



Town of Cottesloe

I hereby certify that the minutes of the Audit Committee meeting
held on

Monday, 12 June 2023

were confirmed as a true and accurate record by committee
resolution.

Signed:

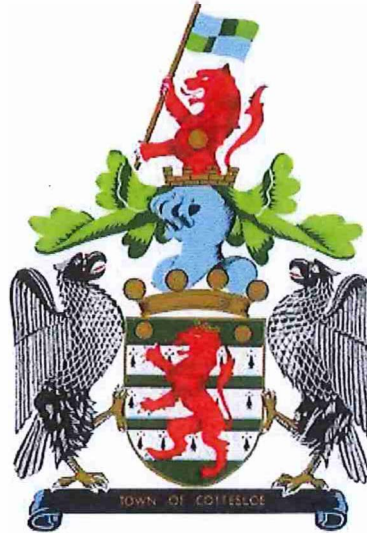
A handwritten signature in blue ink, consisting of a large, stylized initial 'M' followed by a long horizontal stroke.

Presiding Member

Date:

28/9/23

TOWN OF COTTESLOE



AUDIT COMMITTEE

MINUTES

AUDIT COMMITTEE
HELD IN THE
Mayor's Parlour, Cottesloe Civic Centre
109 Broome Street, Cottesloe
4.30pm Monday, 12 June 2023

A handwritten signature in black ink, appearing to read "W. M. Scott", written over a large, stylized, horizontal flourish.

WILLIAM MATTHEW SCOTT
Chief Executive Officer

15 June 2023

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1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member announced the meeting opened at 4.34pm.

1.1 ACKNOWLEDGEMENT OF COUNTRY

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

2 DISCLAIMER

The Presiding Member drew attention to the Town’s Disclaimer.

3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

4 ATTENDANCE

Members

Cr Craig Masarei	Presiding Member, Elected Member
Cr Paul MacFarlane	Elected Member
Mr Ian McKenzie	Community Representative

Officers

Mr Matthew Scott	Chief Executive Officer
Mr Shane Collie	Director Corporate Services and Governance
Ms Martina Liu	Finance Manager
Ms Irene Wai Shan Au-Yeung	Assistant Finance Manager
Ms Kate Saunders	Executive Services Officer

Visitors

Mr Michael Hoang	Ernst & Young (Consultants)
Neil de Villiers	Ernst & Young (Consultants)
Ms Nayna Raniga	Director – Financial Audit, Office of the Auditor General of Western Australia

Apologies

Cr Brad Wylynko	Elected Member
Mr Andrew Dimsey	Community Representative

5 DECLARATION OF INTERESTS

There were no declarations of interest.

6 CONFIRMATION OF MINUTES

AC004/2023

Moved Cr MacFarlane

Seconded Mr McKenzie

That the Minutes of the Audit Committee Meeting held on Wednesday 12 April 2023 be confirmed as a true and accurate record.

Carried 3/0

7 PRESENTATIONS

AC005/2023

MOTION FOR ADJOURNMENT

Moved Presiding Member Masarei Seconded Mr McKenzie

That the Audit Committee adjourn the meeting to members for the presentation of the Financial Year 2022/23 Audit Plan.

Carried 3/0

The meeting was adjourned at 4.40pm.

AC006/2023

MOTION TO RECONVENE THE MEETING

Moved Presiding Member Masarei Seconded Mr McKenzie

That the Audit Committee meeting be reopened.

Carried 3/0

There were no members of the public in attendance at the meeting, the Audit Committee meeting re-opened at 5.45pm.

Ms Raniga, Mr Hoang and Mr de Villiers left the meeting at 5.45pm.

8 REPORTS

8.1 REPORTS OF OFFICERS

8.1.1 PURCHASE ORDER CONTROLS

Directorate: Corporate and Community Services
Author(s): Martina Liu, Finance Manager
Authoriser(s): Matthew Scott, Chief Executive Officer
File Reference: D23/15834
Applicant(s):
Author Disclosure of Interest: Nil

SUMMARY

As part of 2021/2022 financial year audit, a number of findings were identified and raised as part of the management letter.

This management letter is attached, point one covers purchase order quotation summary completion.

OFFICER RECOMMENDATION IN BRIEF

THAT the Audit Committee notes the processes and controls implemented for purchase orders.

BACKGROUND

The auditor identified instances where the quotations summaries were not properly completed, and the corresponding completed purchase orders were not properly authorised. These mainly related to suppliers that the Town have previously engaged and have contracts with, specifically relating to IT upgrades and license renewals. Please see attached three purchase orders identified in the management letter.

OFFICER COMMENT

The Purchasing Policy has been re-circulated to all staff to enforce the purchasing controls and requirements for quotations and authorisations. Oversight of the implementation of the policy has precisely been reinforced by the Finance team.

As of July 2024, the Town is moving to a new Enterprise Resource Planning system, which will incorporate the online purchasing with relevant controls in place.

ATTACHMENTS

- 8.1.1(a) Attachment - Management Letter - Purchase Order Controls (extract) [under separate cover]**
- 8.1.1(b) Audit Committee Attachment - Purchase Order Samples [under separate cover]**

CONSULTATION

Consultation with auditors and senior managers.

STATUTORY IMPLICATIONS

Local Government Act 1995

POLICY IMPLICATIONS

There are no perceived policy implications arising from the officer's recommendation.

STRATEGIC IMPLICATIONS

This report is consistent with the Town's *Strategic Community Plan 2013 – 2023*.

Priority Area 6: Providing open and accountable local governance

Major Strategy 6.2: Continue to deliver high quality governance, administration, resource management and professional development.

RESOURCE IMPLICATIONS

There are no perceived additional resource implications from the office's recommendation.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

There are no perceived sustainability implications arising from the officer's recommendation.

VOTING REQUIREMENT

NA

OFFICER RECOMMENDATION

THAT the Audit Committee notes the processes and controls implemented for purchase orders.

The *Purchase Order Controls* report was noted by the Audit Committee.

8.1.2 AUDIT REPORT ACTION PLAN FY22

Attachments: 8.1.2(a) Findings identified in the Audit FY22 [under separate cover]

The 2021/22 Financial Audit performed by Ernst and Young identified four items for improvement. The table below summarises the action taken in relation to these items:

Audit – Index of findings	Response
1. Purchase order quotation summary completion.	Implemented on the manual system currently in place. The new Enterprise Resource Planning system will capture this electronically from July 2024. <i>For more information, refer to the Purchase Order Controls Report of this agenda.</i>
2. Financial statement preparation.	Automated process implemented.
3. Significant aged bonds payable.	Plan to be finalised and implemented.
4. Bonds payable classification.	Plan to be finalised and implemented.

Refer to the attachment for full details of each finding.

The *Audit Report Action Plan FY22* was noted by the Audit Committee.

8.2 ITEMS FOR DISCUSSION**8.2.1 COMPLIANCE CALENDAR**

Attachments: 8.2.1(a) Compliance Calendar - June 2023 [under separate cover]

The Compliance Calendar – June 2023 is provided for the information of the Audit Committee. Actions are underway on matters outstanding.

The *Compliance Calendar – June 2023* was noted by the Audit Committee.

8.2.2 AUDIT COMMITTEE RESOLUTION DATABASE

Attachments: 8.2.2(a) Resolution Database - June 2023 [under separate cover]

The Audit Committee Resolution Database – June 2023 provides an update on Council resolutions put forward by the Audit Committee.

The Resolution Database – June 2023 was noted by the Audit Committee.

9 GENERAL BUSINESS

9.1 COMMITTEE MEMBERS

9.2 OFFICERS

10 MEETING CLOSED TO PUBLIC

10.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

2022/23 AUDIT PLAN

The Chief Executive Officer withdrew this item as the Audit Committee did not need to make a decision or recommendation in relation to it.

11 NEXT MEETING

Monday, 4 September 2023.

12 MEETING CLOSURE

The Presiding Member announced the meeting closed at 6.11pm.

TOWN OF COTTESLOE



ATTACHMENTS

AUDIT COMMITTEE – 12 JUNE 2023

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TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.1.1A:
ATTACHMENT - MANAGEMENT LETTER -
PURCHASE ORDER CONTROLS (EXTRACT)**

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Current year findings

1. Purchase order quotation summary completion

Finding

As part of our test of controls across the procurement to payables cycle, we have inspected a sample of purchase orders. Our testing noted that there were instances where the quotation summaries were not properly completed, and the corresponding completed purchase orders were not properly authorised. After further inquiries, we noted that these instances related to suppliers that the Town have previously engaged and have contracts with, specifically relating to upgrades and license renewals. Although in compliance with the Town's purchasing policy, we note that the completion of the quotation summaries is considered a key control.

Rating: Moderate**Implication**

Lack of documentation of control procedures being performed does not allow management, to monitor the proper execution of the procurement process.

If purchases are made without obtaining sufficient quotes, there is a risk of favouritism of suppliers and or the Town not obtaining value for money.

Recommendation

Management should document why the purchase of a good or service is not supported by a quotation acceptance, if applicable, in consideration of the exemptions available under the purchasing policy. An appropriate member of management should only authorise the purchase order prior to the initiation of purchase transaction to the extent they are satisfied that a quotation acceptance is not required to be completed.

Management comment

Management accepts this recommendation. Staff training can be increased to ensure compliance in this area along with a more robust ERP solution that guides staff through the procurement process. Our new ERP solution has a proposed go live date of July 2024.

Responsible person:

New Finance Manager

Completion date:

The Town will incorporate this as part of the requirements for the new ERP system to be implemented in FY24.

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

**ITEM 8.1.1B:
AUDIT COMMITTEE ATTACHMENT - PURCHASE
ORDER SAMPLES**

Town of Cottesloe
 OFFICE: 109 Broome Street, Cottesloe WA 6011
 POSTAL: PO Box 606, Cottesloe WA 6911
 ABN 19 824 630 520 Telephone: 08 9285 5000
 Email: council@cottesloe.wa.gov.au

ORDER 58184

Please quote order number on invoices and delivery notes.

Supplier Name: TECHNOLOGY ONE

Date: 16/09/21

Supplier Address:

Creditor No.

Telephone..... Email.....

QTY	DETAILS	ACCOUNT No.	AMOUNT
1	UPGRADE INTRAMAPS ENTERPRISE v8.0 TO 2021A (v9.10)	20032.208.50	\$11760-
FOR STANDING ORDER, ENTER QUANTITY OF SERVICE _____		NETT	\$11760-
		GST	\$1176-
		TOTAL	\$12936

Prepared By (signature): *[Signature]* Print Full Name: Chris Bowler

Authorised Officer (signature): *[Signature]* Print Full Name: Shane Collis

Have you complied with the requirements of the Purchasing Policy? Yes / No

Budgeted Allocation: \$..... Is purchase within Budget? Yes / No

Quote/Tender TRIM references:

QUOTATIONS: NAME OF SUPPLIER			
PRICE (GST INCLUDED)			

If requirements of the Purchasing Policy have not been complied with, please detail reasons for variation:

Supporting narration for supplier recommendation: UPGRADE OF INTRAMAPS TO 2021A

Officer Recommended Supplier: Authorised By:

If different from Officer Recommendation, provide explanation:



Town of Cottesloe

OFFICE: 109 Broome Street, Cottesloe WA 6011

POSTAL: PO Box 606, Cottesloe WA 6911

ABN 19 824 630 520 Telephone: 08 9285 5000

Email: council@cottesloe.wa.gov.au.

ORDER 58925

Please quote order number on invoices and delivery notes.

Supplier Name: Michael T Duckett

Date: 3.9.21

Supplier Address: [REDACTED] Duncraig WA 6023

Creditor No.

Telephone: [REDACTED] Email:

QTY	DETAILS	ACCOUNT No.	AMOUNT
	<u>LEMIC - Emergency Management Services</u>	<u>57.9000.945</u>	<u>\$15,000</u>
		NETT	
FOR STANDING ORDER, ENTER QUANTITY OF SERVICE <u>12</u>		GST	
		TOTAL	<u>\$15,000</u>

Prepared By (signature): [Signature] Print Full Name: [Name]

Authorised Officer (signature): [Signature] Print Full Name: SHAWN KAN

Have you complied with the requirements of the Purchasing Policy? Yes / No

Budgeted Allocation: \$..... Is purchase within Budget? Yes / No

Quote/Tender TRIM references:

QUOTATIONS:			
NAME OF SUPPLIER			
PRICE (GST INCLUDED)			

If requirements of the Purchasing Policy have not been complied with, please detail reasons for variation:

.....

Supporting narration for supplier recommendation:

.....

Officer Recommended Supplier: Authorised By:

If different from Officer Recommendation, provide explanation:



Town of Cottesloe

OFFICE: 109 Broome Street, Cottesloe WA 6011
 POSTAL: PO Box 606, Cottesloe WA 6911
 ABN 19 824 630 520 Telephone: 08 9285 5000
 Email: council@cottesloe.wa.gov.au.

ORDER 60402

Please quote order number on invoices and delivery notes.

Supplier Name: CRAYON Date: 28/10/21

Supplier Address: Creditor No.

Telephone..... Email.....

QTY	DETAILS	ACCOUNT No.	AMOUNT
45	CALCAL ALNG SA OLV D 1Y AQYR1	20032.208.50	\$2668.50
	PLATFORM DWOCAL - W06-01511		
45	WINMTPRODVC ALNG SA OLV D 1Y	20032.208.50	\$3394.35
	AQYR1 PLATFORM - KV3-00341		
45	OFFICEPROPLUS ALNG SA OLV D 1Y AQY1	20032.208.50	\$7058.40
	PLATFORM - 79P-02343		
5	OFFICEPROPLUS ALNG LICSAPE OLV D 1Y	20032.208.50	\$1436.65
	AQY1 PLATFORM - 79P-02341		
5	WINMTPRODVC ALNG VFLRD SAPP OLV D	20032.208.50	\$471.75
	1 AQY3 PLATFORM - KV3-00343		
NETT			\$15059.65
GST			\$1505.96
TOTAL			\$16565.61

Prepared By (signature): [Signature] Print Full Name: CRIS CRAY

Authorised Officer (signature): [Signature] Print Full Name: SHANE LOULIFE

Have you complied with the requirements of the Purchasing Policy? Yes / No

Budgeted Allocation: \$..... Is purchase within Budget? Yes / No

Quote/Tender TRIM references:

QUOTATIONS:			
NAME OF SUPPLIER			
PRICE (GST INCLUDED)			

If requirements of the Purchasing Policy have not been complied with, please detail reasons for variation:

MICROSOFT LICENSE ANNUAL RENEWAL

Supporting narration for supplier recommendation:

Officer Recommended Supplier: Authorised By:

If different from Officer Recommendation, provide explanation:

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

ITEM 8.1.2A: FINDINGS IDENTIFIED IN THE AUDIT FY22

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
Current year findings			
1. Purchase order quotation summary completion		✓	
Unresolved findings identified in prior year			
2. Financial statement preparation		✓	
3. Significantly aged bonds payable		✓	
4. Bonds payable classification			✓

Key to ratings

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Current year findings

1. Purchase order quotation summary completion

Finding

As part of our test of controls across the procurement to payables cycle, we have inspected a sample of purchase orders. Our testing noted that there were instances where the quotation summaries were not properly completed, and the corresponding completed purchase orders were not properly authorised. After further inquiries, we noted that these instances related to suppliers that the Town have previously engaged and have contracts with, specifically relating to upgrades and license renewals. Although in compliance with the Town's purchasing policy, we note that the completion of the quotation summaries is considered a key control.

Rating: Moderate**Implication**

Lack of documentation of control procedures being performed does not allow management, to monitor the proper execution of the procurement process.

If purchases are made without obtaining sufficient quotes, there is a risk of favouritism of suppliers and or the Town not obtaining value for money.

Recommendation

Management should document why the purchase of a good or service is not supported by a quotation acceptance, if applicable, in consideration of the exemptions available under the purchasing policy. An appropriate member of management should only authorise the purchase order prior to the initiation of purchase transaction to the extent they are satisfied that a quotation acceptance is not required to be completed.

Management comment

Management accepts this recommendation. Staff training can be increased to ensure compliance in this area along with a more robust ERP solution that guides staff through the procurement process. Our new ERP solution has a proposed go live date of July 2024.

Responsible person:

New Finance Manager

Completion date:

The Town will incorporate this as part of the requirements for the new ERP system to be implemented in FY24.

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Unresolved findings identified in the prior year

2. Financial statement preparation

Finding

In completing the tie out of the financial statements to the underlying schedules and data, we noted that while the figures in the excel version of the financial statements were linked to an input data sheet, the input data sheet contained hard coded, manually entered numbers that were not linked to the trial balance or underlying schedules.

Rating: Moderate (2021: Moderate)

Implication

By manually entering all of the input data for the financial statements, this creates inefficiencies in both preparing the financial statements and once prepared, attempting to agree the figures in the financial statements to the trial balance and underlying schedules.

Recommendation

We recommend that management implement a more automated process for the preparation of the financial statements. All figures in the excel version of the financial statements and supporting notes should be linked directly from the trial balance or underlying schedules, rather than an input data sheet with manually entered numbers

Management comment

The current statements have been linked to a separate trial balance worksheet (with minimal hard coding) and the Town intends to continue and improve this process in future periods.

Responsible person: New Finance Manager
Completion date: December 2023

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

3. Significantly aged bonds payable**Finding**

From our review of the Bonds Payable reconciliation, we noted that there were a number of bonds that were aged greater than three years. From discussions held with management, these items represent bonds lodged in relation to construction/demolition projects that were completed two or more years ago and remained unclaimed. We also note that no action has been taken to date by management to attempt to return the unclaimed bonds, that will never be claimed such as those due to companies that have since been wound down, to unclaimed monies.

The Unclaimed Money Act 1990 (the Act) deems unclaimed moneys as moneys over \$100 that have been held for six years without being returned to owners. Under the Act this money is to be transferred to the Department of Treasury.

Rating: Moderate (2021: Moderate)

Implication

If there are no policies and processes around periodically assessing and clearing unclaimed bonds, there is a risk that a material portion of the bonds payable balance relates to bonds that will never be claimed or cleared from the books through submission to unclaimed money funds. Further the Town may not be in compliance with legislative requirements.

Recommendation

We recommend that management implement an annual process whereby all bonds aged three years or older are assessed as if they should be paid to unclaimed money funds. As part of this process, management should attempt to notify the bond recipients of the outstanding balances to attempt to clear the significantly aged payable balances. Further, the Town should investigate its obligations under the Unclaimed Moneys Act 1990 to determine moneys that should be transferred to the Department of Treasury

Management comment

The Town currently does follow its obligations under the Unclaimed Moneys Act 1990 to determine monies that should be transferred to the Department of Treasury. In January each year we are required to submit a listing to the Department of Treasury and then periodically the Town is sent a request to pay over any remaining monies that are still outstanding.

We intend to implement a process to notify bond recipients of outstanding balances.

Responsible person: New Finance Manager
Completion date: December 2023

ATTACHMENT

TOWN OF COTTESLOE

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

4. Bonds payable classification**Finding**

Bond repayment due dates are not included in the Infrastructure, Right of Way and Miscellaneous Bonds Payable registers maintained by the Town.

Rating: Minor (2021: Minor)

Implication

Since the bond repayment due dates are not included in the Infrastructure, Right of Way and Miscellaneous Bonds Payable registers, it is not easily determinable as to which bonds are due for repayment within the next 12 months and which bonds are due for repayment later than 12 months. This increases the likelihood of bonds payable being incorrectly classified as current when the bonds are due for repayment later than 12 months or non-current when the bonds are due for repayment within the next 12 months.

Recommendation

We recommend that management include bond repayment due dates for all bonds listed in the Infrastructure, Right of Way and Miscellaneous Bonds Payable registers maintained by the Town.

Management comment

The Bonds Classification matter is one that is Authority software based and the split between current and non-current will be undertaken manually for FY22 with this matter proposed to be incorporated as part of the requirements for the new ERP system to be implemented in FY24.

Responsible person: Shane Collie (Director Corporate and Community Services)
Completion date: The Town will incorporate this as part of the requirements for the new ERP system to be implemented in FY24.

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

ITEM 8.2.1A: COMPLIANCE CALENDAR - JUNE 2023

2023 Compliance Calendar

Updated June 2022

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	April - Take Action								
Apr	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
Apr	Elections - Enrolment Eligibility Claims (Owners and Occupiers) Register - Prepare for Elections - Review register and take action re expired Eligibility Claims (no longer property owner / claim based on occupation or nominee expired)	Local Government Act 1995	s.4.35 Elections Regs.14 and 15 Form 6 and 7	WALGA Template Enrolment Eligibility Claims Register	Annual	Finance Manager			Completed in February before the Extraordinary Election. Another review scheduled prior to the October Election
Apr	Audit - Compliance Audit Return Action Plan Prepare a Compliance Audit Return Action Plan that assigns responsibility and timeframes for implementing outcomes / actions arising from the Compliance Audit Return. Provide Compliance Audit Return Action Plan to Council via Audit Committee for endorsement.	n/a	n/a	Operational Practice	Annual or as required	Director Corporate and Community Services	31/03/2023	D23/15625 & D23/22456	Complete
Apr	Audit - Compliance Audit Return Action Plan Prepare an Compliance Audit Return Action Plan progress report that details progress to completing outcomes / actions arising from the Audit Report. Provide Compliance Audit Return Action Plan Progress Report to Council via Audit Committee for endorsement.	n/a	n/a	Operational Practice	Annual or as required	Director Corporate and Community Services	30/05/2023		Complete
Apr	Public Access to Information - Audit Check LG website, Library and LG office to ensure all information listed in s.5.94 and Admin. Reg.29 is publicly accessible (see s.5.96 too) and that customer service staff are trained to provide access accordingly. Audit to note limitations: s.5.95 and Admin. Regs. 29A and 29B	Local Government Act 1995	s.5.94 Admin. Reg.29 s.5.95 s.5.96 Admin. Regs 29A and 29B	WALGA Guideline - Schedule of Public Information Access	Annual	Director Corporate and Community Services			Completed November 2022
Apr	Annual Budget - Fees and Charges Schedule In preparation for the Annual Budget, a preliminary Council report may be provided detailing the revised Schedule of Fees and Charges, recommending endorsement for inclusion in the Annual Budget. Council's early consideration enables separate and detailed review, outside of the budget adoption, with any changes proposed then included in the Budget calculations. In any case, the Schedule of Fees and Charges must be included in the Annual Budget and Annual Budget Report, with a separate recommendation for Council to impose the Schedule of Fees and Charges, by absolute majority, as part of the Annual Budget adoption.	Local Government Act 1995	s.6.16 s.6.17 s.6.18	DLGSC website - WA Local Government Accounting Manual	Annual	Director of Corporate and Community Services			Workshops underway. To go to the July OCM
Apr	Annual Budget - Health (Miscellaneous Provisions) Act 1911 Fees and Charges Fees or charges fixed by resolution under a Health Local Law as prescribed in s.334C(1), notice of the resolution must be published at least 14-days before the day on which the resolution is to take effect: • in the Government Gazette and • in a newspaper circulating generally throughout the LG's District	Health (Miscellaneous Provisions) Act 1911	s.344C		Annual	Director of Development and Regulatory Services			NA

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Apr	<p>Annual Budget - Rate Setting Statement In preparation for the Annual Budget, a preliminary Council report may be provided detailing the Rates Setting Statement. Early Council consideration enables:</p> <ul style="list-style-type: none"> • consideration of public submissions on Differential Rates - see. s.6.36(4) • separate and detailed review of rating implications, outside of the budget adoption • Any changes proposed are then included in the Budget calculations. <p>In any case, the Rate Setting Statement must be included in the Annual Budget Adoption Report, with a separate recommendation for Council to impose, by absolute majority:</p> <ul style="list-style-type: none"> • the general rate (uniformly or differentially) • a specified area rate • minimum payment, • service charges • impose a discount 	Local Government Act 1995	s.6.32 s.6.35 s.6.36(4) s.6.37 s.6.38 s.6.46 FM,Regs. r.22(1)(d) (2) r.26 r.33(1)(c) r.52	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			Workshops underway. To go to the July OCM
Apr	<p>Annual Budget - Borrowings - Changes or New In preparation for the Annual Budget, the preliminary Council report may be provided, recommending endorsement for inclusion in the Annual Budget. Early Council consideration enables</p> <ul style="list-style-type: none"> • detailed review outside of the Budget adoption • any changes proposed are then included in the Budget calculations. <p>In any case, Borrowings must be include in the Annual Budget and Annual Budget report, with a separate recommendation for Council to resolve, to expend the money or utilise the loan.</p>	Local Government Act 1995	s.6.20 s.6.21	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			NA
Apr	<p>Annual Budget - Setting Elected Member Fees, Payments and Reimbursements Salaries and Allowances Tribunal Determination for Local Government Elected Members (published annually usually in April). Report to Council for decision to set fees, allowances and reimbursements in accordance with the determination.</p>	Local Government Act 1995	Part 5, Div.8 Admin. Regs. Part 8	Salaries and Allowances Tribunal website - Determination for Local Government	Annual	Finance Manager			In progress
Apr	<p>Annual Budget - Reserve Accounts - Changes or New Council decision, by absolute majority, if Annual Budget proposes:</p> <ul style="list-style-type: none"> • Changes to the purpose of a Reserve Account; OR • Using the money in a Reserve Account for another purpose 	Local Government Act 1995	s.6.11	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			In progress
Apr	<p>Annual Budget - Setting Interest Rate for Money Owed Council decision, by absolute majority, to require a person to pay interest rate set in the Annual Budget on any amount of money (other than rates and service charges) owed to the Local Government for a period of time as determined by Council that is not less than 35 days. May be by separate report or included in Annual Budget report with separate recommendation.</p>	Local Government Act 1995	s.6.14 FM,Reg.19A and 19B	DLGSC website - WA Local Government Accounting Manual	Annual	Finance Manager			In progress

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Apr	Annual Budget - Differential Rates and Minimum Payment Setting - Local Public Notices After the Council endorsement for advertising proposed Differential Rates and minimum payments, Local Public Notice must be published with sufficient time to comply with: • Notice must be published within the period 2 months before the commencement of the financial year • Notice must contain details of each rate or minimum payment. • Notice must invite public submissions within 21 days (or longer) of the notice • Notice must advise where public can inspect a document describing the object of, and reasons for, each proposed rate and minimum payment.	Local Government Act 1995	s.6.33 s.6.35 s.6.36 FM.Reg.52A	DLGSC website - WA Local Government Accounting Manual	Annual	Director of Corporate and Community Services			In progress, 28 June public notice following June OCM.
Apr	Audit - Audit Report Published on Website CEO must publish on the LGs website, a copy of the Council's report and resolutions made in regard to the Auditor's Report, within 14 days of giving the report to the Minister. Note - this requirement is separate and in addition to the publication of the report on the website as part of the official Council minutes.	Local Government Act 1995	s.7.12A (5)		Annual or as required	Executive Officer (CCS)			Complete
Apr	Workforce Plan - Review Update the Workforce Plan to include outcomes of Corporate Business Plan Review and report, with recommendations to Council.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Manager People and Culture			A new Workforce Plan will be developed for 2024, informed by the Council Plan (incorporating the Strategic Community Plan and Business Plan).
Apr	Asset Management Plan - Review Update the Asset Management Plan to include outcomes of the Corporate Business Plan Review and report with recommendations to Council	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Director Engineering Services			Complete
Apr	Long Term Financial Plan - Review Update the Local Term Financial Plan to include outcomes of Corporate Business Plan Review and report with recommendations to Council	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Director of Corporate and Community Services			Complete
Apr	Other - ANZAC Day Ceremony					Events Coordinator			Complete
	May - Take Action								
May	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Complete
May	Primary Returns - Request Primary Return from any new employee who is a Designated Employee. Return must be received by CEO within 3 months of the person's start day	Local Government Act 1995	s.5.75	WALGA Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Executive Support and Governance Coordinator			Complete
May	Financial Interests Register - Review Review register to remove Primary and Annual Returns (not other interest disclosures) from the Financial Interest Register that relate to persons who are no longer Designated Employees (resigned or changed roles) or for Elected Members who have resigned. Returns that are removed are to be kept by the CEO as LG Record for at least 5 years after the person ceased to be a Designated Employee.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Executive Support and Governance Coordinator			Scheduled for June
May	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Executive Support and Governance Coordinator			Scheduled for June

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
	Customer Complaints Handling - Review • Review the complaint handling policy, procedures and Elected Member and Employee training • Analyse complaints data to identify opportunities to improve service provision • Provide periodic reports to Council on complaints data analysis	n/a	n/a		Annual	Director Corporate and Community Services			Scheduled for July
May	Official Conduct Complaints Officer - Internal Audit Local Government has designated a Senior Employee [s.5.37] as its Complaints Officer, if not, then the CEO is the Complaints Officer.	Local Government Act 1995	s.5.120	DLGSC Website - Local Government Standards Panel	Annual	Chief Executive Officer			Complete
May	Audit - Audit Report Action Plan Prepare an Audit Report Action Plan that assigns responsibility and timeframes for implementing outcomes / actions arising from the Audit Report. Provide Audit Report Action Plan to Council via Audit Committee for endorsement. For June Audit meeting.	n/a	n/a	Operational Practice	Annual or as required	Finance Manager			Scheduled for June OCM
May	Audit - Council Minutes re Auditor's Report Provide a copy of the Council report / minutes, detailing Council's consideration and resolutions regarding the Auditor's Report to the Minister within 3 months after the audit report is received by the Council.	Local Government Act 1995	s.7.12A(4)(b)		Annual or as required	Finance Manager			Completed in April 2023
May	Fines Enforcement - Designated Prosecuting Officers Review Designated Prosecuting Officers and provide written advice to Fines Enforcement Registry of changes.	Fines, Penalties and Infringement Notices Enforcement Act 1994	s.13(2)		Annual	Director Development and Regulatory Services			Scheduled for July
May	Designated Employees - Review status of employees who have been nominated as Designated Employees but who are not delegated authority and are not members of a Council Committee.	Local Government Act 1995	s.5.74		Annual	Chief Executive Officer			Scheduled for July
May	Senior Employees - Review status of employees who have been designated as Senior Employees under s.5.37. Provide report to Council to amend Senior Employee status.	Local Government Act 1995	5.36		Annual	Chief Executive Officer			Scheduled for July
May	Delegation Register Review - Delegations are to be reviewed by the delegator at least once every financial year Last Reviewed: dd/0/yyyy Next Due: dd/mm/yyyy	Local Government Act 1995	s.5.16, 5.17, 5.18 s.5.42, 5.43, 5.44, 5.45, 5.46 s.7.1B	WALGA website - Decision Making in Practice Toolkit Part 2 Delegations WALGA website - Webinar - Decision Making in Practice - Delegations DLGSC website - Operational Guideline No.17 Delegations	Annual	Director Corporate and Community Services			Planned for the July OCM
May	Other - Complete Insurance Renewal					Director Corporate and Community Services			Complete
May	Other - Check Performance Appraisals					Director Corporate and Community Services			Audit has commenced
June - Take Action									
Jun	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Finance Manager			Undertaken monthly
Jun	Decision Objection and Review Rights - Internal Audit Review the LG's template permits, licences, notices and approval letters issued under the Act and Local Laws to ensure they include advice to the recipient of their objection and review rights.	Local Government Act 1995	s.9.4		Annual	Director Development and Regulatory Services			Not yet commenced
Jun	FOI Annual Statistical Data - Response to Information Commissioner Due by: 30 June	Freedom of Information Act 1992	s.111(3)		Annual	Executive Services Officer (CCS)			Awaiting request

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Jun	Financial Reporting - Material Variances Each Financial Year, a LG is to adopt a percentage or value, calculated in accordance with AAS, to be used in statements of financial activity for reporting material variances. (adopt and apply in the following Financial Year)	Local Government Act 1995	s.34(5)		Annual	Finance Manager	28/03/2023	OCM 042/2023	Completed
Jun	Elections - Council Report required to determine if Electoral Commission will conduct the Election. Electoral Commission agreement to conduct the election required by: (80th day)	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial	Director Corporate and Community Services			Complete
Jun	Revaluation of Assets - Plant and Equipment LG must revalue all assets within the Plant and Equipment Class by the expiry of each 3-yearly interval after 30 June 2016.	Local Government Act 1995	FM.Reg.17A(4)		No longer required due to the Town's size	Finance Manager			N/A
Jun	Revaluation of Assets - Land, Buildings and Infrastructure (due 2023) LG must revalue all assets within the Land Building and Infrastructure Class by the expiry of each 5-yearly interval after 30 June 2017 (2020, 2023, 2026)	Local Government Act 1995	FM.Reg.17A(4)		5-yearly Next due: 2023	Finance Manager			Infrastructure revaluation completed 30/06/22, additional assets will be valued at 30/06/23. Commenced in June - Land and Buildings valuation (primarily desktop).
Jun	Revaluation of Assets - All Other Classes of Assets LG must revalue all other classes of assets (other than, Plant and Equipment and Land Building and Infrastructure classes) by the expiry of each 5-yearly interval after 30 June 2018 (2021, 2024)	Local Government Act 1995	FM.Reg.17A(4)		5-yearly Next due: 2024	Finance Manager			N/A
Jun	Annual Budget - Adoption (Start) During period 1 June to 31 August, Local Government is to prepare and adopt, by absolute majority, an Annual Budget for the next financial year. Annual budget content to comply with FM.Reg.22.	Local Government Act 1995	s.6.2(1) FM.Reg.22	DLGSC WA Local Government Accounting Manual	Annually Due by 31 August 2023	Finance Manager			Scheduled for July OCM
Jun	Elections - Electoral Commission agreement to conduct the election required by: (80th day) Report required to Council June OCM	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Due: 30 June 2023	Director Corporate and Community Services			Complete - February
Jun	Disability Access and Inclusion Plan to be made available - Internal Audit LG must publish the DAIP on request in electronic format, hard copy in standard and large print, on request by email and on the website	Disability Services Act 1992	s.29A Reg.9.	Dept. fo Community Services - Disability Services - Website - Local Government Resource Manual	Annual	Executive Services Officer (CCS)			A review is underway, with the new plan to be developed
Jun	Annual Review of Employee Performance - Undertake an audit to ensure each employee (including CEO and senior employees) who has been employed for more than 1 year, has been reviewed at least once in relation to every year of employment	Local Government Act 1995	s.5.38		Annual	Manager People and Culture			Ongoing when anniversaries fall. CEO's review is planned for July
Jun	Local Laws - to be publicised - Internal Audit Ensure all Local Laws (as amended) are available on website, libraries and LG's Office	Local Government Act 1995	s.3.15	WALGA website - Local Laws Manual Subscription Service DLGSCI website - Local Laws Statutory Procedures Checklist DLGSCI website - Local Laws Register	Annual	Director Corporate and Community Services			Complete
Jun	Information Statement LG must publish an up-to-date Information Statement, reviewed within every 12-months Last completed: 22/08/22 Due by: 21/08/2023	Freedom of Information Act 1992	s.96		Annual	Executive Services Officer (CCS)			Scheduled for July
Jun	Information Statement & Internal Manuals - Publicly Available LG must cause copies of the most up-to-date Information Statement and internal manuals to be made available for public inspection (deleting any exempt matter from those copies).	Freedom of Information Act 1992	s.97		Annual	Executive Services Officer (CCS)			Scheduled for July

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance
Jun	Corporate Business Plan - Review (Council Adoption) Due by: 30 June Council to adopt by absolute majority. Amended Corporate Business Plan informs the preparation of the budget.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Chief Executive Officer			The Council Plan, incorporating the Strategic Business Plan 2024-2034 and the Corporate Business Plan will be put to the July or August OCM
Jun	Strategic Community Plan - Review (Start the process) Review completed after community consultation, and adopted by Council, by absolute majority, at least once every 4 years Last reviewed (OCM decision date): 13/12/2013 Next Due by: 12/12/2023 NOTE - Corporate Business Plan and Informing Strategy Reviews are listed as part of the preliminary Actions for the Annual Budget	Local Government Act 1995	s.5.56 Admin.Reg.19C	DLGSCI website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: December 2023	Chief Executive Officer			The Council Plan, incorporating the Strategic Business Plan 2024-2034 and the Corporate Business Plan will be put to the July or August OCM
Jun	Heritage Inventory - Annual Update LG must compile and maintain a Heritage Inventory, which must be updated annually and a copy provided to the Heritage Council. Due by: 2023	Heritage of Western Australia Act 1990	s.45(2)(a), (3)	State Heritage Office Website - Basic Principles for Local Government Inventories State Heritage Office Website - Criteria for the Assessment of Local Heritage Places and Areas	Annual	Director of Development and Regulatory Services			Commenced
Jun	Heritage Inventory - Review LG must compile and maintain a Heritage Inventory, which must be reviewed every 4 years and a copy provided to the Heritage Council. Last completed: 2020 Due by: 2024	Heritage of Western Australia Act 1990	s.45(2)(b), (3)	State Heritage Office Website - Basic Principles for Local Government Inventories State Heritage Office Website - Criteria for the Assessment of Local Heritage Places and Areas	4-yearly Next Due: 2024	Director of Development and Regulatory Services			Due 2024

TOWN OF COTTESLOE



AUDIT COMMITTEE

ATTACHMENT

ITEM 8.2.2A: RESOLUTION DATABASE - JUNE 2023

Audit Committee Resolution Database

Updated June 2023



Council Meeting	Item Number	Item Title	Resolution	Complete (Y/N)	Comments
28.03.23	10.1.2	Mid-Year Budget Review 2022/23	<p>SUBSTANTIVE MOTION</p> <p>Moved Cr Barrett Seconded Mayor Young</p> <p>THAT Council:</p> <ol style="list-style-type: none"> 1. RECEIVES the Budget Review for the Financial Year 2022/23; 2. ADOPTS the amendments contained within the attached Budget Review document; 3. RETAINS the materiality levels of \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity; 4. TRANSFERS an amount of 80% (Estimate \$473,814) to the Foreshore Redevelopment Reserve and 20% (Estimate \$118,453) to the IT Reserve. 5. NOTES the predicted closing surplus of \$0 to be carried forward to 2023/24 		Item 4 to be completed in June, all other items complete.
26.04.23	10.1.2	Adoption of the 2021/22 Annual Report	<p>That Council, by Absolute Majority:</p> <ol style="list-style-type: none"> 1. RECEIVES the Audit Committee meeting minutes of 12 April 2023 and ADOPTS the following recommendations contained within: <ol style="list-style-type: none"> a. NOTES the Auditor’s Report from the Office of the Auditor General (attached) and that no action is required by the Town’s Audit Committee relevant to its responsibilities under the Local Government (Audit) Regulations 1996; b. ACCEPTS the Town of Cottesloe’s the Annual Financial Statement for 2021/22; c. SETS the date of the Electors’ Annual General Meeting for 6pm Wednesday 17 May 2023 in the War Memorial Hall, and that the purpose of the meeting be - “to discuss the contents of the 2021/22 Annual Report (incorporating the 2021/22 Annual Financial Statements and Auditor’s Report) and any other general business”; and d. NOTES that local public notice will be commenced on Thursday 27 April, to ensure the minimum 14 days notice of the Electors’ Annual General Meeting is provided. e. The Administration will provide a report to the June Audit Committee on the Auditor’s findings regarding purchase orders as identified in the Audit Report and management’s response. f. Administration draft a letter to the Auditors requesting an explanation into the delays with the preparation of the 2021/22 Audit Report, together with what actions can be implemented to improve the audit process for 2022/23 and beyond. 2. ADOPTS the Town of Cottesloe’s Annual Report for the 2021/22 year incorporating the Annual Financial Statements AND Audit Report. 	Y	