



MINUTES

Audit and Risk Committee Meeting

Held on **Wednesday 12th March 2025 at 5:00pm**

Shire of Brookton Council Chamber

14 White Street, Brookton

These minutes were confirmed by Audit and Risk Committee as a true and correct record of proceedings by the Ordinary Council Meeting held on / /

Presiding Member: **Date:**

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1.03.25 DECLARATION OF OPENING

The Presiding Member, Cr Crute, declared the Meeting open at 5:00pm.

On behalf of the Council, I would like to acknowledge that this meeting is being held on the traditional lands of the Nyoongar People, and pay respect to all Elders, past, present, and emerging. I wish to acknowledge and respect local people's continuing culture, and the contribution they make to Country, and its life.

Recording of proceedings

In accordance with Regulation 14I Local Government (Administration) Regulations this meeting is being recorded. Recordings will be available on the Shire's website.

By being present at this meeting, members of the public consent to the possibility that their voice will be recorded.

2.03.25 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Elected Members (Voting)

| | |
|-----------------|------------------|
| Cr KL Crute | President |
| Cr T D de Lange | Deputy President |
| Cr HA Bell | |
| Cr B Copping | |
| Cr L McCabe | |

External Committee Members (Voting)

Mr E Pech
Mr N Walker

Staff (Non-Voting)

| | |
|-----------------|---------------------------------|
| Gary Sherry | Chief Executive Officer |
| Deanne Sweeney | Manager Corporate and Community |
| Charlotte Cooke | Senior Finance Officer |
| Jennie Mason | Governance Officer |

Apologies

Cr R Wallis

Leave of Absence

Nil.

Visitors/Residents/Electors

Nil.

3.03.25 CONFIRMATION OF PREVIOUS MINUTES**ARC 03.25-01****COMMITTEE RESOLUTION****MOVED** Cr Bell**SECONDED** Cr de Lange

That the minutes of the Audit and Risk Committee meeting held in the Shire of Brookton Council Chambers, on 19th December 2024, be confirmed as a true and correct record of the proceedings.

CARRIED BY SIMPLE MAJORITY VOTE 7/0

For: Cr Crute, Cr de Lange, Cr Bell, Cr Copping, Cr McCabe, Mr Pech, Mr Walker

Against: Nil

4.03.25 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

5.03.25 PUBLIC QUESTION TIME

Nil.

6.03.25 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

7.03.25 DECLARATIONS BY MEMBERS AND OFFICERS

Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.

Financial, Proximity and Impartiality Interests

| Item no. | Members/Officers | Type of Interest | Nature of Interest |
|----------|------------------|------------------|--------------------|
| Nil. | | | |

8.03.25 PRESENTATIONS

Nil.

9.03.25.01 2024 COMPLIANCE AUDIT REPORT (CAR)

| | |
|---------------------------------|---|
| File No: | GOV-026 |
| Date of Meeting: | 12 March 2025 |
| Location/Address: | N/A |
| Name of Applicant: | N/A |
| Name of Owner: | Shire of Brookton |
| Author/s: | Deanne Sweeney – Manager Corporate and Community |
| Authorising Officer: | Gary Sherry – Chief Executive Officer |
| Declaration of Interest: | The author and authorising officer do not have an interest in this item |
| Voting Requirements: | Simple Majority |
| Previous Report: | Nil |

Summary of Item:

The Audit and Risk Committee are to consider the annual Shire of Brookton Compliance Audit Return for the period 1st January 2024 to 31st December 2024, with a recommendation being put forward to the Shire of Brookton Council for adoption.

Background:

The Compliance Audit Return (CAR) is a Department of Local Government, Sport, and Cultural Industries (DLGSCI) prepared check list of some of the statutory requirements for Local Governments were required to comply with in the twelve months to 31 December 2024.

Regulation 14 of the Local Government (Audit) Regulations requires that a local government's Audit Committee reviews the CAR and reports the results of that review to the Council prior to adoption by Council and submission to the DLGSCI.

The Statutory Compliance Audit Return is to be:

1. presented by staff to a meeting of the Audit & Risk Committee;
2. recommended for adoption by Council by decision of the Audit & Risk Committee;
3. presented to a meeting of Council;
4. adopted by the Council; and
5. the adoption recorded in the minutes of the meeting at which it is adopted.

After the Compliance Audit Return has been presented to Council, a certified copy of the return, along with the relevant section of the minutes and any additional information explaining or qualifying the compliance audit is to be submitted to the Executive Director, Department of Local Government, Sport, and Cultural Industries, by 31st March 2025.

The 2024 CAR focuses on the following areas of compliance:

1. Commercial Enterprises by Local Governments
2. Delegation of Power/Duty
3. Disclosure of Interest
4. Disposal of Property
5. Elections
6. Finance
7. Integrated Planning and Reporting
8. Local Government Employees
9. Official Conduct

10. Optional questions
11. Tenders for Providing Goods and Services

The Audit Committee is to consider the CAR 2024 and make recommendations to the 20 March 2024 Council Meeting. The draft Compliance Audit Return 2024 is included at Attachment 9.03.25.01A.

The Shire of Brookton 2024 CAR includes the following matters of non-compliance:

| No | Legislative Reference | Question | Answer | Response | Comment |
|-----------------------------|-------------------------|--|--------|---|--|
| Disposal of Property | | | | | |
| 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)? | No | Non-compliant under the Local Government Act 1995 Section 3.58 Disposing of property & Local Government (Functions & General) Regulations 1996 – Section 30 Disposition of Property disposal of PTR4 SV18513 Skid Steer | Discussed at the March 24 CBF with Elected Members and provided information to staff |
| 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? | No | No gifts were received. The Electoral Gift Register will be placed on the website | The Register will be placed on the website. |
| Optional Questions | | | | | |
| 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? | No | The Shire will develop a compliant policy | Council's current policy talks about expenses and other more operational items. This policy is required to encourage Elected Members to continue professional development as Councillors. The CEO will provide examples to a future CBF, prior to adoption by Council. |

Consultation:

Consultation has been undertaken with relevant officers in regard to compliance requirements being met, or not.

Statutory Environment:

The Council is obliged to complete and submit the Brookton Compliance Audit Return 2024 in accordance with the Local Government Act 1995 and the Local Government (Audit) Regulations 1996.

- Section 7.13(1)(i) of the Local Government Act, 1995 requires local governments to carry out, in the prescribed manner and in a form approved by the Minister an audit of compliance with statutory requirements prescribed in the Local Government (Audit) Regulations, 1996.
- Regulation 13 of the Local Government (Audit) Regulations, 1996 details the statutory requirements that must be addressed within the compliance audit.
- Regulation 14 of the Local Government (Audit) Regulations, 1996 specifies the requirement to undertake a compliance audit for the annual period 1 January to 31 December and the process by which the audit return is to be considered by Council.
- Regulation 15 of the Local Government (Audit) Regulations 1996 details the actions to be taken to certify the audit return and to submit the return by 31 March following the period to which the return relates.

Relevant Plans and Policy:

Nil at this time

Financial Implications:

There are no financial implications.

Risk Assessment:

There is a risk that Council will be in breach of its statutory obligations should it not complete and adopt the Brookton - Compliance Audit Return 2024. Accordingly, it has been assessed that the level of risk is high.

| Consequence Likelihood | Insignificant | Minor | Moderate | Major | Extreme |
|---------------------------|---------------|--------|----------|--------|---------|
| Almost Certain | Medium | High | High | Severe | Severe |
| Likely | Low | Medium | High | High | Severe |
| Possible | Low | Medium | Medium | High | High |
| Unlikely | Low | Low | Medium | Medium | High |
| Rare | Low | Low | Low | Low | Medium |

| Risk Rating | Action |
|-------------|---|
| LOW | Monitor for continuous improvement. |
| MEDIUM | Comply with risk reduction measures to keep risk as low as reasonably practical. |
| HIGH | Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable. |
| SEVERE | Unacceptable. Risk reduction measures must be implemented before proceeding. |

Community & Strategic Objectives:

This item relates to delivery of core business and services detailed in the Shire of Brookton

Comment:

In addition to the statutory compliance, the CAR is an internal control monitoring process and as such is a useful tool for reporting to the Audit & Risk Committee.

The areas of non-compliance are planned to be addressed by the Chief Executive Officer.

OFFICER'S RECOMMENDATION

The Audit and Risk Committee recommends that Council:

1. adopts the completed Local Government Compliance Audit Return for the period 1 January 2024 to 31 December 2024 and the President and Chief Executive Officer be authorised to sign the joint certification and return to the Director General of the Department of Local Government and Communities as required; and
2. notes the non-compliance matters and requests that the Chief Executive Officer ensure the areas of non-compliance are addressed.

(Simple majority vote required)

ARC 03.25-02

COMMITTEE RESOLUTION

MOVED Cr Copping

SECONDED Cr McCabe

The Audit and Risk Committee recommends that Council:

1. ***adopts the completed Local Government Compliance Audit Return for the period 1 January 2024 to 31 December 2024 and the President and Chief Executive Officer be authorised to sign the joint certification and return to the Director General of the Department of Local Government and Communities as required; and***
2. ***notes the non-compliance matters and requests that the Chief Executive Officer ensure the areas of non-compliance are addressed.***

CARRIED BY SIMPLE MAJORITY VOTE 7/0

For: Cr Crute, Cr de Lange, Cr Bell, Cr Copping, Cr McCabe, Mr Pech, Mr Walker

Against: Nil

Attachments

Attachment 9.03.25.01A –Compliance Audit Return 2024.



Department of
**Local Government, Sport
and Cultural Industries**

Brookton – 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 2024? | N/A | No major trading undertaken commenced in 2024 |
| 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 2024? | N/A | No major land transaction commenced in 2024 |
| 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 2024? | N/A | No major land transaction commenced in 2024 |
| 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 2024? | N/A | No major trading/land transaction undertaken commenced in 2024 |
| 5 | s3.59(5) | During 2024, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority? | N/A | No major trading undertaken commenced in 2024 |

| Delegation of Power/Duty | | | | |
|--------------------------|-----------------------------------|---|----------|--------------|
| No | Reference | Question | Response | Comments |
| 1 | s5.16 (1) | Were all delegations to committees resolved by absolute majority? | Yes | 20 June 2024 |
| 2 | s5.16 (2) | Were all delegations to committees in writing? | Yes | 20 June 2024 |
| 3 | s5.17 | Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995? | Yes | |
| 4 | s5.18 | Were all delegations to committees recorded in a register of delegations? | Yes | |
| 5 | s5.18 | Has council reviewed delegations to its committees in the 2023/2024 financial year? | Yes | 20 June 2024 |
| 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 | |

| Delegation of Power/Duty | | | | |
|--------------------------|---------------------------|---|----------|--------------|
| No | Reference | Question | Response | Comments |
| 7 | s5.42(1) | Were all delegations to the CEO resolved by an absolute majority? | Yes | 20 June 2024 |
| 8 | s5.42(2) | Were all delegations to the CEO in writing? | Yes | |
| 9 | s5.44(2) | Were all delegations by the CEO to any employee in writing? | Yes | |
| 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 | 20 June 2024 |
| 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 | |
| 12 | s5.46(2) | Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2023/2024 financial year? | Yes | |
| 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 | |

| 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? | Yes | |
| 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 decisions regarding participation made |
| 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 | |
| 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 | |
| 5 | s5.76 Admin Reg 23, Form 3 | Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2024? | Yes | |
| 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 | |

| Disclosure of Interest | | | | |
|------------------------|------------------------------------|---|----------|--|
| No | Reference | Question | Response | Comments |
| 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 | |
| 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 | |
| 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 | |
| 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 | |
| 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 | |
| 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 | |
| 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 | |
| 14 | s5.89A(7) | Have copies of all records removed from the register under section 5.89A(6) of the 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 | |
| 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 | |
| 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 permissions were sought or received from the Minister |

| Disclosure of Interest | | | | |
|------------------------|-----------------------|---|----------|--|
| No | Reference | Question | Response | Comments |
| 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 permissions were sought or received from the Minister |
| 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 candidates that incorporates the model code of conduct? | Yes | 15 April 2021 |
| 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? | No | |
| 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 | |
| 21 | s5.51A(1) & (3) | Has the CEO prepared and implemented a code of conduct to be observed by employees 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 | |

| 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)? | No | Non-compliant under the Local Government Act 1995 Section 3.58 Disposing of property & Local Government (Functions & General) Regulations 1996 –Section 30 Disposition of Property disposal of PTR4 SV18513 Skid Steer |
| 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), in the required local public notice for each disposal of property? | N/A | |

| 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? | Yes | Register maintained but no disclosure of gift forms received |
| 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 gift forms existed |
| 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? | No | No gifts were received The Electoral Gift Register will be placed on the website |

| Finance | | | | |
|---------|-----------|---|----------|---|
| No | Reference | Question | Response | Comments |
| 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 | Ordinary Council Meeting 19/09/2024 |
| 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 powers have been delegated to the Audit Committee |
| 3 | s7.9(1) | Was the auditor's report for the financial year ended 30 June 2024 received by the local government by 31 December 2024? | Yes | 9 December 2024 |
| 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? | N/A | No findings were raised in the auditor's report for the financial year ended 30 June 2024 |

| Finance | | | | |
|---------|-----------------------|---|----------|--|
| No | Reference | Question | Response | Comments |
| 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? | N/A | No significant matters were raised in the auditor's report for the financial year ended 30 June 2024 |
| 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? | N/A | No matters identified |
| 7 | Audit Reg 10(1) | Was the auditor's report for the financial year ending 30 June 2024 received by the local government within 30 days of completion of the audit? | Yes | |

| 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 vacancies were advertised |
| 2 | Admin Reg 18E | Was all information provided in applications for the position of CEO true and accurate? | N/A | No applications were received |
| 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 appointments were made |
| 4 | s5.37(2) | Did the CEO inform council of each proposal to employ or dismiss senior employee? | N/A | No appointments were made |
| 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 | No rejections of appointments were made |

| Official Conduct | | | | |
|-------------------------|------------------|---|-----------------|---|
| No | Reference | Question | Response | Comments |
| 1 | s5.120 | Has the local government designated an employee to be its complaints officer? | Yes | |
| 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 | The register is maintained but no complaints have been received |
| 3 | S5.121(2) | Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995? | Yes | The register is maintained but no complaints have been received |
| 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 | No complaints received |

| 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 | |
| 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 | |
| 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 | |

| Tenders for Providing Goods and Services | | | | |
|---|---------------------|--|-----------------|---|
| No | Reference | Question | Response | Comments |
| 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? | N/A | |
| 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? | Yes | |
| 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 | Tender register complies with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17, however is not published on the shire's website |
| 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 | |
| 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 | |
| 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? | N/A | |
| 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? | N/A | |
| 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? | N/A | |

| Tenders for Providing Goods and Services | | | | |
|--|---------------------------------|---|----------|----------|
| No | Reference | Question | Response | Comments |
| 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 | |

| 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 | 16/06/2022 |
| 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 | 15/11/2022 |
| 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 2024? If yes, please provide the date of council's resolution to accept the report. | Yes | 20/07/2023 |
| 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 2024? If yes, please provide date of council's resolution to accept the report. | Yes | 15/02/2024 |
| 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 of the gift? Did the disclosure include the information required by section 5.87C of the Act? | N/A | No disclosures were made |

| Optional Questions | | | | |
|--------------------|---------------------------|--|----------|---|
| No | Reference | Question | Response | Comments |
| 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 | |
| 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? | No | The Shire will develop a compliant policy |
| 7 | s5.127 | Did the local government prepare a report on the training completed by council members in the 2023/2024 financial year and publish it on the local government's official website by 31 July 2024? | Yes | |
| 8 | s6.4(3) | By 30 September 2024, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2024? | Yes | Balanced accounts and annual report submitted to auditor 27/09/2024 |
| 9 | s.6.2(3) | When adopting the annual budget, did the local government take into account all its expenditure, revenue and income? | Yes | |

Chief Executive Officer

Date

Mayor/President

Date

9.03.25.02 INTERNAL AUDIT OF THE CORPORATE CREDIT CARD SYSTEM

| | |
|---------------------------------|---|
| File No: | N/A |
| Date of Meeting: | 12 March 2025 |
| Location/Address: | N/A |
| Name of Applicant: | N/A |
| Name of Owner: | N/A |
| Author/s: | Deanne Sweeney – Manager Corporate and Community |
| Authorising Officer: | Gary Sherry – Chief Executive Officer |
| Declaration of Interest: | The author and authorising officer do not have an interest in this item |
| Voting Requirements: | Simple Majority |
| Previous Report: | N/A |

Summary of Report:

Council is requested to approve the Corporate Credit Card Review dated 16 December 2024, completed in accordance with Policy 2.18 Use of Corporate Credit Cards.

Background:

An internal audit of the Corporate Credit Card System has been included in Council Policy 2.18 Use of Corporate Credit Cards approved September 2022 and in accordance with the Terms and Reference of the Audit and Risk Committee. The internal audit has been completed with samples for the period 01 December 2023 to 30 November 2024.

In accordance with the above mentioned, this review was completed in December 2024.

A copy of the Internal audit findings is detailed in Attachment 9.03.25.02A.

Consultation:

Internal consultation has occurred between the Senior Finance Officer and Manager Corporate and Community.

Statutory Environment:

Local Government (Financial Management) Regulations 1996 – Regulations 5 (1)(2) & 11 (1)(a).

Relevant Plans and Policy:

Policy 2.18 Use of Corporate credit Cards.

Financial Implications:

There are no known financial implications relating to this report.

Risk Assessment:

Completion of the internal audit provides a disciplined approach to evaluate and improve Councils internal controls, including its corporate governance and accounting processes.

| Consequence Likelihood | Insignificant | Minor | Moderate | Major | Extreme |
|---------------------------|---------------|--------|----------|--------|---------|
| Almost Certain | Medium | High | High | Severe | Severe |
| Likely | Low | Medium | High | High | Severe |
| Possible | Low | Medium | Medium | High | High |
| Unlikely | Low | Low | Medium | Medium | High |
| Rare | Low | Low | Low | Low | Medium |

| Risk Rating | Action |
|-------------|---|
| LOW | Monitor for continuous improvement. |
| MEDIUM | Comply with risk reduction measures to keep risk as low as reasonably practical. |
| HIGH | Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable. |
| SEVERE | Unacceptable. Risk reduction measures must be implemented before proceeding. |

Community & Strategic Objectives:

The Corporate Credit Card Internal Audit relates to the Corporate Business Plan 2022/2032
18. Council Finances – Financial reporting improvement program.

Comment

There was one finding contained within the audit as detailed below:

| Corporate Credit Card | | | | Comment |
|-----------------------|----|-----|--|---|
| Yes | No | N/A | Description/ Guidelines | Explain "No" Answers |
| | No | | The cardholder's certification must be provided within 7 days of receipt and prior to the end of the credit cards settlement period. | 15 receipt samples identified during the audit did not comply - 45%. This is a decline in compliance. The findings have been reviewed and controls implemented and can be marked off as complete. |

These findings have been reviewed, controls implemented, and can be marked off as complete.

OFFICER'S RECOMMENDATION

That the Committee recommends that Council approves the Internal Audit of the Corporate Credit Card System conducted 16 December 2024 as presented in Attachment 9.03.25.02A.

(Simple majority vote required)

ARC 03.25-03

COMMITTEE RESOLUTION

MOVED Cr de Lange **SECONDED** Cr Bell

That the Committee recommends that Council approves the Internal Audit of the Corporate Credit Card System conducted 16 December 2024 as presented in Attachment 9.03.25.02A.

SIMPLE MAJORITY VOTE CARRIED 7/0

For: Cr Crute, Cr de Lange, Cr Bell, Cr Copping, Cr McCabe, Mr Pech, Mr Walker
Against: Nil



SHIRE OF BROOKTON

Annual Internal Audit as per policy 2.18 use of Corporate Credit Cards

The focus of this internal audit is to determine if the Shire of Brookton has effective controls over the use of corporate credit cards

Date completed - 16 December 2024

| Corporate Credit Card | | | | Comment |
|-----------------------|----|-----|--|----------------------|
| Yes | No | N/A | Description/Guidelines | Explain "No" Answers |
| Yes | | | Council's aim, is to review policies at least once per annum - although not a statutory requirement - Last Review Sept 2022. Policy manual to be reviewed | |
| Yes | | | Confirm credit card limits as per Policy 2.18 Use of Corporate Credit Cards and Delegation Register 1.45 Issue of Corporate Credit Cards. | |
| Yes | | | An Agreement (Annexure A) signed by all cardholders which sets out the cardholders responsibilities and legal obligations | |
| Yes | | | CESM only to utilise Corporate Credit Card for declared emergency requirements and for the purpose of fuel reimbursements | |
| Yes | | | The Shire of Brookton's Corporate Credit Cards are to be issued by its transactional banker | |
| Yes | | | The Shire's Corporate Credit Cards shall only be used for purchases of goods and services in the performance of official duties for which there is a budget provision | |
| Yes | | | A tax invoice should be provided to support the purchase along with completion of the Corporate Credit Card Authorisation Form. If no invoice or receipt is available, as much detail about the transaction should be recorded and used to support the payment, no later than 7 days after the transaction. (Date, Company, Address, ABN, amount, any GST included). | |

| | | | | |
|-----|----|----|---|--|
| | | NA | Where a payment is made for entertainment, it is important to note on the invoice/receipt the number of persons entertained and the names of any Shire of Brookton's employees in that number. | |
| Yes | | | Monthly statement of account of the corporate credit card will be forwarded to each cardholder for certification and for the supply of receipts and tax invoices to support the Shire's claim for the GST component of purchases and services obtained. | |
| Yes | | | Cardholders are to certify that the account details are correct. The Manager Corporate & Community, or in the case of the Manager Corporate & Community the Chief Executive Officer, will then review the expenditure before it is returned to Finance Department area for payment. | |
| Yes | | | New Card applications - Letter to be drawn up and authorised copies kept on record. | |
| | No | | The cardholder's certification must be provided within 7 days of receipt and prior to the end of the credit cards settlement period. | 15 receipt samples identified during the audit did not comply - 45%. This is a decline in compliance. The findings have been reviewed, controls implemented and can be marked off as complete. |
| | | NA | Cards that are lost or stolen must be reported immediately by the cardholder to the issuing banker by telephone. At the earliest opportunity, written notification must also be given to the Manager Corporate & Community. | |
| | | NA | Unauthorised expenditure or expenditure of a private nature that is proved to be inappropriate will be recovered by deductions from the officer's salary. | |
| Yes | | | Internal audits will be completed and provide a report on the control, use, viability and adherence to authorised policy and procedures to the Manager Corporate & Community. | |

| | | | | |
|-----|--|----|--|---|
| | | NA | Where the Corporate Cards carry rewards or bonus points, usually to encourage the use of the card by the issuing institution, these rewards or points will be accumulated in the name of the Shire of Brookton. The Shire's management (CEO) will decide how these points are to be utilised. Under no circumstances are rewards or bonus points to be redeemed for any officer's private benefit. | |
| Yes | | | CEO or other Officer cease to occupy a position that is authorised to be issued with a corporate credit card (either through internal transfer, retirement, resignation or conclusion of service contract) they must return the card to the MCC (or in the case of the MCC to the CEO) at least one week prior to vacating the position so that the card may be cancelled and the account settled. | |
| Yes | | | Maintaining a Card Register of all cardholders including the card number, expiry date of the credit card, credit limit and details of any limits on the goods and services the cardholder has authority to purchase. | G:\FINANCE\Bank\Signatories\Credit card register.xlsx |

General comments - MIW card not active since February 24. Increased usage of Credit cards. 24/25 11 statements reviewed with a total number of receipts being 33, compared with the same number of statements 23/24 but only 18 receipts in total.

CREATED BY: **Charlotte Cooke - Senior Finance Officer**
 Digitally signed by Charlotte Cooke
 - Senior Finance Officer
 Date: 2024.12.16 14:10:09 +08'00'
 DATE COMPLETED : 16/12/2024

AUTHORISED BY: **Deanne Sweeney**
 Digitally signed by Deanne Sweeney
 Date: 2024.12.16 17:37:38 +08'00'
 DATE CHECKED : 16/12/2024
Deanne Sweeney - Manager Corporate & Community

10.03.25 STATUS TABLE – REGULATION 17

The following table provides an understanding of governance matters identified through annual audits or required by legislation and an update on the progress of addressing relative compliance. The status is presented to satisfy the requirements of Regulation 17 of the Local Government (Audit) Regulations 1996.

Black – No changes from previous reports

Blue – Additions from last Audit & Risk Committee meeting

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|--------------------------|---|-------------|--|-------------|--------------------|-------------|
| 11 | 9-Jul-20 | Review of Workforce Plan | Forms part of the Integrated Planning and Reporting Framework that informs the annual budget - subject to review every two years. | Moderate | Draft Workforce Plan template compiled – progress to be performed in the coming months following full re-alignment of officer duties and transfer of a number of service delivery functions in-house (ie swimming pool management, cleaning, bushfire management). 12.07.2021 - commencement with Moore Australia for the suite of plans IPR. 22/12/22 - To be submitted as a project for the 2023/24 budget. 05/07/23 - Provision in 2023/24 Draft Budget | CEO | May-21 Dec-21 | 20% |
| 15 | 9-Jul-20 | Review of Local Laws | A review of the Shire of Brookton's Local Laws to be conducted. | Moderate | 12.07.2021 – Draft Meeting Procedures Local Law and revocation of Extractive Industry Local Law endorsed by Council in April 2021 – presently awaiting gazettal. 05/07/23 - Provision in 2023/24 Draft Budget | CEO | Ongoing | 20% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|--|--|-------------|---|-------------|--------------------|-------------|
| 4.2.1 | Apr-23 | Key Security and Access to CRC Building | Keys maintained at the Administration Office be stored in the locked key cabinet to ensure access is restricted to authorised personnel; Staff be required to complete the key sign out book when utilising Council keys; and Staff who require access to the CRC building be provided with their own unique alarm code. | Medium | Procedures have been amended to approve the Administration Records Officer (ARO) as the authorised personnel for the key cabinets. Cabinets are locked at all times and access is required through the ARO. The ARO is responsible for the signing out of keys. A Security System Code register is currently being implemented at the CRC. This will ensure all employees are provided with an individual PIN for access to the CRC building and will form part of the Engagement Checklist. 05/07/23 - New security system installed at CRC with individual PIN's. | MCC | Jun-23 | 100% |
| 4.2.2 | Apr-23 | Disaster Recovery Plan and Disposal of IT Equipment Policy | Review and test the Disaster Recovery Plan on a regular basis to identify any deficiencies and update the plan accordingly; and Implement a disposal of IT equipment policy, communicating the policy to staff and ensuring ongoing monitoring of compliance with the policy. | Medium | The Disaster Recovery Plan will be reviewed at the earliest convenience. A quote has been requested from our IT provider to assist with the annual review and expected to be undertaken in the 2023/24 financial year. Implementation of a Disposal of IT Equipment Policy is currently underway and will be presented to Council by December 2023. 04/01/24 Disposal of IT Equipment Policy adopted by council October 23. 09/12/24 No further progress. 27/02/25 No further progress to be completed 2025/26. | MCC | Dec-23 | 50% |
| 5.2.1 | Apr-23 | Monthly Reconciliations | Reconciliations are a key control and should be reviewed by someone independent of the reconciliation function on at least a monthly basis. Furthermore, we recommend there be evidence to indicate independent review of monthly financial statements. | Low | The End of Month Procedures have been reviewed and updated to ensure dual signage on all documents. Whilst the individual documents were not dual signed the End of Month Checklist is reviewed and signed off by the Senior Finance Officer and Manager Corporate & Community. The End of Month checklist has been amended to include the independent review of the Monthly Financial Statements and dual signing by the Senior Finance Officer and Manager Corporate & Community. | MCC | Apr-23 | 100% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|---|--|-------------|--|-------------|--------------------|-------------|
| 6.2.1 | Apr-23 | Tender Management | We recommend all documentation during the tender process be retained and available for review. | Medium | A Tender Checklist is to be implemented and communicated to appropriate staff to ensure compliance. 04/01/24 implemented and provided to appropriate staff. | MCC | Dec-23 | 100% |
| 7.2.1 | Apr-23 | Human Resources Policies and Procedures | Staff recruitment, staff performance reviews & training and development policies and procedures be prepared, approved, implemented through appropriate communication to employees and regularly monitored; and the code of conduct be reviewed in accordance with stated review date and updated if required | Medium | <p>The Shire does not have a policy or procedure for staff recruitment, staff performance reviews, and training and development. In addition, the code of conduct was not reviewed in accordance with the stated review date of June 2022. Staff will review existing HR policies and document required procedures by 30 September 2023. The CEO will review the Employees Code of Conduct by 30 June 2023.</p> <p>5/7/2023 HR Policies will be reviewed and included in a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections.</p> <p>5/7/2023 The CEO will review the Shire of Brookton Employees Code of Conduct by 30 July 2023.</p> <p>18/1/2024 The CEO will review the Shire of Brookton Employee's Code of Conduct by 30 June 2024. 26/08/24 Recruitment Policy drafted and under review. Staff performance review policy drafted & under review. Training Policy in existence 2.39. Code of conduct under review as part of policy manual.</p> | CEO | February-24 Jun-24 | 20% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|--------------------------|---|-------------|---|-------------|--------------------|-------------|
| 7.2.2 | Apr-23 | Leave Testing Exceptions | Leave forms be retained for all leave taken by employees and all leave forms specify the hours of leave taken; Leave forms be updated to include the number of hours of leave taken; and Long service leave owing from other Local Government Councils be recorded in Synergy to ensure adequate records are maintained relating to accurate leave provision balances as any point in time. | Low | Leave forms have been amended to include hours taken. A Fortnightly Payroll Checklist is currently being implemented to ensure all leave forms retained for leave taken. LSL is not currently detailed in SynergySoft, a manual spreadsheet is kept and reviewed annually which provides details of liability owed to other council's and owed by other council's providing a net balance reported in our Annuals. 12/12/23 LSL Liabilities are now accounted for in our accounting software. | MCC | Oct-23 | 100% |
| 7.2.3 | Apr-23 | Fuel Reconciliation | Fuel held in service tanks be included in the fuel reconciliation each month; and The Shire introduce a monthly tolerance variance for fuel and investigate variances above the tolerance each month. | Low | Fuel held in the service tank is currently included in the monthly reconciliation. We will develop a policy for a fuel tolerance of 50 Litres per month and implement as soon as resource are available, all associated documents amended to reflect the level. The Infrastructure Department will be responsible to investigate any discrepancies and communicate this to the appropriate staff. 26/08/24 In progress. 27/02/25 Policy 4.14 Monthly Fuel Measurement and Variances adopted 19 December 2024. | MIW | Dec-23 | 100% |
| 7.2.4 | Apr-23 | Termination checklist | We recommend a formal termination checklist be developed which is required to be completed upon termination and signed off once completed. | Low | The finding relates to a termination prior to the implementation of the Termination Checklist in June 2022. Council has been progressing with a range of improvements to address issues, the Termination Checklist has been amended to be prepared by the Payroll Officer and reviewed by the Manager Corporate & Community. | MCC | Apr-23 | 100% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|--|---|-------------|--|-------------|--------------------|-------------|
| 7.2.5 | Apr-23 | Payroll Testing Exceptions | The monthly payroll reconciliation include a reconciliation to the payroll YTD report; authorised superannuation deduction forms be retained for all employees; and all payrun reports be signed by the preparer. | Low | A fortnightly Payroll Reconciliation has been implemented to include reconciliation of payroll YTD. The Engagement Checklist has been amended to include the Senior Finance Officer to dual sign new employee details into the SynergySoft System. Procedures have been amended to ensure all changes to the Payroll accounting system are dual signed by the Finance Officer - Payroll and Manager Corporate & Community. | MCC | Apr-23 | 100% |
| 8.2.1 | Apr-23 | Fraud Management Policy | We recommend the Shire develop and implement a Fraud Management Policy and Framework. This Framework would provide a system of detection and prevention of fraud, reporting of any fraud or suspected fraud and appropriate dealing of issues relating to fraud. Once documented, this Framework should be implemented and appropriately communicated to staff. | Medium | The Shire does not have a policy or framework for Fraud management. This will be implemented at the earliest time subject to resources being available. Once adopted it will be communicated to the appropriate staff. 26/08/24 Policy drafted & under review. 09/12/2024 No further progress. 27/02/25 No progress. | MCC | Dec-23 | 20% |
| 8.2.2 | Apr-23 | Compliance Audit Return Lodgement Date | We recommend in accordance with Regulation 15(1) of the Local Government (Audit) Regulations 1996, the compliance audit return be submitted to the Departmental CEO by 31 March each year. We noted the 2022 compliance audit return was lodged by 31 March 2023. | Low | High staff turnover in the 2021/22 financial year has adversely impacted the timelines for the Shire of Brookton. New procedures have been put into place to ensure all future key reporting dates are met ensuring compliance requirements with Regulation 15 (1) of the Local Government (Audit) Regulations 1996. | CEO | Apr-23 | 100% |
| 8.2.3 | Apr-23 | Risk Management Framework and Risk Management Policy | We recommend the Shire review and update the Risk Management Framework incorporating all risk related policies to reflect the updated standard. | Low | The Risk Management Framework and Policy will be reviewed as soon as practical and presented at the next available Audit & Risk Committee and Ordinary Council Meeting for endorsement. 12/12/23 | MCC | Dec-23 | 100% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|---|---|-------------|--|-------------|--------------------|-------------|
| | | | | | Presented at the 13 July 2023 Audit & Risk Committee Meeting and 20 July 2023 OCM. | | | |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Risk Management Framework - policy refers to the former AS/NZS 3100:2009 Risk Management - Principles and Guidelines on page 3 | Moderate | Amendment presented at the 07 February 2024 Audit & Risk Committee Meeting and 14 February 2024 Ordinary Council Meeting. | MCC | Dec-24 | 100% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Public Interest Disclosure (PID) Procedure - procedure does not currently allow for internal or external parties to report concerns anonymously. In addition, the procedure states the person holding the position of Deputy Chief Executive Officer (DCEO) is the designated PID officer, however the Shire of Brookton DCEO position is currently vacant. | Moderate | PID Policy/procedure will be reviewed as part of a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. | CEO | Jun-24 | 20% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Occupational Safety and Health Policy - was due for review in June 2023. The policy also contains an old ref to AS/NZS 4801. | Moderate | Occupational Safety and Health Policy will be reviewed as HR Policies will be in a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. 26/08/24 Policy reviewed & updated. | CEO | Jun-24 | 20% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Local Recovery Plan - plan requires updating, contacts in the Plan have not been updated and an outdated reference to AS/NZS Standard 4360:1999 Risk Management is quoted in the policy. | Moderate | Local Recovery Plan updated by Council at December 2023 OCM. | CEO | Dec-24 | 100% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Shire of Brookton Bushfire Risk Management Plan 2021 - 2026 - refers to outdated AS/NZ ISO 31000:2009 Risk Management-Principles and Guidelines. | Moderate | The Shire of Brookton Bushfire Risk Management Plan 2021 - 2026 is expected to be reviewed in 2026 | CEO | Dec-26 | 0% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | An audit of the Safety Plan has not been conducted - Safety Management System | Moderate | The Safety Management System is scheduled to be reviewed at the new Administration Toolbox Meeting to be held on 13th February 2024 | CEO | Dec-24 | 0% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|---|--|-------------|---|-------------|--------------------|-------------|
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Employee Code of Conduct dated June 2021 does not have a next scheduled review date noted. | Moderate | The CEO will review the Shire of Brookton Employees Code of Conduct by 30 June 2024. 26/08/24 Code of conduct under review as part of policy manual. | CEO | Dec-24 | 20% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Use of Corporate Credit Cards - unclear if fuel cards are included in the policy. | Moderate | 28/02/2025 Fuel Card Policy created & under review. To be presented at the April CBF | MCC | Dec-24 | 40% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | No policies or procedures are in place in respect to Fraud Management, Events Management, Specimen signature for officers with delegate authority and Community surveys. | Moderate | 26/08/24 Fraud Management Policy created & under review. 09/12/2024 No further progress. 28/02/25 No Progress. | CEO/MCC | Dec-24 | 20% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Policies are potentially out of date and may require review - Procurement Policy, Use of Corporate Credit Cards, Social Media Policy and IT Security and Use Policy. | Moderate | These policies will be reviewed as part of a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. 26/08/24 Policy manual under review & changes to policy format. 09/12/2024 No further progress. 28/02/25 No Progress. | CEO/MCC | Dec-24 | 20% |
| 2.2.2 | Dec-23 | Business Continuity Plan | The Shire of Brookton's Business Continuity Plan (Plan) identified the Plan is dated October 2019 and has not been reviewed since this date. Furthermore the Plan contains outdated contacts and the Plan has not been tested. | Moderate | PID Policy/procedure will be reviewed as part of a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. 09/12/2024 No progress. 28/02/25 No progress. | MCC | Dec-24 | 0% |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The tender register has not been published on the website | Moderate | 09/12/2024 No progress. 28/02/25 No Progress. | MCC/CEO | Dec-24 | 0% |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The Shire does not have a contract management framework outlining the consistent approach to be undertaken for all Shire contracts. | Moderate | 09/12/2024 No progress. 28/02/25 No Progress. | CEO/GO | Dec-24 | 0% |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The lease register did not record insurance details of lessees. | Moderate | 09/12/2024 No progress. 28/02/25 No Progress. | MCC | Dec-24 | 0% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|--------|----------------|--------------------------|--|-------------|--|-------------|--------------------|-------------|
| 4.2.1 | Dec-23 | Audit and Risk Committee | For the period under review, risk reports had not presented to the Audit and Risk Committee. | Moderate | Procedures have been reviewed and updated to ensure risk reports completed are presented to the Audit and Risk Committee annually. | MCC | Dec-23 | 100% |
| 4.2.2 | Dec-23 | Internal Audit | The Shire does not currently have a formal documented internal audit program in place. | Low | 26/08/24 Policy 2.42 in existence. Will be reviewed as part of the Policy manual review. 09/12/2024 No further progress. 28/02/25 No Progress. | MCC | Dec-24 | 80% |

11.03.25 COMMUNITY FUNDING AND DONATIONS POLICY

The following table provides a report of the funding allocation provided under 2.33 Community Funding and Donations Policy for the period **31/10/2024** to **31/01/2025** to satisfy the requirements of 2. Application and Approvals Process - i) The Chief Executive Officer is to submit quarterly reports to the Audit and Risk Committee detailing all Matched Funding Grants and Community Donations that have been made since the previous quarter of the policy.

Black – No changes from previous reports

Blue – Additions from last Audit & Risk Committee meeting

| OCM | Application | Grant Funding Approved |
|-----|-------------|------------------------|
| | | Nil |

12.03.25 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil.

ARC 03.25-04**COMMITTEE RESOLUTION**

MOVED Cr de Lange **SECONDED** Mr Pech

That the meeting be closed at 5:25pm to discuss confidential items.

SIMPLE MAJORITY VOTE CARRIED 7/0

For: Cr Crute, Cr de Lange, Cr Bell, Cr Copping, Cr McCabe, Mr Pech, Mr Walker
Against: Nil

13.03.25 CONFIDENTIAL ITEMS FOR DISCUSSION**13.03.25.01 SHIRE OF BROOKTON RISK REGISTER**

The latest version of the Register is included below for Members to review at Confidential Attachment 14.03.25.01A.

ARC 03.25-05**COMMITTEE RESOLUTION**

MOVED Cr Bell **SECONDED** Cr de Lange

That the meeting be opened at 5:35pm.

SIMPLE MAJORITY VOTE CARRIED 7/0

For: Cr Crute, Cr de Lange, Cr Bell, Cr Copping, Cr McCabe, Mr Pech, Mr Walker
Against: Nil

14.03.25 CLOSURE OF MEETING

With no further business, the Presiding Member declared the meeting closed at 5:40pm.