



## **MINUTES OF AUDIT AND RISK MANAGEMENT COMMITTEE MEETING**

---

Held on

Tuesday, 21 May 2024

Commenced at 5.00pm

Shire of Donnybrook Balingup Council Chamber, Donnybrook

---

A handwritten signature in black ink, appearing to read "Garry Hunt", is positioned above the printed name.

**Garry Hunt**  
**Chief Executive Officer** (Temporary)

**29 May 2024**

## TABLE OF CONTENTS

---

1	DECLARATION OF OPENING .....	3
2	ATTENDANCES.....	3
	2.1 APOLOGIES .....	3
	2.2 APPROVED LEAVE OF ABSENCE .....	3
3	ANNOUNCEMENTS FROM CHAIRPERSON.....	4
4	DECLARATIONS OF INTEREST .....	4
5	PUBLIC QUESTION TIME .....	4
	5.1 PREVIOUS QUESTIONS TAKEN ON NOTICE.....	4
	5.2 PUBLIC QUESTION TIME.....	4
6	CONFIRMATIONS OF MINUTES .....	6
	6.1 AUDIT AND RISK MANAGEMENT COMMITTEE MEETING – 13 MARCH 2024 .....	6
7	REPORTS OF OFFICERS .....	7
	7.1 REVIEW OF POLICY EXE/CP-6 ORGANISATIONAL RISK MANAGEMENT.....	7
	7.2 INTERNAL AUDIT UPDATE MAY 2023.....	11
	7.3 2024 AUDIT AND RISK MANAGEMENT COMMITTEE MEETING SCHEDULE.....	18
10	CLOSURES.....	22

**SHIRE OF DONNYBROOK BALINGUP**  
**MINUTES OF AUDIT AND RISK MANAGEMENT COMMITTEE**

**1 DECLARATION OF OPENING**

---

The Chairperson declared the meeting open at 5:02pm and welcomed the members of the Committee, and the public gallery.

**Chairperson – Acknowledgment of Country**

The Shire President acknowledged the continuing connection of Aboriginal people to Country, culture and community, including traditional custodians of this land, the Wardandi and Kaneang People of the Noongar Nation, paying respects to Elders, past and present.

**2 ATTENDANCES**

---

**MEMBERS PRESENT**

<b>MEMBERS</b>	<b>STAFF</b>
Vivienne MacCarthy, Shire President	Garry Hunt, Chief Executive Officer (Temporary)
John Bailey, Councillor	Tim Clynch, Acting Director Finance and Corporate
Ian Telfer, External Member	Belinda Richards, Manager Financial Services
Angelo Loguidice, External Member	Loren Clifford, Manager Corporate Services

**2.1 APOLOGIES**

---

Nil.

**2.2 APPROVED LEAVE OF ABSENCE**

---

Nil.

### **3 ANNOUNCEMENTS FROM CHAIRPERSON**

---

Nil.

### **4 DECLARATIONS OF INTEREST**

---

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Committee Members and staff to ensure that a financial/impartiality and proximity interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the *Act*.

Nil.

### **5 PUBLIC QUESTION TIME**

---

#### **5.1 PREVIOUS QUESTIONS TAKEN ON NOTICE**

---

Nil.

#### **5.2 PUBLIC QUESTION TIME**

---

Question: Shane Sercombe

*The Audit and Risk Committee has not resided over concerning staff turnover. Our workers compensation rate indicating significant avoidable harm to employees, mystery resignation of 5 Councillors, repeated large financial losses, erosion of assets and reserves, misleading statements on financial position, and no oversight of the troubles 12 million project. How do you rate the performance of the Audit and Risk Committee during the past 18 months.*

This question was taken on notice and will be answered at the next Audit and Risk Management Committee meeting.

Question: Shane Sercombe

*The Audit and Risk Committee was unable to oversee neither the internal or nor the external audit due to information being withheld and by being excluded from meetings with the auditors. With such an experience leadership why has the Audit Committee been so ineffective at its primary function of overseeing audits.*

This question was taken on notice and will be answered at the next Audit and Risk Management Committee meeting.

Question: Shane Sercombe

*When did the administration receive the internal audit from AMD and why has it taken so long to present the finding to the Audit Committee.*

This question was taken on notice and will be answered at the next Audit and Risk Management Committee meeting.

Question: Shane Sercombe

Are there any findings from the internal audit that can be implemented.

Response: Chief Executive Officer

There are issues which have been identified in all interim audit papers that I have seen that are being implemented.

Question: Shane Sercombe

*Will the Audit and Risk Committee review the Shire's asset and reserve position was miss represented for so long.*

Response: Chief Executive Officer

I don't believe I would concur with that statement. The Asset Management Plan has on each year been presented to the Council. The difference this year is the focus was on a report specifically brought to the Council identifying key issues and I am aware of a letter that I have seen in the last few days signed by a former President in the Preston Press identifying the issues of Asset Management.

Question: Shane Sercombe

*Will the Audit and Risk Committee review why 5 finance managers have left the organisation in 6 years?*

This question was taken on notice and will be answered at the next Audit and Risk Management Committee meeting.

Question: Shane Sercombe

*AMD are long term contractors for the Auditor General and are no longer the Shire's external auditor. When did they determine they had a conflict of interest with regarding the Shire's internal audit.*

Response: Chief Executive Officer

I don't believe that statement is correct. AMD were not the external Auditors, more recently they were the internal auditors. Prior to that, about 3 years ago they were external auditors to the Shire.

Question: Shane Sercombe

*What changed from them being long term contractors to the Auditor General to then having a conflict of interest.*

Response: Chief Executive Officer

I don't think your statement is right. The AMD, some years ago were external auditors to the Shire. Subsequently, they became the internal auditors. More recently, they applied to the Office of the Auditor General through a tendering process to again be appointed the external auditors. We were notified in recent months that they are the new external auditors.

---

## **6 CONFIRMATIONS OF MINUTES**

---

### **6.1 AUDIT AND RISK MANAGEMENT COMMITTEE MEETING – 13 MARCH 2024**

---

Minutes of the Audit and Risk Management Committee Meeting held 13 March 2024 are attached (Attachment 6.1(1)).

#### **EXECUTIVE RECOMMENDATION**

**That the Minutes of the Audit and Risk Management Committee Meeting held 13 March 2024 be confirmed as a true and correct record.**

#### **COMMITTEE RESOLUTION ARMC 3/24**

**MOVED: Mr Ian Telfer**

**SECONDED: Mr Angelo Loguidice**

**That the Minutes of the Audit and Risk Management Committee Meeting held 13 March 2024 be confirmed as a true and correct record.**

**CARRIED:4/0**

**For:** President MacCarthy, Cr Bailey, Mr Ian Telfer, Mr Angelo Loguidice

**Against:** Nil.

## 7 REPORTS OF OFFICERS

### 7.1 REVIEW OF POLICY EXE/CP-6 ORGANISATIONAL RISK MANAGEMENT

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Shire of Donnybrook Balingup
<b>File Reference</b>	CNL 31
<b>Author</b>	Tim Clynych – Acting Director Finance and Corporate
<b>Responsible Officer</b>	Dr Garry Hunt PSM – Chief Executive Officer (Temporary)
<b>Attachments</b>	7.1(1) – Draft (New) Policy EXE/CP- 6 Organisational Risk Management 7.1(2) – Existing Policy EXE/CP- 6 Organisational Risk Management 7.1(3) – Summary of Changes from Existing Policy to Draft New Policy EXE/CP- 6 Organisational Risk Management
<b>Voting Requirements</b>	Simple Majority

EXECUTIVE RECOMMENDATION
<p><b>That the Audit and Risk Management Committee:</b></p> <ol style="list-style-type: none"> <li><b>1. Recommends to Council the adoption of the new Policy EXE/CP-6 Organisational Risk Management, as shown in Attachment 7.1(1), to replace the existing policy of the same title; and</b></li> <li><b>2. Notes information contained in this report on the intent to review the remaining suite of risk management documents.</b></li> </ol>

### STRATEGIC ALIGNMENT

The following outcomes from the Council Plan relate to this proposal:

Outcome	12	A well respected, professionally organisation.
Objectives	12.1	Deliver effective and efficient operations and service provision.

### EXECUTIVE SUMMARY

A review of Council’s existing Policy EXE/CP-6 ‘Organisational Risk Management’ has been completed. Substantial changes to the policy are recommended. Refer Attachment 7.1(1) for a copy of the draft revised (new) policy, Attachment 7.1(2) for a copy of the existing policy and Attachment 7.1(3) for a summary of the changes from the existing policy to the draft new policy.

The draft new policy is presented to the Audit and Risk Committee for consideration and recommendation to Council.

## **BACKGROUND**

The objective of the draft policy is to ensure processes are in place to ensure effective management of risks that may impact the Shire from achieving its strategies, outcomes and objectives.

The policy is part of a suite of risk management documents that seek to create an environment where Council, management and staff accept direct responsibility and oversight of risk management, through development, implementation and improvement of effective risk management practices.

## **FINANCIAL IMPLICATIONS**

Nil.

## **POLICY COMPLIANCE**

EXE/CP-8-Policy Framework

## **STATUTORY COMPLIANCE**

Section 2.7(2)(b) of the *Local Government Act 1995* prescribes one of the roles of Council as being to determine the local government's policies.

Section 5.41(c) of the *Local Government Act 1995* prescribes that a function of the Chief Executive Officer is to cause Council's decisions to be implemented and this includes giving effect to Council's Policies.

## **CONSULTATION**

The internal review of Policy EXE/CP-6 'Organisational Risk Management' has had input from 3 staff with core responsibilities in organisational risk management.

## **OFFICER COMMENT**

The existing policy was adopted in August 2014 and was last modified in December 2021.

This review is proposing substantial amendments, with the proposed and as such a track changed version has not been provided. Changes from the current policy are summarised in Attachment 7.1(3).



A demonstrable commitment to sound risk management is one of the hallmarks of good governance and defensible integrity.

Risk is inherent in all of the organisation's services and activities. Inadequate attention to managing risks can result in unwanted exposure to the community, Council assets, and the environment in which the organisation operates.

To manage all the risks that the Shire is exposed to requires the development of a risk culture and supporting risk framework directed towards the effective management of risks and potential opportunities to ensure the interests of the community, staff, contractors, volunteers, services and assets are managed and developed through the application of appropriate risk management principles and practices.

The policy is part of a suite of risk management documents, the others being:

- Risk Framework
- Risk Register
- Triennial review of risk management, internal controls and legislative compliance [as per Regulation 17 of the *Local Government (Audit) Regulations 1996*].
- Triennial review of the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the *Local Government (Financial Management) Regulations 1996*

All the above documents are proposed for review in the next 6 months, as outlined below:

- Risk Framework – a draft Risk Framework was prepared in 2021/22 but wasn't finalised. This framework is proposed to be reviewed following completion of the review of the Organisational Risk Management Policy and in conjunction with a review of the Risk Register. This review is proposed to be undertaken internally with assistance from LGIS, specifically its risk services division. Upon completion of the review, a Risk Framework document will be presented to the Audit and Risk Management Committee for consideration and recommendation to Council.
- Risk Register – a Risk Register does exist but requires review. This review is proposed to be undertaken internally with assistance from LGIS, specifically its risk services division. Upon completion of the review, the Risk Register will be presented to the Audit and Risk Management Committee for consideration and recommendation to Council.
- Triennial review of risk management, internal controls and legislative compliance – this review is overdue. A consultancy scope is being developed after which a request for quote process will be undertaken.
- Triennial review of the appropriateness and effectiveness of the local government's financial management systems and procedures – this review is overdue. A consultancy scope is being developed after which a request for quote process will be undertaken.

**COMMITTEE RESOLUTION ARMC 4/24**

**MOVED: Cr Bailey**

**SECONDED: Mr Ian Telfer**

**That the Audit and Risk Management Committee:**

- 1. Recommends to Council the adoption of the new Policy EXE/CP-6 Organisational Risk Management, as shown in Attachment 7.1(1), to replace the existing policy of the same title; and**
- 2. Notes information contained in this report on the intent to review the remaining suite of risk management documents.**

**CARRIED:4/0**

**For:** President MacCarthy, Cr Bailey, Mr Ian Telfer, Mr Angelo Loguidice

**Against:** Nil.

**7.2 INTERNAL AUDIT UPDATE MAY 2023**

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Shire of Donnybrook Balingup
<b>File Reference</b>	CNL 31
<b>Author</b>	Loren Clifford - Manager Corporate Services
<b>Responsible Officer</b>	Tim Clynych – Acting Director Finance & Corporate
<b>Attachments</b>	7.2(1) Strategic Internal Audit Plan - Confidential 7.2(2) 2023 Internal Audit Report - Confidential 7.2(3) Internal Audit Findings Update - Confidential
<b>Voting Requirements</b>	Simple Majority

**EXECUTIVE RECOMMENDATION**

**That the Audit and Risk Management Committee:**

- 1. Notes the receipt of the Strategic Internal Audit Plan (Confidential Attachment 1), and the 2023 Internal Audit Report (Confidential Attachment 2) prepared by ADM Accountants; and**
- 2. Notes the Internal Audit Findings Update (Confidential Attachment 7.2(3)); and**
- 3. Notes that the Chief Executive Officer will issue the Request for Quote (RFQ) to seek a suitably qualified replacement for the provision of the remainder of the 2023-2026 Internal Audit areas listed below:**
  - 3.1. Annual Review of Strategic Internal Audit Plan,**
  - 3.2. Review of Prior Year recommendations – Internal Audit,**
  - 3.3. Review of Prior Year recommendations – External Audit,**
  - 3.4. Planning,**
  - 3.5. Information Technology,**
  - 3.6. Security and emergency procedures including accident / incident reporting,**
  - 3.7. Vehicle fleet management,**
  - 3.8. Lease management (where Local Government Lessor),**
  - 3.9. Service contract management,**
  - 3.10. FBT/GST review,**
  - 3.11. Assessment of attractive asset control,**
  - 3.12. Compliance (Local Government Act and local laws),**
  - 3.13. Asset management (capital expenditure, asset controls, depreciation schedules and preventative maintenance programs),**
  - 3.14. Insurance management,**
  - 3.15. Stock control,**

- 3.16. Policy and procedure maintenance,**
- 3.17. Risk Management, and**
- 3.18. Review and Reporting.**

**4. Notes that the Chief Executive Officer will provide quarterly updates on findings to the Audit and Risk Management Committee.**

## **STRATEGIC ALIGNMENT**

The following outcomes from the Council Plan relate to this proposal:

Outcome	12	A well respected, professionally organisation.
Objectives	12.1	Deliver effective and efficient operations and service provision.

## **EXECUTIVE SUMMARY**

It's requested that the Audit and Risk Management Committee (ARMC) notes the Strategic Internal Audit Plan (Attachment 7.2(1)), the 2023 Internal Audit Report (Attachment 7.2(2)) and the Internal Audit Findings Update provided by the administration (Attachment 7.2(3)), noting that the Chief Executive Officer will provide quarterly updates on findings to the Audit and Risk Management Committee.

The ARMC are also requested to note the Chief Executive Officer will issue a Request for Quote (RFQ) for the provision of the remainder of the Internal Audit areas listed below:

1. Annual Review of Strategic Internal Audit Plan,
2. Review of Prior Year recommendations – Internal Audit,
3. Review of Prior Year recommendations – External Audit,
4. Planning,
5. Information Technology,
6. Security and emergency procedures including accident / incident reporting,
7. Vehicle fleet management,
8. Lease management (where Local Government Lessor),
9. Service contract management,
10. FBT/GST review,
11. Assessment of attractive asset control,
12. Compliance (Local Government Act and local laws),
13. Asset management (capital expenditure, asset controls, depreciation schedules and preventative maintenance programs),
14. Insurance management,
15. Stock control,
16. Policy and procedure maintenance,
17. Risk Management, and
18. Review and Reporting.

## BACKGROUND

At its Ordinary Council meeting held 24 February 2021 Council resolved the following:

### *"COUNCIL RESOLUTION 16/21*

*That Council instruct the Chief Executive Officer to include for consideration in the 2021-2022 Shire of Donnybrook Balingup Draft Budget an amount of up to \$45,000 toward the establishment of an internal audit function."*

At its meeting held 7 December 2021 the Audit and Risk Management Committee made the following resolution:

### *COMMITTEE RESOLUTION*

*"That the Audit and Risk Management Committee notes that a Request for Expression of Interest for Internal Audit functions will be prepared by Officers to encompass the following requirements:*

- 1. To be undertaken in accordance with the Institute of Internal Auditors Code of Ethics;*
- 2. To be undertaken in accordance with the Internal Auditors Professional Practices Framework; and*
- 3. The broad scope of the Internal Audit program will include, at least, the following items with componentized costings:*
  - a. Information technology;*
  - b. Security and emergency procedures including accident / incident reporting;*
  - c. Vehicle fleet management;*
  - d. Lease management (where Local Government Lessor);*
  - e. Service contract management;*
  - f. FBT/GST review;*
  - g. Assessment of attractive asset control – i.e., phones, tablets and fraud awareness;*
  - h. Compliance (Local Government Act and local laws);*
  - i. Asset management (capital expenditure, asset control, depreciation schedules and preventative maintenance programs);*
  - j. Insurance management;*
  - k. Stock control; and*
  - l. Policy and procedure maintenance.*

*The Final Scope for the Internal Audit program will be reviewed at the Audit and Risk Management Committee and recommendations made to Council at the February 2022."*

At its Audit and Risk Management committee meeting held on 3 March 2022 the Audit and Risk Management Committee resolved the following:

**COMMITTEE RESOLUTION**

*“That the Audit and Risk Management Committee:*

- 1. Review the Internal Audit Proposal attached as a confidential document, and*
- 2. Recommends that Council accept the proposal for a 3 Year Internal Audit Function from AMD Chartered Accountants.”*

At its Ordinary Council meeting held 23 March 2022 Council resolved the following:

**COUNCIL RESOLUTION 30/22**

*“That Council accept the proposal 3 Year Internal Audit Proposal from AMD Chartered Accountants.”*

At its Audit and Risk Management committee meeting held on 8 March 2023 the Audit and Risk Management Committee resolved the following:

**COMMITTEE RESOLUTION**

*That the Audit and Risk Management Committee note the update provided within this report in relation to the Internal Audit status.”*

The Shire engaged AMD Accountants in 2023 to prepare an Internal Audit Proposal, towards the future development and implementation of a Strategic Internal Audit Plan. However, AMD Accountants have since withdrawn from the Internal Audit initiative after being awarded the tender by the OAG to conduct the Shire’s Annual Audit.

**FINANCIAL IMPLICATIONS**

Nil.

**POLICY COMPLIANCE**

Nil.

## STATUTORY COMPLIANCE

Nil.

## CONSULTATION

An internal review of the audit findings contained in Confidential Attachment 7.2(2) – 2023 Internal Audit Report were reviewed by key responsible officers, providing an Administration Update, and Status Update as detailed in Confidential Attachment 7.2(3).

## OFFICER COMMENT

The Shire engaged AMD Accountants in 2023 to prepare an Internal Audit Proposal, towards the future development and implementation of a Strategic Internal Audit Plan. However, AMD Accountants have since withdrawn from the Internal Audit initiative after being awarded the tender by the OAG to conduct the Shire’s Annual Audit.

The purpose of this report is to formally recognise the report (Attachment 7.2(2)) and the findings contained within. An Administration Update, and Status Update as detailed in Confidential Attachment 7.2(3) has been provided for review. Updates will be provided quarterly at subsequent ARMC meetings.

An Expression of Interest for the provision of the remainder of the Internal Audit services will be prepared and sent to qualified providers. The original schedule of auditable areas identified in Attachment proposal (listed below) will be carried out.

Auditable Areas	Year			
	2023	2024	2025	2026
Prepare Strategic Internal Audit Plan	✓			
Annual Review of Strategic Internal Audit Plan		✓	✓	✓
Review of Prior Year recommendations – Internal Audit		✓	✓	✓
Review of Prior Year recommendations – External Audit	✓	✓	✓	✓
Planning	✓	✓	✓	✓
Information Technology				✓
Security and emergency procedures including accident / incident reporting	✓			
Vehicle fleet management			✓	
Lease management (where Local Government Lessor)	✓	✓		
Service contract management		✓		
FBT/GST review			✓	
Assessment of attractive asset control				✓
Compliance (Local Government Act and local laws)		✓		

Asset management (capital expenditure, asset controls, depreciation schedules and preventative maintenance programs)				✓
Insurance management				✓
Stock control			✓	
Policy and procedure maintenance		✓		
Risk Management			✓	
Review and Reporting	✓	✓	✓	

**COMMITTEE RESOLUTION ARMC 5/24**

**MOVED: Mr IanTelfer**

**SECONDED: Mr Angelo Loguidice**

**That the Audit and Risk Management Committee:**

- 1. Notes the receipt of the Strategic Internal Audit Plan (Confidential Attachment 1), and the 2023 Internal Audit Report (Confidential Attachment 2) prepared by ADM Accountants; and**
- 2. Notes the Internal Audit Findings Update (Confidential Attachment 3); and**
- 3. Notes that the Chief Executive Officer will issue the Request for Quote (RFQ) to seek a suitably qualified replacement for the provision of the remainder of the 2023-2026 Internal Audit areas listed below:**
  - 3.1 Annual Review of Strategic Internal Audit Plan,**
  - 3.2 Review of Prior Year recommendations – Internal Audit,**
  - 3.3 Review of Prior Year recommendations – External Audit,**
  - 3.4 Planning,**
  - 3.5 Information Technology,**
  - 3.6 Security and emergency procedures including accident / incident reporting,**
  - 3.7 Vehicle fleet management,**
  - 3.8 Lease management (where Local Government Lessor),**
  - 3.9 Service contract management,**
  - 3.10 FBT/GST review,**
  - 3.11 Assessment of attractive asset control,**
  - 3.12 Compliance (Local Government Act and local laws),**
  - 3.13 Asset management (capital expenditure, asset controls, depreciation schedules and preventative maintenance programs),**
  - 3.14 Insurance management,**
  - 3.15 Stock control,**
  - 3.16 Policy and procedure maintenance,**
  - 3.17 Risk Management, and**
  - 3.18 Review and Reporting.**



**4. Notes that the Chief Executive Officer will provide quarterly updates on findings to the Audit and Risk Management Committee.**

**CARRIED:4/0**

**For:** President MacCarthy, Cr Bailey, Mr Ian Telfer, Mr Angelo Loguidice

**Against:** Nil.

### 7.3 2024 AUDIT AND RISK MANAGEMENT COMMITTEE MEETING SCHEDULE

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Shire of Donnybrook Balingup
<b>File Reference</b>	CNL 31
<b>Author</b>	Loren Clifford - Manager Corporate Services
<b>Responsible Officer</b>	Tim Clynych – Acting Director Finance & Corporate
<b>Attachments</b>	Nil.
<b>Voting Requirements</b>	Simple Majority

<b>EXECUTIVE RECOMMENDATION</b>	
<p><b>That the Audit and Risk Management Committee:</b></p> <p><b>1. Notes the proposed 2024 Audit and Risk Management Committee Meeting schedule as outlined below:</b></p> <p style="padding-left: 40px;"> <b>1.1. March 2024,</b>  <b>1.2. May 2024,</b>  <b>1.3. September / October 2024, and</b>  <b>1.4. December 2024 / January 2025.; and</b> </p> <p><b>2. Notes that the Chief Executive Officer will advertise the Audit &amp; Risk Management Committee meeting dates on the Shire’s website.</b></p>	

### STRATEGIC ALIGNMENT

The following outcomes from the Council Plan relate to this proposal:

Outcome	12	A well respected, professionally organisation.
Objectives	12.1	Deliver effective and efficient operations and service provision.

### EXECUTIVE SUMMARY

The Audit and Risk Management Committee are requested to note the Committee’s proposed 2024 meeting dates as outlined and requests the Chief Executive Officer to advertise the meeting schedule on the Shire’s website.

### BACKGROUND

In accordance with the terms of reference outlined for the Audit and Risk Management Committee “the Committee”, it is specified that the committee shall convene meetings at its discretion. Furthermore, the Committee Chairperson, or presiding individual, retains the authority to summon additional meetings as deemed necessary to address referred matters or pursue topics of interest to the Committee.

**FINANCIAL IMPLICATIONS**

Nil.

**POLICY COMPLIANCE**

Nil.

**STATUTORY COMPLIANCE**

Local Government Act 1995

While the *Local Government Act 1995* does not specify the exact frequency of meetings, the committee must meet often enough to fulfill its responsibilities effectively. The typical practice is for the Audit Committee to meet at least quarterly.

Local Government (Audit) Regulations 1996

The *Local Government (Audit) Regulations 1996* provide further guidance on the Committee's functions and responsibilities, which imply regular meetings to ensure oversight and compliance.

**CONSULTATION**

Nil.

**OFFICER COMMENT**

While the *Local Government Act 1995* and associated regulations do not mandate a specific number of Committee meetings per year, scheduling at least annual meetings is a minimum best practice. Annual meetings provide a structured opportunity to review financial statements, monitor internal controls and risk management, ensure compliance, and maintain public accountability. Regular, well-planned meetings are crucial for the effective governance and financial stewardship of the Shire.

Below is a table outlining the proposed meetings for the Audit and Risk Management Committee for 2024. The dates provided serve as a guideline and may be adjusted based on the auditors' responses.

<b>2024 Audit and Risk Management committee Meeting Schedule</b>	
<b>Month</b>	<b>Proposed Meeting Considerations</b>
March 2024	<ul style="list-style-type: none"> <li>• Endorse the Compliance Audit Return (CAR), and</li> <li>• Receive Internal Audit update.</li> </ul>
May 2024	<ul style="list-style-type: none"> <li>• Audit Entry meeting with Auditors, OAG, and all Councillors: Re: Annual Audit,</li> <li>• Risk Management Framework Update, and</li> </ul>

	<ul style="list-style-type: none"><li>• Receive Internal audit update.</li></ul>
September/October 2024	<ul style="list-style-type: none"><li>• Receive the Interim Audit Management Report (not OAG).</li></ul>
December 2024 /January 2025	<ul style="list-style-type: none"><li>• Receive Annual Financial statements and Annual Audit report, and</li><li>• Audit Exit meeting with Auditors, OAG, and all Councillors (Annual Audit).</li></ul>

**AMENDMENT:** Ian Telfer amended the following motion.

**COMMITTEE RESOLUTION ARMC**

**MOVED:** Mr IanTelfer

**SECONDED:** Mr Angelo Loguidice

**That the Audit and Risk Management Committee:**

- 2. All future Audit and Risk Management Committee Agendas will include Regular Updates on:**
  - a. The Shire’s Risk Register,**
  - b. Financial Management Review,**
  - c. Audit Regulation 17 Review, and**
  - d. Internal Audit.; and**

**CARRIED: 4/0**

**For:** President MacCarthy, Cr Bailey, Mr Ian Telfer, Mr Angelo Loguidice

**Against:** Nil.

**SUBSTANTIVE MOTION AS AMENDED:**

**COMMITTEE RESOLUTION ARMC 6/24**

**MOVED: Mr Ian Telfer**

**SECONDED: Mr Angelo Loguidice**

**That the Audit and Risk Management Committee:**

- 1. Notes the proposed 2024 Audit and Risk Management Committee Meeting schedule as outlined below:**
  - 1.1 March 2024,**
  - 1.2 May 2024,**
  - 1.3 September / October 2024, and**
  - 1.4 December 2024 / January 2025.; and**
- 2. All future Audit and Risk Management Committee Agendas will include Regular Updates on:**
  - a. The Shire's Risk Register,**
  - b. Financial Management Review,**
  - c. Audit Regulation 17 Review, and**
  - d. Internal Audit.; and**
- 3. Notes that the Chief Executive Officer will advertise the Audit & Risk Management Committee meeting dates on the Shire's website.**

**CARRIED: 4/0**

**For:** President MacCarthy, Cr Bailey, Mr Ian Telfer, Mr Angelo Loguidice

**Against:** Nil.

## **10 CLOSURES**

---

The Chairperson declared the meeting closed at 5:37pm.

## 10 CLOSURES

---

The Chairperson declared the meeting closed at 5:37pm.

These minutes were confirmed as a true and accurate record at the Ordinary Council meeting held 26 June 2024.



Vivienne MacCarthy  
**SHIRE PRESIDENT – DONNYBROOK BALINGUP SHIRE**