEETING

Nil

12. REPORTS

12.1 Compliance Audit Return - Calendar Year 2013

File:	MRVC
Officer:	Geoff Brooks – CEO
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	11 March 2014

Application

To endorse the Compliance Audit Return for the 2013 calendar year.

Background

The attached Compliance Audit Return has been completed as required under the Local Government (Audit) Regulations.

Comment

The Annual Compliance Return must be completed each year and following endorsement by the Audit Committee will be referred to Council.

Consultation

Nil

Statutory Environment

Local Government (Audit) – Regulations 14 and 15

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Nil

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

Moved: Cr O'Brien

Seconded: Cr King

That the Audit Committee endorses the Compliance Audit Return for the 2013 calendar year and refers it to Council for consideration.

CARRIED 9/0



Murchison Regional Vermin Council - Compliance Audit Return Regional Local Government 2013

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government and Communities together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments						
No	Reference	Question	Response	Comments	Respondent	
1	s3.59(2)(a)(b)(c) Functions & General Regulation 7,9	Has the local government prepared a business plan for each major trading undertaking in 2013.	N/A		Geoffrey Brooks	
2	s3.59(2)(a)(b)(c) Functions & General Regulation 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2013.	N/A		Geoffrey Brooks	
3	s3.59(2)(a)(b)(c) Functions & General Regulation 7,10	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 2013.	N/A		Geoffrey Brooks	
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2013.	N/A		Geoffrey Brooks	
5	s3.59(5)	Did the Council, during 2013, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Geoffrey Brooks	



Delegation of Power / Duty						
No	Reference	Question	Response	Comments	Respondent	
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	N/A	No delegations to Committees	Geoffrey Brooks	
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	N/A		Geoffrey Brooks	
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	N/A		Geoffrey Brooks	
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	N/A		Geoffrey Brooks	
5	s5.18	Has Council reviewed delegations to its committees in the 2012/2013 financial year.	N/A		Geoffrey Brooks	
6	s5.42(1),5.43 Administration Regulation 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Geoffrey Brooks	
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Geoffrey Brooks	
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Geoffrey Brooks	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	N/A	No delegations made. No employees.	Geoffrey Brooks	
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	N/A	No decisions made to revoke or ammend.	Geoffrey Brooks	
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Geoffrey Brooks	
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2012/2013 financial year.	Yes		Geoffrey Brooks	
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 as required.	Yes		Geoffrey Brooks	

Disclosure of Interest						
No	Reference	Question	Response	Comments	Respondent	
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Geoffrey Brooks	



No	Reference	Question	Response	Comments	Respondent
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	Yes		Geoffrey Brooks
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Geoffrey Brooks
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		Geoffrey Brooks
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Geoffrey Brooks
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2013.	Yes		Geoffrey Brooks
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2013.	Yes		Geoffrey Brooks
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Geoffrey Brooks
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Geoffrey Brooks
10	s5.88(1)(2) 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 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Geoffrey Brooks
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Geoffrey Brooks
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Geoffrey Brooks
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Geoffrey Brooks



No	Reference	Question	Response	Comments	Respondent
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	N/A	No interest in any matter.	Geoffrey Brooks
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	N/A		Geoffrey Brooks
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Geoffrey Brooks

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was any property that was not disposed of by public auction or tender, given local public notice prior to disposal (except where excluded by Section 3.58(5)).	N/A		Geoffrey Brooks
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.	N/A		Geoffrey Brooks

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		Geoffrey Brooks
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A	No delegations	Geoffrey Brooks
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Geoffrey Brooks
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		Geoffrey Brooks
5	S7.3, s7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Geoffrey Brooks



No	Reference	Question	Response	Comments	Respondent
6	s7.12A(3), (4)	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 by the local government, was that action undertaken.	N/A	No matters determined that required action	Geoffrey Brooks
7	s7.12A(3), (4)	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 by the local government, was a report prepared on any actions undertaken.	N/A		Geoffrey Brooks
8	s7.12A(3), (4)	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 by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A		Geoffrey Brooks
9	A Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Geoffrey Brooks
10	A Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Geoffrey Brooks
11	A Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Geoffrey Brooks
12	A Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Geoffrey Brooks
13	A Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Geoffrey Brooks
14	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2013 received by the local government within 30 days of completion of the audit.	Yes		Geoffrey Brooks
15	s7.9(1)	Was the Auditor's report for 2012/2013 received by the local government by 31 December 2013.	Yes		Geoffrey Brooks



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position was advertised.	N/A	The MRVC does not employ staff. The CEO Shire of Mount Magnet is the CEO MRVC.	Geoffrey Brooks
2	s5.36(4), 5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s5.36(4), s5.37(3) and Admin Reg 18A.	N/A		Geoffrey Brooks
3	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A		Geoffrey Brooks
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 of CEO under section 5.36 (4).	N/A		Geoffrey Brooks
5	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Geoffrey Brooks



Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	CEO is the complaints Officer	Geoffrey Brooks
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Geoffrey Brooks
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Geoffrey Brooks
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Geoffrey Brooks
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Geoffrey Brooks
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b)(c).	Yes		Geoffrey Brooks

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into 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 Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		Geoffrey Brooks
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	N/A	No multiple contracts entered into.	Geoffrey Brooks
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		Geoffrey Brooks
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14,15 & 16.	Yes		Geoffrey Brooks



No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes		Geoffrey Brooks
6	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		Geoffrey Brooks
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.	Yes		Geoffrey Brooks
8	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Geoffrey Brooks
9	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A	No expressions of interest sought.	Geoffrey Brooks
10	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		Geoffrey Brooks
11	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A		Geoffrey Brooks
12	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Geoffrey Brooks
13	F&G Reg 24E	Where the local government gave regional price preference in relation to a tender process, did the local government comply with requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	No regional preference policy.	Geoffrey Brooks
14	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes		Geoffrey Brooks
15	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		Geoffrey Brooks



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

Signed Mayor / President, Murchison Regional
Vermin Council

Signed CEO, Murchison Regional Vermin
Council

12.2 Appointment of Auditor

File:	MRVC
Officer:	Geoff Brooks – CEO
Amended by:	Nil
Disclosure of Interest:	Nil
Audit Committee Meeting Date:	11 March 2014

Application

To endorse the appointment of Anderson, Munroe and Wyllie as Council's auditor for a five year period commencing 2013/2014.

Background

Over the last four years the Shire and the MRVC have engaged Anderson, Munroe and Wyllie to audit their respective annual financial accounts. These audits have been carried out concurrently.

At the Ordinary Meeting on 7 February 2014 the Shire of Mount Magnet approved the re-appointment of auditors Anderson, Munroe and Wyllie for a five year period commencing 1 July 2013.

This appointment was on the basis of a competitive quote for the service and the productive working relationship developed over the last few years.

Recommended Auditor

Anderson Munroe and Wyllie have quoted a figure of between \$3,000 and \$6,000 excluding GST depending on grants and activity each year. This quote is for a five year period and is subject to annual CPI adjustment. This quote is considered reasonable as audit fee payments for the 2012/2013 financial year were \$4,500 excluding GST.

On the basis of the fee proposed, the quality of service provided over the last four years and the advantage of utilising the same auditor as the Shire it is recommended that the Audit Committee endorse the appointment of Anderson Munroe and Wyllie.

Consultation

Nil

Statutory Environment

Local Government (Audit) Regulations 1996
Local Government Act 1996 – Part 7

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Nil

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

Moved: Cr Hodshon

Seconded: Cr O'Brien

That the Audit Committee endorses the appointment of Anderson Munroe and Wyllie as the MRVC auditor for a period of five years commencing with the financial year 2013/2014 and refers the matter to Council for consideration.

CARRIED 9/0

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14. NOTICE OF MOTIONS FOR THE NEXT MEETING

Nil

15. CONFIDENTIAL BUSINESS

Nil

16. LATE AGENDA ITEMS

Nil

17. ELECTED MEMBER MATTERS

Nil

18. NEXT MEETING

TBA

19. CLOSURE OF MEETING

The meeting closed at 10:16am.