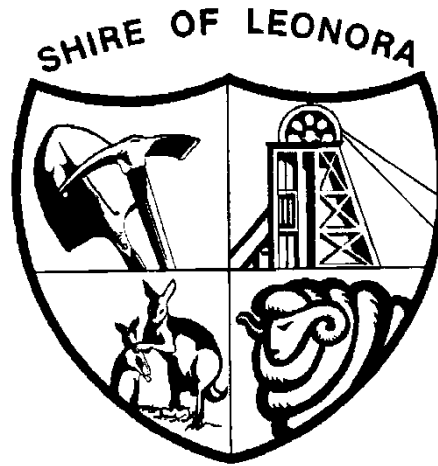


SHIRE OF LEONORA



AUDIT AND RISK COMMITTEE MEETING

MINUTES OF MEETING HELD 20TH SEPTEMBER 2016, AT 12:34PM.

JG EPIS
CHIEF EXECUTIVE OFFICER

1.0 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS / FINANCIAL INTEREST DISCLOSURE

Chairperson, Cr PJ Craig, declared the meeting open at 12:20pm.

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

2.1 Present	
President	PJ Craig
Councillors	RM Cotterill
	RA Norrie
	AE Taylor
	LR Petersen
	GW Baker
Chief Executive Officer	JG Epis
Deputy Chief Executive Officer	TM Browning
Manager Community Services	SG Butson
2.2 Apologies	
Councillor	AE Taylor
Deputy President	MWV Taylor

3.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

Draft motion: That the Minutes of the Ordinary Meeting held on 15th December, 2015 be confirmed as a true and accurate record.

Moved Cr LR Petersen, Seconded Cr GW Baker that the minutes of the Audit and Risk Committee Meeting held on the 21ST June, 2016 be confirmed as a true and accurate record.

CARRIED (5 VOTES TO 0)

0 REPORTS OF OFFICERS

4.1 CHIEF EXECUTIVE OFFICER

4.1.1 RISK EXECUTIVE REPORT

SUBMISSION TO: Meeting of Audit Committee
Meeting Date: 20 September 2016

AGENDA REFERENCE:

SUBJECT: Risk Executive Report

LOCATION / ADDRESS: Nil

NAME OF APPLICANT: Nil

FILE REFERENCE: Nil

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: Jim Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 13th September, 2016

BACKGROUND

The Shire has undertaken a review of its risk profile and established a set of strategic and operational risks which are regularly reported to the Audit Committee. At the last meeting of the Audit & Risk Committee held on 21 June 2016, the committee requested that risk actions for 2016/17 be presented to the next committee meeting for consideration.

The attached reports detail all strategic risks and operational risks that were identified when this framework was developed approximately two years ago. Each risk has been reviewed and progress comments have been updated by responsible personnel. Although some risks are rated low or moderate, which are not normally referred to the Audit & Risk Committee for consideration, all have been included to ensure that the committee is well informed on the work being undertaken by staff throughout this process.

Although some risks have been listed as completed, they are in fact risks that will, and should, require ongoing review. These risk actions will all carry forward into the 2016/17 period. The attached reports form the risk actions for 2016/17 for the committee's consideration.

Both areas of risk are subject to change and modification during the year on the authorisation of the Chief Executive Officer and Audit & Risk Committee.

DETAILS

Annual reviews of risk actions should be undertaken to ensure alignment between risk actions, effectiveness of internal controls and management comments. This is at the core of regulation 17. Certain risk actions may have been completed, new risk actions arise and others remain ongoing for the next 12 months. The majority of the risks and controls require a review and once completed new review dates and risks will be set for 2016/2017. Currently, continued review into compliance is being undertaken to identify potential new risks, and planning is underway to engage contracted personnel, independent of operations and processes, to assess and recommend other areas of risk to be included in reviews, and the effectiveness of procedures in place to manage these risks.

The attached strategic risk and operational risk reports details actions for 2016/17 and are presented for the committee's consideration.

STATUTORY IMPLICATIONS

Areas of risk are subject to change and modification during the year on the authorisation of the Chief Executive Officer and Audit Committee, whom as per section regulation 17.1 of the Local Government (Audit) Regulations 1996 will continue to monitor the Appropriateness and Effectiveness of the Councils Systems and Procedures.

POLICY IMPLICATIONS

The Risk Management Policy outlines the Shire's commitment and approach to managing risks that may impact on its day-to-day operations and threaten the achievement of its objectives

FINANCIAL IMPLICATIONS

N/A

STRATEGIC IMPLICATIONS

The Chief Executive Officer should play a key role in the establishment and development of an effective risk management framework, as it ultimately sets the operational tone of the Council, and should reflect the ethics, integrity and values espoused by the Council.

The role of the audit committee is to govern the integrity of the entity's financial information, systems of internal control, risk and the legal and ethical conduct of management and employees.

Monitoring and reviewing activities will provide evidence of the appropriateness and effectiveness of systems and procedures in regard to risk management, internal control and legislative compliance, as required by the Local Government (Audit) Regulations 1996.

RECOMMENDATIONS

That the Audit Committee:

- 1. Notes the reviewed Strategic Risk – September 2016 Report*
- 2. Notes the reviewed Operational Risk – September 2016 Report*
- 3. Endorse the risks and actions within the above reports for reporting purposes to the Audit & Risk Committee during 2016/2017*
- 4. Present additional risks generated from continual systems reviews to the December 2016 Audit & Risk Committee meeting for consideration.*

VOTING REQUIREMENT

Simple Majority

COMMITTEE DECISION

Moved Cr GW Baker, Seconded Cr RM Cotterill that the Audit Committee:

- 1. Notes the reviewed Strategic Risk – September 2016 Report*
- 2. Notes the reviewed Operational Risk – September 2016 Report*
- 3. Endorse the risks and actions within the above reports for reporting purposes to the Audit & Risk Committee during 2016/2017*
- 4. Present additional risks generated from continual systems reviews to the December 2016 Audit & Risk Committee meeting for consideration.*

CARRIED (5 VOTES TO 0)

5.0 NEXT MEETING

20th December 2016, following the conclusion of the Ordinary meeting of Council commencing at 9:30am.

6.0 CLOSURE OF MEETING

There being no further business, Chairperson Cr PJ Craig declared the meeting closed at 12:34pm.