

Standing Committee (Audit and Risk)

Minutes

Monday 27 February 2023

BELMONT
CITY OF OPPORTUNITY



CITY OF BELMONT

Standing Committee (Audit and Risk)

Minutes

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Attachments Index

Attachment 11.2.1 – Item 11.2 refers

Confidential Attachments Index

Confidential Attachment 10.1.1 – Item 10.1 refers

Confidential Attachment 11.1.1 – Item 11.1 refers

Confidential Attachment 11.1.2 – Item 11.1 refers

Minutes from the Standing Committee (Audit and Risk) held in the Rivervale Room, 215 Wright Street, Cloverdale on Monday 27 February 2023 commencing at 6:30pm.

Minutes

Present

Cr J Davis (Presiding Member)	South Ward
Cr B Ryan (Proxy)	East Ward
Cr P Marks, Mayor (Ex Officio)	East Ward
Cr R Rossi	West Ward
Mr R Back	Independent Member

In attendance

Mr J Christie	Chief Executive Officer
Mr S Downing	Director Corporate and Governance
Ms S Jessop	Manager Finance
Mr D Trengove	Manager Work Health and Safety
Ms A Bird	Manager Governance, Strategy and Risk
Mrs J Cherry-Murphy	Senior Governance Officer
Ms M Phillips	Governance Officer

Observers

Cr N Carter	South Ward
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I Official Opening

6.30pm The Presiding Member welcomed all those in attendance and declared the meeting open.

The Presiding Member read aloud the Acknowledgement of Country.

Acknowledgement of Country

Before I begin, I would like to acknowledge the Whadjuk Noongar people as the Traditional Owners of this land and pay my respects to Elders past, present and emerging.

I further acknowledge their cultural heritage, beliefs, connection and relationship with this land which continues today.

2 Apologies and leave of absence

Cr M Bass (apology)

East Ward

3 Declarations of interest that might cause a conflict

3.1 Financial interests

Nil.

3.2 Disclosure of interest that may affect impartiality

Nil.

4 Announcements by the Presiding Member (without discussion)

4.1 Announcements

Nil.

4.2 Declarations by Members who have not given due consideration to all matters contained in the business papers presently before the meeting

Nil.

5 Confirmation of Minutes

5.1 Standing Committee (Audit and Risk) Meeting held 14 December 2022

Officer Recommendation

Rossi moved, Marks seconded

That the Minutes of the Standing Committee (Audit and Risk) held on 14 December 2022, as printed and circulated to all Councillors, be confirmed as a true and accurate record.

Carried Unanimously 5 votes to 0

6 Questions by Members on which due notice has been given (without discussion)

Nil.

7 New business of an urgent nature approved by the person presiding or by decision

Nil.

8 Questions by members without notice

Nil.

9 Business adjourned from a previous meeting

Nil.

10 Information items

10.1 Audit Logs - Office of the Auditor General and Other Audits

Attachment details

Attachment No and title	
1.	CONFIDENTIAL REDACTED - Audit Log - Office of the Auditor General and other Audits (Confidential Matter in accordance with the Local Government Act 1995 Section 5.23(2)(f)(ii)) [10.1.1 - 16 pages]

An Audit Log (refer Confidential Attachment 10.1.1) has been developed to capture and report on progress of all recommended actions from previous audit reports as requested by the Standing Committee (Audit and Risk).

The Audit Log will be included for information on all Standing Committee (Audit and Risk) Agendas. Questions from Committee Members are welcome.

Questions were asked and responded to as follows:

- The network security issue in 2021 is the same issue and this has now been resolved.
- Half of the open actions are on course for completion by the end of February/March 2023. Half require additional resourcing which will result in actions being closed off as soon as possible.

11 Items requiring recommendation to Council

11.1 Internal Audit Report

Attachment details

Attachment No and title	
1.	CONFIDENTIAL REDACTED - Internal Audit Report Procurement and Expenditure Cycle SCAR (Confidential matter in accordance with Local Government Act 1995 section 5.23(2)(h)) [11.1.1 - 5 pages]
2.	CONFIDENTIAL REDACTED - Internal Audit Report WHS Legislation Compliance SCAR (Confidential matter in accordance with Local Government Act 1995 section 5.23(2)(h)) [11.1.2 - 5 pages]

Voting Requirement	:	Simple Majority
Subject Index	:	19/006
Location/Property Index	:	N/A
Application Index	:	N/A
Disclosure of any Interest	:	N/A
Previous Items	:	N/A
Applicant	:	N/A
Owner	:	N/A
Responsible Division	:	Executive Services

Council role

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- Legislative** Includes adopting local laws, local planning schemes and policies.
- Review** When Council reviews decisions made by Officers.
- Quasi-Judicial** When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.

Purpose of report

To submit two completed internal audit reports to the Standing Committee (Audit and Risk). These audits have been completed in accordance with the Council approved 2022 - 2023 annual internal audit plan.

Summary and key issues

Summary internal audit report findings for the two audits follow. The consequence levels of not implementing mitigating controls are major / moderate.

Corporate and Governance Division – Procurement and Expenditure Cycle.

1. One officer could raise and approve purchase requisitions and receipt goods.
2. Checks to be performed by the Procurement Administrator prior to release of purchase orders were not detailed in Business Management System documentation.
3. Procurement systems automated reporting could be improved and reports checked.
4. Old manual purchase order books were not checked for improper use.

Executive Services Division – WHS Legislation Compliance.

1. Risk registers could be used to rate migration risks to comply with the new *Work Health and Safety Act 2020*, and the new ISO 45001 Occupational Health & Safety Management System Standard.
2. WHS documentation requires review to ensure consistency with the new act and standard.
3. Incident reporting and investigation could be further automated.

Location

Not applicable.

Consultation

Internal audit reports were reviewed by staff, managers, directors, and the CEO before being issued for action.

This ensures collective agreement on findings, recommendations, and management actions.

Strategic Community Plan implications

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont

Strategy: 5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community.

Policy implications

There are no policy implications associated with this report.

Statutory environment

Local Government Act 1995

7.1A. Audit committee

(1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.

Local Government (Audit) Regulations 1996

16. Functions of audit committee

An audit committee has the following functions —

- (a) to guide and assist the local government in carrying out —
 - (i) its functions under Part 6 of the Act; and
 - (ii) its functions relating to other audits and other matters related to financial management.
- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;
- (c) to review a report given to it by the CEO under regulation 17(3) (the **CEO's report**) and is to —
 - (i) report to the council the results of that review; and
 - (ii) give a copy of the CEO's report to the council.
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
 - (i) regulation 17(1); and
 - (ii) the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);

- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
- (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - (iv) has accepted should be taken following receipt of a report of a review conducted under the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);
- (g) to perform any other function conferred on the audit committee by these regulations or another written law.

[Regulation 16 inserted: Gazette 26 Jun 2018 p. 2386-7.]

17. CEO to review certain systems and procedures

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
- (2) The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.
- (3) The CEO is to report to the audit committee the results of that review.

[Regulation 17 inserted: Gazette 8 Feb 2013 p. 868;

amended: Gazette 26 Jun 2018 p. 2387.]

Local Government (Financial Management) Regulations 1996

5(2) CEO's duties as to financial management

- (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

Background

The internal audit function operates in accordance with Council approved Terms of Reference (TOR) and Council approved annual internal audit plans.

The TOR requires the Internal Auditor to be functionally accountable to the CEO and Council via the Standing Committee (Audit and Risk).

The TOR also requires final engagement audit reports be issued to the CEO and Council via the Standing Committee (Audit and Risk) as directed.

Officer comment

Corporate and Governance Division – Procurement and Expenditure Cycle.

(Confidential Attachment 11.1.1)

The internal audit objectives were to ensure procurement risks including fraud risk were controlled e.g. review authorisation controls, segregation of duties controls and control reports.

The conclusion is that segregation of duties controls could be improved, i.e. need separate officers to raise and approve requisitions.

Internal Audit findings and management responses were:

1. One officer could raise and approve purchase requisitions and receipt goods.
 - Management advised the Finance One system functionality which allowed one officer to raise and approve a purchase requisition was disabled on 3 January 2023. The system now requires two separate officers to raise and approve requisitions. The approving officer is limited by financial delegation.
 - System Procedure 16 – Procurement, to be updated to reflect requirements.
2. Checks to be performed by the Procurement Administrator prior to release of purchase orders were not detailed in Business Management System documentation.
 - Management advised System Procedure 16 – Procurement will be updated to include checks and training will also be utilised to enforce the checks
3. Procurement systems automated reporting could be improved and reports checked.
 - Management advised Purchase Orders not raised for invoices received – will investigate if report can be created for invoice payments without PO's.
 - Changes to purchase/requisition authorisation limits loaded onto Finance One - report exists and is run on a monthly basis. Will ensure report is reviewed and signed by the Systems Accountant monthly and the Finance Manager every quarter.

4. Old manual purchase order books were not checked for improper use.

- Management advised all manual purchase order books have been returned to Administration with the intention of them being destroyed.

The above findings, recommendations and management responses have been entered into Audit Logs for tabling at Standing Committee (Audit and Risk) meetings until closed out.

Executive Services Division – WHS Legislation Compliance.

(Confidential Attachment 11.1.2)

The internal audit objectives were to collaborate with the Manager WHS and agree forward plans ensure the City complies with the new *Work Health & Safety Act 2020*, *Work Health & Safety (General) Regulations 2022* and the new ISO 45001 Occupational Health & Safety Management System (OHSMS) requirements before their respective transitional deadlines.

The conclusion is the manager WHS has substantial plans in place to ensure compliance with the new act and standard.

Internal Audit findings and management responses were:

1. Risk registers could be used to rate migration risks to comply with the new *Work Health and Safety Act 2020*, and the new ISO 45001 Occupational Health & Safety Management System Standard.
 - Management advised risk registers will be completed.
2. WHS documentation requires review to ensure consistency with the new act and standard.
 - Management advised documentation will be reviewed.
3. Incident reporting and investigation could be further automated.
 - Management advised opportunities to gain efficiencies through systems automation will be assessed.

The above findings, recommendations and management responses have been entered into Audit Logs for tabling at Standing Committee (Audit and Risk) meetings until closed out.

Financial implications

There are no financial implications evident at this time.

Environmental implications

There are no environmental implications associated with this report.

Social implications

There are no social implications associated with this report.

Officer Recommendation

Marks moved, Rossi seconded

That the Standing Committee (Audit and Risk) accepts the two internal audit reports from the Internal Auditor (Confidential Attachments 11.1.1 and 11.1.2) and recommends that Council:

1. Receives the report (Confidential Attachment 11.1.1) titled “Internal Audit – Procurement and Expenditure Cycle”; and
2. Receives the report (Confidential Attachment 11.1.2) titled “Internal Audit – WHS Legislation Compliance”.
3. Notes the City of Belmont management comments in Confidential Attachments 11.1.1 and 11.1.2 and actions to be undertaken in response to the internal audit findings.

Carried Unanimously 5 votes to 0

11.2 Statutory Compliance Audit Return 2022

Attachment details

Attachment No and title	
1.	Compliance Audit Return 2022 Final [11.2.1 - 14 pages]

Voting Requirement	:	Simple Majority
Subject Index	:	39/005 Statutory Compliance Return
Location/Property Index	:	N/A
Application Index	:	N/A
Disclosure of any Interest	:	Nil
Previous Items	:	14 February 2022 SC(AR) Item 11.1 March 2022 Item 12.4 OCM - Item
Applicant	:	N/A
Owner	:	N/A
Responsible Division	:	Corporate and Governance

Council role

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- Legislative** Includes adopting local laws, local planning schemes and policies.
- Review** When Council reviews decisions made by Officers.
- Quasi-Judicial** When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.

Purpose of report

To provide Council with the outcomes of the Statutory CAR ("CAR") for the period 1 January 2022 to 31 December 2022 as provided for in Attachment 11.2.1.

Summary and key issues

It is a requirement of the *Local Government Act 1995* that all local governments carry out an audit of compliance in the prescribed manner and form approved by the Minister. The Department of Local Government, Sport and Cultural Industries (the Department) provided a set of questions via email in January 2023.

The 2022 audit questions focus on key areas of potential non-compliance as in previous years. The City of Belmont's 2022 compliance score is 99%. This is the same as in 2021.

Location

Not applicable.

Consultation

There has been no specific consultation undertaken in respect to this matter.

Strategic Community Plan implications

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont

Strategy: 5.6 Deliver effective, fair and transparent leadership and decision-making, reflective of community needs and aspirations.

Policy implications

There are no policy implications associated with this report.

Statutory environment

Regulation 14 of the *Local Government (Audit) Regulations 1996* requires that a compliance audit for the period 1 January to 31 December is completed each year in a form approved by the Minister. Regulation 14 also requires the Standing Committee (Audit and Risk) to review the CAR and present those results to Council. The CAR is then to be adopted by Council and recorded in the minutes.

Regulation 15 of the *Local Government (Audit) Regulations 1996* requires that after the adoption by Council of the CAR, a certified copy (signed by both the Mayor and Chief Executive Officer) of the return, together with a copy of the minutes of the meeting in which

the return was adopted and any additional information is required to be submitted to the Executive Director of the Department of Local Government, Sport and Cultural Industries by 31 March 2023.

Background

The compliance audit period is 1 January to 31 December 2022. Once the audit is completed the City is required to:

1. Present the CAR to the Standing Committee (Audit and Risk).
2. Present the CAR to Council.
3. Seek Council's endorsement of the completed CAR.
4. Return the endorsed and certified CAR, along with a copy of the Council Minutes, to the Department by 31 March 2023.

In completing the CAR, the Chief Executive Officer and other designated officers have undertaken:

- an audit of the City's activities, practices and procedures applicable to each section; and
- ensures the requirement is met that the return ensures that an independent, thorough and rigorous process is undertaken.

The audit questions for the 2022 period focused on key areas of potential non-compliance and areas affected by regulatory change.

The City's responses to the 2022 CAR questions are attached at Attachment 11.2.1. Once Council has resolved its satisfaction with the contents of the return, it can be jointly certified by the Mayor and Chief Executive Officer and submitted to the Department.

Results of the CAR are published on the My Council website by the Department.

Officer comment

Following receipt of the CAR questions from the Department by email in January 2023, the City's officers determined responses to questions in the CAR. To further substantiate responses, the City has opted to provide evidence through citation of items from the City's Council Meeting Minutes and documents registered in the Electronic Document Management System (ECM). Reference is also made to information contained in hard copy files, which includes original copies of Elected Member and designated officer Primary and Annual Returns.

When reading the questions shown in the CAR (refer Attachment 11.2.1) they should be read in conjunction with the relevant extract of the Local Government Act 1995 (the Act) and / or associated Regulations.

The 2022 Statutory CAR contains 94 questions. This is a decrease of four questions from the 2021 return. A summary of the compliance areas and the City's assessment is as follows:

Compliance Area (Total Questions for Area)	Full Compliance / Not Applicable	Non-Compliance
Commercial Enterprises by Local Government (5)	5	0
Delegation of Power / Duty (13)	13	0
Disclosure of Interest (21)	21	0
Disposal of Property (2)	2	0
Elections (3)	3	0
Finance (7)	7	0
Local Government Employees (5)	5	0
Official Conduct (4)	4	0
Tenders for Providing Goods and Services (22)	21	1
Integrated Planning and Reporting	3	0
Optional Questions (Pertaining to Financial Management and public information (9)	9	0
Total Questions (94)	93	1

The City's 2022 Compliance Score is 99%. The area of non-compliance is in relation to the application of the required time for tenders to be open for submissions. A miscalculation of time occurred in one tender due to a public holiday. This resulted in the tender being open for 13 days instead of the required 14 days in accordance with the regulations. This non-compliance was identified through an internal audit process.

In previous years, the CAR questions have been released online by the Department through the SmartHub portal in a set format. Once all questions have been responded to, a final copy is generated for printing and certification by the Mayor and CEO following Council adoption. The certified copy is then uploaded to SmartHub.

The Department is currently upgrading SmartHub and released the 2022 questions via email. In mid-February, a temporary portal was released by the Department to allow for the submission of the CAR.

The attached response format to the 2022 CAR is in the final form determined by the Department. Following consideration by the Standing Committee (Audit and Risk) and adoption by Council a hard copy will be certified by the Mayor and CEO for submission to the Department through the CAR portal.

Financial implications

There are no financial implications evident at this time.

Environmental implications

There are no environmental implications associated with this report.

Social implications

There are no social implications associated with this report.

Officer Recommendation

Rossi moved, Mr Back seconded

That the Standing Committee (Audit and Risk) recommend that Council:

1. Receive and adopt the 2022 Compliance Audit Return responses as provided in Attachment 11.2.1.
2. Authorise the Mayor and Chief Executive Officer to complete the Joint Certification of the 2022 Compliance Audit Return.
3. Direct the Chief Executive Officer to submit the certified 2022 Compliance Audit Return and a copy of the minutes relative to this report to the Department of Local Government, Sport and Cultural Industries by 31 March 2023 in accordance with the *Local Government (Audit) Regulations 1996*.

Carried Unanimously 5 votes to 0

Attachment 11.2.1 Compliance Audit Return 2022 Final

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



Belmont – Compliance Audit Return

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
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 2022?	N/A	
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 2022?	N/A	
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 2022?	N/A	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022?	N/A	
5	s3.59(5)	During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	No Delegations to committees
2	s5.16	Were all delegations to committees in writing?	N/A	No Delegations to committees
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	N/A	No Delegations to committees
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	No Delegations to committees
5	s5.18	Has council reviewed delegations to its committees in the 2021/2022 financial year?	Yes	OCM 28 June 2022 Item 12.5
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 Local Government Act 1995?	Yes	OCM 28 June 2022 Item 12.5

Attachment 11.2.1 Compliance Audit Return 2022 Final

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



7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	OCM 28 June 2022 Item 12.5
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	Refer ECM 11/005 & Delegation Register 2021/2022
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	Refer ECM Folder 11/005
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	22 Feb 2022 OCM Item 12.10
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	ECM 11/005
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2021/2022 financial year?	Yes	May 2022 & June OCM Item 12.5
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 Local Government (Administration) Regulations 1996, regulation 19?	Yes	ECM 11/005

Disclosure of Interest				
No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	N/A	No instances
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 the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	No instances
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	Yes	IF 1/2/22 Item 4.2 Cr Sekulla Impartiality; IF 8/2/22 Item 4.1 Cr Davis Impartiality; IF 8/3/22 Item 4.2 Cr Rossi Impartiality; Cr Marks Impartiality; Cr Davis Impartiality; Cr Carter Impartiality

Attachment 11.2.1 Compliance Audit Return 2022 Final

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



				<p>ABF 19/4/22 Item 12.2. Cr Rossi Impartiality; Cr Carter Impartiality; Cr Davis Impartiality OCM 26/4/22 Item 12.2 Cr Rossi Impartiality; Cr Carter Impartiality; Cr Davis Impartiality; Cr Marks Impartiality ABF 17/5/22 Item 12.1 Cr Sessions Impartiality OCM 24/5/22 Item 12.1 Cr Sessions Impartiality IF 11/7/22 Cr Sessions Impartiality IF 6/9/22 Item 4.1 Cr Sessions Impartiality IF 13/9/22 Cr Rossi Impartiality ABF 20/9/22 Item 12.2 Cr Sekulla Impartiality OCM 27/9/22 Item 12.2 Cr Sekulla Impartiality ABF 6/12/22 Item 13.2.1 Cr Carter Impartiality OCM 13/12/22 Item 13.2.1 Cr Carter Impartiality Item 14.1 Cr Rossi Impartiality</p> <p>For CEO and Staff Disclosures refer to response for Q15 for details.</p>
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	ECM Folder 163/001 Individual Files and Register maintained in Compliance Area
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022?	Yes	ECM Folder 163/001 Individual Files and Register maintained in Compliance Area

Attachment 11.2.1 Compliance Audit Return 2022 Final

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



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	Refer ECM Folder 163/001
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	Yes	ECM Folder 163/001 Individual Files and Register maintained in Compliance Area
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Yes	DSID 5044047 Refer City of Belmont Website Public notices and registers
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	Yes	All returns that have been removed are retained in accordance with the General Disposal Authority for Local Government. Electronic Versions are moved to ECM folder 163/002 Expired Disclosures
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 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	All returns that have been removed are retained in accordance with the General Disposal Authority for Local Government. (7yrs disposal) Electronic Versions are moved to ECM folder 163/002 Expired Disclosures
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	Yes	DSID 4937126 No disclosures exceeding threshold made.
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	DSID 4937126
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	Yes	Register is checked bimonthly with former employee records being removed and forwarded to Records for disposal
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	ECM Folder 163/004 Expired Gift and Hospitality Disclosures
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	Executive Committee 11/4/2022 Item 11.1 Chief Executive Officer (Mr John Christie) Impartiality; Manager People & Culture (Ms Clare Bridges) Impartiality

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			<p>Item 11.2 Manager People & Culture (Ms Clare Bridges) Impartiality; Chief Executive Officer (Mr John Christie) Financial Executive Committee 11/7/2022</p> <p>Item 11.1 Chief Executive Officer (Mr John Christie) Impartiality IF 1/2/2022</p> <p>Item 4.2 Chief Executive Officer (Mr John Christie) Impartiality; Director Development and Communities (Ms Juliette Gillan) Impartiality; Director Infrastructure Services (Ms Melanie Reid) Impartiality ABF 15/2/2022</p> <p>Item 12.9 Chief Executive Officer (Mr John Christie) Impartiality; Director Development and Communities (Ms Juliette Gillan) Impartiality; Director Infrastructure Services (Ms Melanie Reid) Impartiality OCM 22/2/22</p> <p>Item 12.9 Chief Executive Officer (Mr John Christie) Impartiality ABF 17/5/2022</p> <p>Item 14.1 Manager People and Culture (Ms Clare Bridges) Impartiality & Chief Executive Officer (Mr John Christie) Impartiality; Item 14.2 Chief Executive Officer (Mr John Christie) Financial OCM 24/5/22</p> <p>Item 14.1 Chief Executive Officer (Mr John Christie) Impartiality</p> <p>Item 14.2 Chief Executive Officer (Mr John Christie) Financial ABF 16/8/2022</p> <p>Item 11.1 Chief Executive Officer (Mr John Christie) Impartiality</p>
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				OCM 23/8/2022 Item 11.1 Chief Executive Officer (Mr John Christie) Impartiality
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 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 instances occurred.
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?	N/A	No instances occurred.
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	Yes	Adopted OCM 27/4/21 Item 12.5
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	Yes	Adopted OCM 27/4/21 Item 12.5
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	https://www.belmont.wa.gov.au/about-us/our-council/governance/code-of-conduct
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employee of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	https://www.belmont.wa.gov.au/about-us/our-council/governance/code-of-conduct

Disposal of Property				
No	Reference	Question	Response	Comments
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	N/A	No property disposed of that would fall under this section of the Act

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2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	N/A	No property disposed of that would fall under this section of the Act
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Elections				
No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	N/A	No elections
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A	No elections
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	N/A	No elections

Finance				
No	Reference	Question	Response	Comments

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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 Local Government Act 1995?	Yes	Special OCM 18/10/2021 Special SC(AR) 18/10/2021
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	N/A	No delegations to committees
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2022 received by the local government by 31 December 2022?	Yes	Signed audit report was received by the City from OAG on the 16/12/2022 following SC (AR) 14/12/2022 - consideration and resolution to recommend to Council in Annual Report Item 11.1.
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes	SC(AR) Item 11.1 actions plan considered and recommended to Council. For adoption at Special Council Meeting 8/2/23
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	For 2021/22 Audit: Action plan for significant audit finding was endorsed SC(AR) 14/12/2022 Item 11.1 TO BE ENDORSED BY COUNCIL FEB OCM. Letter to be sent following council resolution For 2020/2021 Audit: Audit finalisation delayed by OAG. Report received 3/2/2022. Considered SC(AR)14/2/22 Letter to Minister – SC(AR) March 2022 Endorsed by Council April OCM Item 14.1 Letter sent to Minister 9/5/2022 DSID 5305765/5490021 Acknowledgement dated 12/5/22 from Department received 23/5/2022 DSID 5314539
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	Yes	Published on website 9/5/2022

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7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit?	Yes	Audit report was received by the City on the 16/12/2022, following the audit committee on the 14/12/2022. Item for OCM February 2023.
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Local Government Employees				
No	Reference	Question	Response	Comments
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	N/A	No CEO vacancies advertised. City does not have senior employees as defined in LG Act
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	No CEO recruitment.
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	N/A	No CEO recruitment.
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	City does not have senior employees as defined in LG Act
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	City does not have senior employees as defined in LG Act

Official Conduct				
No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	Yes	Director Corporate and Governance is the City's Complaints Officer contained in Delegation Register as CEO direct delegation.
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	Yes	DSID 4773290 Refer to https://www.belmont.wa.gov.au/about-

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				us/our-council/public-notices-and-registers/public-registers
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	Yes	
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	Refer to https://www.belmont.wa.gov.au/about-us/our-council/public-notices-and-registers/public-registers

Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	Yes	See ECM folder 114/2022
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Yes	See tender register ECM Doc Set ID 5218125
4	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	

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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	Addenda uploaded to eTendering portal ECM Doc Set ID # 5330366, 5476561, 5476562
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	No	One tender (no. 01/2022) was closed in 13 days rather than 14 as per Reg 15 due to miscalculation relating to public holiday ECM Doc Set ID 5214690
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes	Tenders City of Belmont
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	
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	ECM Doc Set ID # 5269429, 5330379, 5436589
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	Successful letters: ECM Doc Set ID # 5257017, 5317002, 5436498 Unsuccessful letters: ECM Doc Set ID # 5257011, 5317522, 5317527, 5317530, 5317534, 5436495
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	Yes	ECM Doc Set ID # 5336094
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	
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	Yes	ECM Doc Set ID # 5379706, 5368985

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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 Local Government (Functions and General) Regulations 1996, Regulation 24?	Yes	ECM Doc Set ID # 5377870, 5377858
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 Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?	N/A	
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	
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 Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A	
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	N/A	

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Integrated Planning and Reporting				
No	Reference	Question	Response	Comments
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	28/06/2022 OCM 28/6/2022 Item 12.4
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	28/06/2022 OCM 28/6/22 Item 12.3
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	Yes	

Optional Questions				
No	Reference	Question	Response	Comments
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2022? If yes, please provide the date of council's resolution to accept the report.	Yes	28/06/2022 Reg 7 and Reg 15 audit was completed in May 2022 by Paxon Group. SC(AR) 30 May 2022 Item 11.1 OCM 28 June 2022 Item 12.6
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 Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2022? If yes, please provide date of council's resolution to accept the report.	Yes	28/06/2022 Reg 7 and Reg 15 audit was completed in May 2022 by Paxon Group SC(AR) 30 May 2022 Item 11.1 OCM 28 June 2022 Item 12.6
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt	N/A	No disclosures above threshold made. Discretionary disclosures below threshold contained information

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		of the gift? Did the disclosure include the information required by section 5.87C of the Act?		
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	OCM 24/5/2022 Item 12.7 Policies and Standards Page on Website
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	Yes	
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	OCM 24/5/2022 Item 12.7 Policies and Standards Page on Website
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022?	Yes	DSID 4773154
8	s6.4(3)	By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022?	Yes	Financial Statements were sent to OAG on 30/9/2022. OAG acknowledge receipt on this date in final audit transmittal letter 16/12/2022 ECM 5467356
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	All material, expenditure, revenue and income items were accounted for.

Chief Executive Officer

Date

Mayor/President

Date

12 Next Meeting

The next meeting of the Standing Committee (Audit and Risk) will be held on **24 July 2023** commencing at 6.30pm.

13 Closure

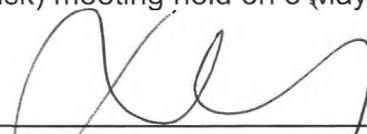
There being no further business, the Presiding Member thanked everyone for their attendance and closed the meeting at 6.38pm.

Minutes confirmation certification

The undersigned certifies that these Minutes of the Standing Committee (Audit and Risk) held on 27 February 2023 were confirmed as a true and accurate record at the Standing Committee (Audit and Risk) meeting held on 8 May 2023:

Signed by the Person Presiding: _____

PRINT name of the Person Presiding:


JENNY DAVIS