



**SHIRE OF LAVERTON**

**AUDIT AND RISK COMMITTEE MEETING**

**MINUTES**

**held on Thursday 25 March 2021,  
commencing at 4:30pm**

## MINUTES

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## **MINUTES FOR AUDIT AND RISK COMMITTEE MEETING HELD ON THURSDAY 25 MARCH 2021 AT 4:30PM**

### **1. DECLARATION OF OPENING**

The Presiding Member, Cr Patrick Hill, declared the Committee Meeting open at 4:30pm.

### **2. RECORD OF ATTENDANCE**

#### **2.1 PRESENT**

Cr P Hill	Member
Cr R Ryles	Member
Cr R Prentice	Member
Cr R Weldon	Member

Mr P Naylor	Chief Executive Officer
Mr P Marshall	Deputy Chief Executive Officer

#### **2.2 APOLOGIES**

Cr S Weldon	Member
Cr G Buckmaster	Member
Cr J Carmody	Member
Mr G Stephens	Executive Manager Technical Services

#### **2.3 LEAVE OF ABSENCE**

Nil

#### **2.4 VISITORS**

Nil

### 3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

#### 3.1 MINUTES OF AUDIT COMMITTEE MEETING HELD 23 APRIL 2020

##### ATTACHMENT

ARC250321.3.1.A Minutes of Audit and Risk Committee Meeting 23 April 2020

##### RESOLUTION

##### COUNCIL DECISION/PROCEDURAL MOTION

MOVED: Cr R Weldon      SECONDED: Cr P Hill

**That the Minutes of the Audit and Risk Committee Meeting (Attachment ARC250321.3.1.A) held on 23 April 2020, be confirmed as a true and accurate record of proceedings.**

**CARRIED 4/0**



## 4. REPORTS OF COMMITTEE AND OFFICERS

### 4.1 2020 COMPLIANCE AUDIT RETURN (CAR)

<b>SUBMISSION TO:</b>	Audit and Risk Committee meeting of the Council 25 March 2021
<b>DISCLOSURE OF INTEREST:</b>	The author has no financial interest in the matter before the Council.
<b>AUTHOR:</b>	Phil Marshall – Deputy Chief Executive Officer
<b>SENIOR OFFICER:</b>	Peter Naylor – Chief Executive Officer
<b>PREVIOUS MEETING REFERENCE:</b>	Not Applicable

#### MATTER UNDER CONSIDERATION BY THE COUNCIL

That the Audit and Risk Committee recommend the CAR to the Council for submission to the Department of Local Government, Sport and Cultural Industries

#### ATTACHMENTS:

<b>ARC250321 4.1.A</b>	2020 Compliance Audit Return
<b>ARC250321 4.1.B</b>	Summary of Laverton Audit Matters

#### BACKGROUND

Each year, Council is required to complete an annual compliance audit return (CAR) for the calendar year immediately preceding (1 January to 31 December) as published by the Department for Local Government and Communities. The CAR is then to be reviewed by the Audit Committee and a report presented to Council prior to the adoption of the CAR. This year, the CAR was reviewed and completed by Moore Australia. Tanya Browning, Manager Local Government Advisory, from Moore Australia attended the Shire offices 12 January 2021, during which time the CAR was completed through interviews with senior staff and the inspection of various documents and records including:

- Minute books
- Tender Register
- Financial Interest & Return Register
- Complaints Register
- Delegations Register
- Council's website

The CAR is one of the tools that allow Council to monitor how the organisation is functioning regarding compliance with the *Local Government Act 1995* and provides the Audit and Risk Committee the opportunity to report to Council any cases of non-compliance or where full compliance was not achieved.

This process also provides opportunity for the Audit and Risk Committee to consider matters that may require further review within ongoing risk framework assessments and actions.

Through the completion of the 2020 CAR, there were instances of non-compliance noted,

particularly relating to matters which relate to recent changes to legislation, and to procurement under \$250,000 where insufficient evidence was available to support compliance with Council's purchasing policy. It was noted with management it is very difficult to declare during the review period the appropriate number of quotations had been obtained for every purchase (particularly low value purchases) in accordance with the purchasing policy.

A summary of matters noted during the completion of the 2020 CAR is attached for information. The attached summary also notes general improvement opportunities to systems and processes which were identified through the completion of the CAR. These improvements may assist the Shire in its risk management activities and endeavours towards continual improvement of administrative and compliance functions.

## **STATUTORY ENVIRONMENT**

### ***Local Government Act 1995***

Section 2.7(2) – Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

Section 7.13(1)(i) of the *Local Government Act 1995* refers to the provisions within regulations with regard to audits.

### **Regulation 14 of the *Local Government (Audit) Regulations 1996* provides:**

(1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.

(2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.

(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

(3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be –

- (a) presented to the council at a meeting of the council; and
- (b) adopted by the council; and
- (c) recorded in the minutes of the meeting at which it is adopted.

Regulation 14 of the *Local Government (Audit) Regulations 1996* details the requirements about certifying the CAR and issuing to the Departmental CEO.

## **POLICY IMPLICATIONS**

There are no policy implications to this report.

**RISK MANAGEMENT IMPLICATIONS**

**5x5 RISK MATRIX**

<b>PROBABILITY</b>	Highly Probable	5 Moderate	10 Major	15 Major	20 Major	25 Major
	Probable	4 Moderate	6 Moderate	12 Major	16 Major	20 Major
	Possible	3 Minor	6 Moderate	9 Moderate	12 Major	15 Major
	Unlikely	2 Minor	4 Moderate	6 Moderate	8 Moderate	10 Major
	Rare	1 Minor	2 Minor	3 Minor	4 Moderate	5 Moderate
		Very Low	Low	Medium	High	Very High
		<b>IMPACT</b>				

As the Council is meeting the statutory requirements, the risk is considered low, however, with the item as outlined in point 1 of the Financial Implications, the risk is considered high and needs clarification as soon as possible.

**FINANCIAL IMPLICATIONS**

There are no financial implications to this report.

**STRATEGIC IMPLICATIONS**

Objectives:

A financially strong and knowledgeable Shire, leading an empowered community.

- Financial ratios
- Long term financial viability

**CONSULTATION**

Peter Naylor – Chief Executive Officer  
Moore Stephens who prepared the CAR.

**COMMENT**

This report is required to be reviewed by the Audit and Risk Committee before being considered by the Council and the recommendation reflects this.

**VOTING REQUIREMENTS**

Simple majority decision of Council required.

**RESOLUTION**

**COUNCIL DECISION/PROCEDURAL MOTION**

MOVED: Cr R Ryles                      SECONDED: Cr R Prentice

**That the Audit and Risk Committee recommends the adoption of the 2020 Compliance Audit Return shown as ARC250321.4.2.A and further that the Council authorises the Shire President and Chief Executive Officer to sign the Compliance Audit Return on behalf of the Council and submit the signed return to the Department of Local Government, Sport and Cultural Industries in accordance with section 14 of the Local Government (Audit) Regulations 1996.**

**CARRIED 4/0**

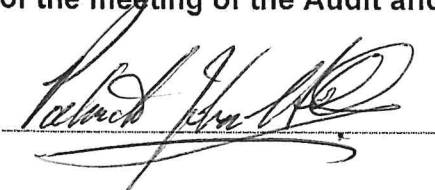
**5. CLOSURE OF MEETING**

The Presiding Person declared the meeting closed at 4:50pm.

**6. CERTIFICATION OF MINUTES**

I, Patrick Hill, hereby certify that the Minutes of the Audit and Risk Committee Meeting held on 25 March 2021 are confirmed as a true and correct record, by resolution of the meeting of the Audit and Risk Committee held on \_\_\_\_\_

SIGNED:

  
\_\_\_\_\_

DATED:

27/5/2021





Department of  
Local Government, Sport  
and Cultural Industries

## Laverton - Compliance Audit Return 2020

### Certified Copy of Return

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

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Moore Australia
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Moore Australia
3	s3.59(2)(c) F&G Regs 7,8,10	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 2020?	N/A		Moore Australia
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 2020?	N/A		Moore Australia
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Moore Australia



Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	Audit Committee has not delegated authority	Moore Australia
2	s5.16	Were all delegations to committees in writing?	N/A		Moore Australia
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Moore Australia
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Moore Australia
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	N/A		Moore Australia
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Moore Australia
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Item 11.1.6 OMC 27/2/20 resolution 200227.08	Moore Australia
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	Delegations are in writing and signed within the delegations register. The register is available to all staff in the administration office.	Moore Australia
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	Delegations are in writing and signed within the delegations register. The register is available to all staff in the administration office.	Moore Australia
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?	N/A		Moore Australia
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		Moore Australia
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes		Moore Australia
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes		Moore Australia

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent



No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Moore Australia
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	N/A		Moore Australia
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	N/A		Moore Australia
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		Moore Australia
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Moore Australia
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		Moore Australia
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Moore Australia
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Moore Australia
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Moore Australia
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Moore Australia
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Moore Australia
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		Moore Australia





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No	Reference	Question	Response	Comments	Respondent
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Moore Australia
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	N/A		Moore Australia
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes		Moore Australia
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11 (2) was the nature of the interest recorded in the minutes?	Yes		Moore Australia
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Moore Australia
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A		Moore Australia
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Moore Australia
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes		Moore Australia
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes		Moore Australia



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Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	No	An error with a non-compliant disposal relating to a trade in was identified. Systems and processes are being reviewed to minimise risk of future non-compliance.	Moore Australia
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A		Moore Australia

Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	Yes		Moore Australia
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A	No entries recorded in register therefore none to remove	Moore Australia
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A	No entries recorded in register	Moore Australia

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Item 11.1.7 OMC 24/10/19 resolution 191024.09	Moore Australia
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	Audit Committee has no delegated authority	Moore Australia
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	No	Audits are under the Office of the Auditor General	Moore Australia



No	Reference	Question	Response	Comments	Respondent
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	No	Audits are under the Office of the Auditor General	Moore Australia
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	No	Audit remained ongoing at conclusion of reporting period.	Moore Australia
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes	18/19 audit report received during reporting period. Report to Audit Committee item 4.2 23/4/20, received by Council item 8.2 OMC held 23/4/20	Moore Australia
7	s7.12A(4)(a)	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?	Yes	18/19 audit report received during reporting period. Report to Audit Committee item 4.2 23/4/20, received by Council item 8.2 OMC held 23/4/20	Moore Australia
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	No	Management to review and investigate any required action	Moore Australia
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	No	Management to review and investigate any required action	Moore Australia
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	No	Audits are under the Office of the Auditor General	Moore Australia
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	No	Audit remained ongoing at conclusion of reporting period	Moore Australia





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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	SCP adopted 2016-2026 adopted 21/07/16.  Major review commenced during 2020 through engagement of consultants	Moore Australia
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	CBP 2019-2023 Item 11.1.5 OMC 27/06/2019 (resolution 190627.09)	Moore Australia
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Moore Australia

Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A		Moore Australia
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A	Advertising occurred during 2019 (reported in 2019 CAR)	Moore Australia
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Moore Australia
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A		Moore Australia
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes	EMTS appointed item 14.1.1 OMC held 27/02/2020	Moore Australia
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Moore Australia



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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	N/A	CEO is complaints officer	Moore Australia
2	s5.121(1)	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)?	Yes		Moore Australia
3	s5.121(2)	Does the complaints register include all information required by section 5.121 (2)?	Yes		Moore Australia
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 entries recorded	Moore Australia

Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	No	Consultants engaged to perform review from 11 January 2020 (site visit undertaken 12-15 January 2021)	Moore Australia
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	Audit & Risk Committee Meeting 13/12/2018 (resolution 181213.03) and presented to OMC 13/12/2018 (resolution 181213.04)	Moore Australia
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	N/A		Moore Australia
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	N/A		Moore Australia
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	No	Draft policy has been prepared to be considered by Council	Moore Australia



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No	Reference	Question	Response	Comments	Respondent
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	No	As above	Moore Australia
7	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)?	No	External consultant has reviewed and provided improvements to be implemented where compliance gaps exist	Moore Australia
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes		Moore Australia
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes		Moore Australia
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	N/A		Moore Australia

#### Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Moore Australia
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy 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?	No	Cannot guarantee compliance has occurred with all purchasing activities below \$250,000	Moore Australia
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Moore Australia
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Moore Australia





No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A		Moore Australia
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Moore Australia
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Moore Australia
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Moore Australia
9	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		Moore Australia
10	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		Moore Australia
11	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		Moore Australia
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A	No EOIs with intent to proceed to tender sought during review period	Moore Australia
13	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		Moore Australia
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A		Moore Australia
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	N/A		Moore Australia
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Moore Australia



Department of  
Local Government, Sport  
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A	No panels invited during review period	Moore Australia
18	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		Moore Australia
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Moore Australia
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Moore Australia
21	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		Moore Australia
22	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		Moore Australia
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Moore Australia
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes		Moore Australia

I certify this Compliance Audit Return has been adopted by council at its meeting on \_\_\_\_\_

\_\_\_\_\_  
Signed Mayor/President, Laverton

\_\_\_\_\_  
Signed CEO, Laverton



# Shire of Laverton 2020 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
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1	Disposal of Property	<p>Our testing noted an instance where an asset was not disposed of in accordance with section 3.58 of the <i>Local Government Act 1995</i> and the <i>Local Government (Functions and General) Regulations 1996</i>. This was noted to be the result of a plant item being traded at the same time of purchasing a new plant item. Although the purchasing policy and legislative requirements allowed for the new plant item to be purchased without going to tender, the disposition of the traded plant item is not captured by these same exclusions.</p> <p>Improvement: Ensure future asset disposals are in accordance with the requirements of section 3.58 of the <i>Local Government Act 1995</i> and the <i>Local Government (Functions and General) Regulations 1996</i>.</p>	Y
8 & 9	Finance	<p>A significant adverse trend was identified during the 2018-19 audit. A report was:</p> <ul style="list-style-type: none"> <li>• A report was prepared with management comments, but not may not be sufficient to satisfy the requirement of stating actions intended to be taken;</li> <li>• The above mentioned report was considered by the audit committee and Council;</li> <li>• The report was not submitted to the Minister; and</li> <li>• The report was not published on the official local government website.</li> </ul> <p>Improvement: Prepare a report for consideration by the Audit Committee and Council, forward to the Minister after adoption, and publish the report on the Shire's website. Ensure any future reports are prepared and published as required by section 7.12A of the <i>Local Government Act 1995</i>.</p>	Y
5 & 6	Optional Questions	<p>A policy relating to attendance at events has not been prepared / adopted by Council.</p> <p>Improvement: Review and adopt draft attendance at events policy to comply with section 5.90 of the <i>Local Government Act 1995</i>. Publish the policy on the Shire's website as required.</p>	Y
8	Optional Questions	<p>A general policy for Councillors attending conferences etc was adopted in 1999. This policy has not been updated since that time</p> <p>Improvement: Review and adopt draft policy for Ongoing Elected Member Professional Development to comply with section 5.128 of the <i>Local Government Act 1995</i>. Publish the policy on the Shire's website as required.</p>	Y

# Shire of Laverton 2020 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
7	Optional Questions	<p>Not all Local Laws published on website as required. DLGSC Local Law register notes following local laws:</p> <ul style="list-style-type: none"> <li>• Fencing Amendment Local Law 2014 (published)</li> <li>• Fencing Local Law 2013 (published)</li> <li>• Dogs Local Law (published)</li> <li>• Local Government Property Local Law 2018 (published)</li> <li>• Health Local Laws 1999 (published)</li> <li>• Removal and Disposal of Obstructing Animals or Vehicles (not published)</li> <li>• Shire of Laverton Cemetery By-laws (not published)</li> <li>• Standing Orders Draft Model No. 4 (not published)</li> </ul> <p>Local Public and Statewide Public notice is not consistently published on the website as required.</p> <p>Up to date copies of Council policies are not all available on the local government website. The 2018 policy manual is currently uploaded, although some policies have since undergone review which have not yet been updated to the website during 2020.</p> <p>Agenda for council and committee meetings are not maintained on the website as required by legislation.</p> <p>Improvements: Upload copies of local laws to the official local government website for compliance. Copies of required local laws may be available from the Local Laws Register on DLGSC website.</p> <p>Ensure all notices relating to local public notice and statewide public notice is published on the website to comply with sections 1.7 &amp; 1.8 of the <i>Local Government Act 1995</i>. Consider a mechanism/report trail for future compliance checks to be performed.</p> <p>Publish up to date version of each policy of the Shire on the official local government website as required by regulation 29C (2)(c) <i>Local Government (Administration) Regulations 1996</i>.</p> <p>Consider consistently filing or providing information on webpages for direction on where information can be sourced.</p>	Y
9	Optional Questions	<p>Improvement: Prepare and publish report on local government website for 2019/20 detailing training for elected members as required by s5.127 of the <i>Local Government Act 1995</i>. Ensure future reports are published to the local government website within one month of the EOFY to which the report relates.</p>	Y





# Shire of Laverton 2020 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
2	Tenders for Providing Goods and Services	<p>Non-compliance between procurement thresholds and purchasing requirements for low value purchases has possibly occurred during the review period. It was noted with management it is very difficult to declare during the review period the appropriate number of quotations had been obtained for every purchase (particularly low value purchases) in accordance with the purchasing policy.</p> <p>Improvement: Review systems and controls to minimise risks of non compliance with adopted purchasing policy.</p>	Y
-	Model Standards	<p>We noted the Shire is yet to adopt the model standards prescribed under regulation 18FA of <i>Local Government (Administration) Regulations 1996</i>. We accept the Shire has 3 months from the date gazetted to adopt the model standards.</p> <p>Improvement: We suggest the requirements of Sections 5.39, 5.39A, 5.39B and 5.39C of the <i>Local Government Act 1995</i> be reviewed and measures be implemented to ensure compliance.</p>	N
-	Code of Conduct	<p>Regulations gazette on the 3 February 2021 introduced minimum requirements for an employee code of conduct and introduced a model Code of Conduct for Council members.</p> <p>Improvement: Adopt a new Code of Conduct for employees in accordance with the employee code regulations and the Model Code of Conduct for Council members by 3 May 2021</p>	N
-	2018/19 Annual Report	<p>The 2018/19 Annual Report was accepted by Council at its meeting held 23 April 2020. The 2018/19 annual report appears to have been uploaded to the Shire's website on 19 June 2020.</p> <p>Improvement: Ensure future annual reports are received as required by legislation. A copy of the annual report is also required to be uploaded to the website within 14 days after being accepted by Council.</p>	N

