

SHIRE OF LEONORA



AUDIT AND RISK COMMITTEE MEETING

MINUTES OF MEETING HELD 21ST JUNE 2016, AT 11:20AM.

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

Nil

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

2.1 Present	
President	PJ Craig
Deputy President	MWV Taylor
Councillors	AE Taylor
	GW Baker
Deputy Chief Executive Officer	TM Browning

2.2 Apologies
Cr RM Cotterill
Cr RA Norrie
Cr LR Petersen
Mr JG Epis

3.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

Draft motion: That the Minutes of the Ordinary Meeting held on 15th March, 2016 be confirmed as a true and accurate record.

Moved Cr AE Taylor Seconded Cr GW Baker that the minutes of the Audit and Risk Committee Meeting held on the 15th March 2016 be confirmed as a true and accurate record.

CARRIED (4 VOTES TO 0)

4.0 REPORTS OF OFFICERS

4.1 CHIEF EXECUTIVE OFFICER

4.1(A) RISK EXECUTIVE REPORT

SUBMISSION TO: Meeting of Audit Committee
Meeting Date: 21st June, 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: 14th June, 2016

BACKGROUND

On the 15th December 2015 the Council reviewed the appropriateness and effectiveness of the controls of the Shire of Leonora's systems and procedures as per Audit Regulation 17.

That the Council receive the minutes of the Audit & Risk Committee meetings held on 17th March 2015, 16th June 2015 and again on the 15th September 2015, and note the reports contained therein which serves as the report from the Audit & Risk Committee to Council on the review of appropriateness and effectiveness of the controls of the Shire of Leonora's systems and procedures as per Audit Regulation 17.

The Shire has undertaken a review of its risk profile and established a set of strategic and operational risks regularly reported to the Audit Committee.

The attached reports detail all strategic risks and those operational risks that are rated high with progress comments for the current period.

Both areas of risk are subject to change and modification during the year on the authorisation of the Chief Executive Officer and Audit 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. It is also suggested that the current Shire compliance framework be reviewed to ensure compliance with existing legislation and regulations and new and revised Departmental Operational Guidelines.

It is recommended that the Audit Committee NOTES:

The Strategic Risk – May 2016 Report

The Operational Risk – May 2016 Report

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 Strategic Risk – May 2016 Report*
- 2. Notes The Operational Risk – May 2016 Report*
- 3. Requests that risk actions for 2016/2017 be presented to the next Committee Meeting for consideration*

VOTING REQUIREMENT

Simple Majority

COMMITTEE DECISION

Moved Cr GW Baker, Seconded Cr MWV Taylor *that the Audit Committee:*

- 1. Notes The Strategic Risk – May 2016 Report*
- 2. Notes The Operational Risk – May 2016 Report*
- 3. Requests that risk actions for 2016/2017 be presented to the next Committee Meeting for consideration.*

CARRIED (4 VOTES TO 0)

5.0 NEXT MEETING

20th September 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 11:44am.