

Shire of Wiluna



**Report of the Audit Committee**

**meeting held on**

**Wednesday 22 February 2017**

**Table of Contents**

<b>Item</b>		<b>Page</b>
<b>1.</b>	<b>Attendance &amp; Apologies</b>	<b>2</b>
<b>2.</b>	<b>Declaration of Interest</b>	<b>2</b>
<b>3.</b>	<b>Confirmation of Minutes</b>	<b>2</b>
<b>4.</b>	<b>4.1. 2016 Compliance Audit Return</b>	<b>3</b>
<b>5.</b>	<b>Closure</b>	<b>5</b>

---

**APPENDIX 4.1. 2016 Compliance Audit Return**

**MINUTES**

**For the Meeting held on Wednesday 22 February 2017, in the Recreation Centre, at 11.06am.**

**1. Attendance**

Cr Chris Webb                      Chairperson

Cr Jim Quadrio

Cr Caroline Thomas

Cr Norma Ward

Cr Stacey Petterson

Colin Bastow                      Acting Chief Executive Officer

Warren Olsen                      Acting Deputy Chief Executive Officer

Glenn Deocampo                      Executive Manager Corporate Services

Katrina Boylan                      Senior Administration Officer

**Apologies**

Cr Graham Harris

**2. Declaration of Interest**

Nil

**3. Confirmation of Minutes – 25 January 2017**

**Committee Recommendation**

**MOVED CR WARD**

**SECONDED CR QUADRIO**

That the Minutes of the meeting held on 25 January 2017 be confirmed as a true and correct record of proceedings.

**CARRIED 5/0**

**4.1. 2016 Compliance Audit Return:**

File:	ADM 0151
Reporting Officer:	Warren Olsen – Acting Deputy Chief Executive Officer
Date of Report:	22 February 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to consider and, if thought fit to adopt, the Compliance Audit Return (CAR) for the calendar year ended 31 December 2016.

**Background**

Each local government is to carry out a compliance audit in respect of each calendar year against requirements established by the Department of Local Government and Communities, and to formally adopt the Compliance Audit Return by Absolute Majority.

The Compliance Audit Return must first be considered by the Audit Committee, and the Audit Committee must make a recommendation to the Council in respect of the adoption of the Compliance Audit Return.

After the Compliance Audit Return has been presented to the Council, a certified copy of the Return along with the relevant section of the minutes and any additional information explaining or qualifying the compliance audit is to be submitted to the Director General, Department of Local Government and Communities by March 31 in the following year.

Our Compliance Audit Return for the year ended 31 December 2016 has now been prepared, and is separately circulated with this agenda.

**Comment**

Councillors should note that a number of non-compliances have been identified; the executive management team is currently taking steps to resolve the issues to prevent recurrences of these non-compliances in the future.

Because of the adverse attention brought upon the Shire of Wiluna by the Department's current investigation into panel tenders, I have given the considerable priority to ensuring that the 2016 Compliance Audit Return is completed in time for it to be submitted by the statutory deadline of 31 March 2017.

As the Acting CEO did not commence his employment here until 24 November 2016 and I did not commence my employment until 30 January 2017, neither of us can have any direct knowledge in respect of events or of compliance matters during the 2016 calendar year. It was therefore not appropriate to complete the Compliance Audit Return as a "flick and tick" exercise; considerable research (made more difficult by the absence of an adequate records system) was called for.

In the event, completion of the 2016 Compliance Audit Return has taken more than a week of full-time effort and I am satisfied that the Compliance Audit Return has been completed as accurately as possible under the circumstances.

Although I am confident that the Compliance Audit Return has been completed as accurately as possible under the circumstances, our lack of any direct knowledge of the review period means that we cannot be 100% confident of the veracity of the Return now presented.

It should also be noted that councillors cannot have any direct knowledge of most of the compliance issues that the Compliance Audit Return endeavours to audit. Council necessarily relies on the advice of its officers, and I believe that we have protected the Council in this regard to the best of our ability.

Taking the lack of any direct knowledge of the review period by either the Acting CEO or the Acting Deputy CEO together with the lack of any direct knowledge of most of the issues by councillors, it is recommended that Council considers qualifying the resolution to adopt the Annual Compliance Return.

### **Consultation**

Chief Executive Officer

Administration Officer

Executive Manager Corporate Services

### **Statutory Environment**

Regulation 14 of the Local Government (Audit) Regulations 1996 provide that:

- (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.
- (2) 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 15 of the Local Government (Audit) Regulations 1996 provide that:

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
  - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
  - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

### **Policy Implications**

The Compliance Audit Return has identified a number of areas where policies and procedures need to be reviewed, improved and enforced.

These relate particularly to purchasing and tenders.

Recommendations in relation to these matters will be the subject of separate reports.

### **Financial Implications**

There are no financial implications directly related to the adoption and submission of the Compliance Audit Return.

### **Strategic Implications**

Although completion and submission of the Compliance Audit Return has no particular strategic significance in itself, its timely adoption and submission will go a long way to restoring the confidence of the Department of Local Government and Communities in the ability of the Council to properly manage its affairs.

### **Voting Requirements SIMPLE MAJORITY**

<b>Officer Recommendation &amp; Committee Decision</b>
--

<b>Item 4.1</b>
-----------------

**MOVED CR THOMAS**

**SECONDED CR PETERSON**

**To recommend to Council:-**

- 1. That it be noted that the Acting Chief Executive Officer commenced his duty with the Shire of Wiluna in November 2016 and that the Acting Deputy CEO commenced his duty with the Shire of Wiluna at the end of January 2017 and that, consequently, neither of those officers have any direct knowledge of the period under review.**
- 2. That it also be noted that Councillors have no direct knowledge of most of the issues with which the Compliance Audit Return is concerned, and therefore rely on the knowledge and advice of the Chief Executive Officer and senior managers.**
- 3. That, with these qualifications, the 2016 Compliance Audit Return be adopted.**

**CARRIED 5/0**

- 5. There being no further business the meeting was declared closed at 11.35am.**



## Wiluna - Compliance Audit Return 2016

### Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government and Communities together with a copy of section of relevant minutes.

<b>Commercial Enterprises by Local Governments</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2016.	N/A	There were no major trading undertakings in 2016	Warren Olsen
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2016.	N/A	There were no major land transactions in 2016	Warren Olsen
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	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 2016.	N/A	There were no major land transactions in 2016	Warren Olsen
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2016.	N/A	There were no major trading undertakings in 2016	Warren Olsen
5	s3.59(5)	Did the Council, during 2016, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A	There were no major land transactions and no major trading undertakings in 2016	Warren Olsen

<b>Delegation of Power / Duty</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes	The only delegations were to the Management Review Committee. The other committees had no delegations.	Warren Olsen
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	Yes	There is a Council minute, and also a "charter" for the Management Review Committee that includes a copy of the delegations.	Warren Olsen
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes	The delegations to the Management Review Committee were the Council's powers under sections 5.37 and 5.39 of the Local Government Act.	Warren Olsen
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	No	The delegations to the Management Review Committee could not be found in the Delegations Register.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
5	s5.18	Has Council reviewed delegations to its committees in the 2015/2016 financial year.	N/A	The Management Review Committee was established and delegated its powers on 14/12/2015. The Committee was disestablished on 25/1/2017.	Warren Olsen
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes	The delegations of 7/12/2016 relate to the Public Health Act only. The CEO's consolidated delegations exclude those listed in section 5.43.	Warren Olsen
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes	Refer resolution no. 117/16 of 7 December 2016.	Warren Olsen
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes	Included in the Delegations Register.	Warren Olsen
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes	Included in the Delegations Register.	Warren Olsen
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	N/A	There were delegations revoked during the review period.	Warren Olsen
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Warren Olsen
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2015/2016 financial year.	No	The delegations were last reviewed April 2015. A new Acting CEO commenced in November 2016, and caused a review of his delegations in December 2016. It is intended to review delegations to other staff over the next few months.	Warren Olsen
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 as required.	Yes		Warren Olsen

**Disclosure of Interest**

No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Warren Olsen
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	N/A	No decisions were made pursuant to section 5.68 (1) during the review period.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Warren Olsen
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	N/A	There were no newly elected members during the review period.	Warren Olsen
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes	All acknowledgements were dated within 3 months of commencement date of the employee concerned.  However, not every position to which a delegation was recorded in the Delegations Register has been recognised as a "designated employee"; the Delegations Register needs to be reviewed and then all officers with a delegation recognised as 'designated employees' (and be required to submit returns of financial interests where they have not already done so).	Warren Olsen
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2016.	Yes	The acknowledgements of annual returns were all dated prior to 31 August.	Warren Olsen
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2016.	Yes	The acknowledgements of annual returns were all dated prior to 31 August.	Warren Olsen
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Warren Olsen
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Warren Olsen
10	s5.88(1)(2) 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 and 5.71, in the form prescribed in Administration Regulation 28.	Yes	There have been no disclosures pursuant to section 5.71.	Warren Olsen
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	No	Former Councillor Newland's primary return was still in the register; it has now been removed.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes	All returns are kept in a separate folder once removed from the public register.	Warren Olsen
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Warren Olsen
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Warren Olsen
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Warren Olsen
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes	<p>However, the register was not compliant with the legislation and prescribed form that came into force on 4 March 2016.</p> <p>A compliant register in the prescribed form has now been produced and is on the Shire's website as the legislation requires.</p>	Warren Olsen

<b>Disposal of Property</b>					
No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	N/A	There were no disposals of property during 2016.	Warren Olsen
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	There were no disposals of property during 2016.	Warren Olsen



<b>Elections</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates 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 candidates.	N/A	There were no elections held in 2016.	Warren Olsen

<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
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	Refer resolution no. 159/15 of 28 October 2015.	Warren Olsen
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A	The Audit Committee does not have any delegated powers.	Warren Olsen
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes	Russell Harrison - Registered Company Auditor no. 14152	Warren Olsen
4	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes	Refer resolution no. 009/16 of 26 February 2016	Warren Olsen
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2016 received by the local government within 30 days of completion of the audit.	Yes	Received on 13 December 2016 (same day as the date of the Auditor's report).	Warren Olsen
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2016 received by the local government by 31 December 2016.	Yes	Received on 13 December 2016 (same day as the date of the Auditor's report).	Warren Olsen
7	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 by the local government, was that action undertaken.	N/A	The Council did not resolve that action be taken in relation to any matters raised in the Auditor's report.	Warren Olsen
8	S7.12A (4)	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 by the local government, was a report prepared on any actions undertaken.	N/A	The Council did not resolve that action be taken in relation to any matters raised in the Auditor's report. The Officer report introducing the Auditor's report briefly described management actions to be taken.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
9	S7.12A (4)	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 by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A	The Council did not resolve that action be taken in relation to any matters raised in the Auditor’s report.	Warren Olsen
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes	Clause 1	Warren Olsen
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes	Clause 3	Warren Olsen
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes	Clause 4 and Appendix A (section 2)	Warren Olsen
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes	Appendix A - section 6	Warren Olsen
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes	Clause 8	Warren Olsen



<b>Local Government Employees</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	N/A	The position of CEO has not been advertised during the review period.	Warren Olsen
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	N/A	The position of CEO was last advertised in 2012. The CEO appointed from that recruitment resigned effective November 2015. Since then, the role has been filled by temporary "acting" CEOs pursuant to sub-section 5.39 (1a) of the Act.	Warren Olsen
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A	The position of CEO has not been advertised during the review period.	Warren Olsen
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A	There have been no applications for the position of CEO within the review period.	Warren Olsen
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A	Until 24 August 2016, there were no designated senior employ positions other than the CEO. Council designated some senior employee positions at its meeting of 24 August. There have been no engagements or dismissals related to the senior employee positions between 24 August and 31 December 2016.	Warren Olsen



<b>Official Conduct</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	The CEO is the Complaints Officer.	Warren Olsen
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	No	The Shire has never received any complaints pursuant to Division 9 of the Local Government Act. However, we were unable to find a compliant register in which any such complaints would be recorded. A register fully compliant with section 5.121 of the Act has now been established (in February 2017).	Warren Olsen
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	No	Such a register did not exist in the review period. The new register established in February 2017 includes provision for recording of the name of the council member about whom the complaint is made.	Warren Olsen
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	No	Such a register did not exist in the review period. The new register established in February 2017 includes provision for recording the name of the person who makes the complaint.	Warren Olsen
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	No	Such a register did not exist in the review period. The new register established in February 2017 includes provision for recording a description of the minor breach that the standards panel finds has occurred.	Warren Olsen
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c).	No	Such a register did not exist in the review period. The new register established in February 2017 includes provision to record details of the action taken under s5.110(6)(b) or (c).	Warren Olsen



**Tenders for Providing Goods and Services**

No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	No	The Auditor's management letter identified an instance where (without inviting tenders) a supplier was paid more than \$150,000 for services during FY 2015-2016. The new Acting CEO has undertaken that the Shire will review its purchasing policies and procedures to ensure that this type of error does not reoccur in the future.	Warren Olsen
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	N/A	There were no instances of multiple contracts being entered into for the same goods and/or services.	Warren Olsen
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	Yes	Details of advertising and copies of most tender notices from the WEST AUSTRALIAN are included in the tender register.	Warren Olsen
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	No	Most tender notices did not include any reference as to where and how tenders may be submitted, although such information was presumably included in the tender documents. Some tender notices did not specify a PERSON from whom more detailed information could be obtained - just a phone number and email address.	Warren Olsen
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	N/A	There were no variations to information supplied to tenderers during 2016.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16.	No	There is no lock on the "tender box".  All other requirements of Regulation 16 are complied with.  The Shire will procure a new tender box that can be locked, and will also investigate options for the secure electronic submission of tenders (eg Tenderlink).	Warren Olsen
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	No	A tender for 2016/05 Supply of Bitumen and Aggregate was considered despite not being received before the close of tenders. This was because it was considered to be "delayed by Australia Post". Tender documentation and procedures will be improved to prevent a similar situation in future.	Warren Olsen
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes	Written assessments have been sighted for every tender.	Warren Olsen
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	No	No copy of Tender Notice in relation to RFT 2016/03.  In respect of RFTs 2016/01, 2016/02 and 2016/03, the "particulars of the decision to invite tenders" was left blank.	Warren Olsen
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes	Letters have been sighted to unsuccessful tenderers, except for 2016/04 which has not yet been determined.	Warren Olsen
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A	No expressions of interest were invited in 2016.	Warren Olsen
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A	No expressions of interest were invited in 2016.	Warren Olsen
13	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.	N/A	No expressions of interest were invited in 2016.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A	No expressions of interest were invited in 2016.	Warren Olsen
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice.	Yes	<p>Although the terminology used in the notice was "Tender" rather than "Application to join a panel of pre-qualified suppliers". The terminology used is probably better understood by prospective suppliers.</p> <p>The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.</p>	Warren Olsen
16	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE.	No	<p>The notices did not include any reference as to where and how applications could be submitted, although such information was presumably included in the documents provided to prospective suppliers. The notices did not specify a PERSON from whom more detailed information could be obtained - just a phone number and email address.</p> <p>The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.</p>	Warren Olsen
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application.	No	<p>There is no lock on the "tender box".</p> <p>The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.</p>	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
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	I could not find any instance of variation to the information supplied prospective suppliers. The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.	Warren Olsen
19	F&G Reg 24AH(1)	Did the local government reject the 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	I could find no evidence of any late applications. The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.	Warren Olsen
20	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application(s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria.	Yes	In fact, one of the RFAs (2016/03) was assessed twice due to errors in the first assessment. The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.	Warren Olsen
21	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.	No	No copy of Tender Notice in relation to RFT 2016/03.  In respect of RFTs 2016/01 and 2016/03, the "particulars of the decision to invite tenders" was left blank. The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.	Warren Olsen



No	Reference	Question	Response	Comments	Respondent
22	F&G Reg 24AI	Did the local government send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted.	Yes	Letters have been sighted in the case of both panel tenders.  The Shire's "panel tenders" are currently subject to investigation by the Department of Local Government, and it would probably be inappropriate to preempt the outcome for that investigation in this Compliance Audit Return.	Warren Olsen
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	There is no evidence that a regional price preference has been applied to any tender within the review period.	Warren Olsen
24	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy.	N/A	No regional price preference policy was adopted in 2016.	Warren Olsen
25	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less.	Yes	The policy is well documented in the policy manual. It needs to be reviewed and then disseminated to staff, and enforced.	Warren Olsen

I certify this Compliance Audit return has been adopted by Council at its meeting on \_\_\_\_\_

\_\_\_\_\_  
 Signed Mayor / President, Wiluna

\_\_\_\_\_  
 Signed CEO, Wiluna