

4.3: ANNUAL COMPLIANCE AUDIT RETURN 2010

Attachment : Copy of Compliance Audit Return 2010
Responsible Officer : Chief Executive Officer (F James)

IN BRIEF

- Present the Compliance Audit Return to Council for adoption in compliance with the final submission date; being: 31 March 2011.

RECOMMENDATION

ITEM 4.3: RESPONSIBLE OFFICER RECOMMENDATION

THAT:

- 1. The Compliance Audit Return for the City of Albany for the period of 1 January 2010 to 31 December 2010 be ADOPTED; and**
- 2. The Certificate contained within the Compliance Audit Return be ENDORSED by the CEO and the Mayor and be SUBMITTED to the Department of Local Government before 31 March 2011.**

BACKGROUND

1. Local Government Authorities are required to undertake an audit of compliance for the preceding calendar year. A copy of the 2010 Compliance Audit Return is included as an Attachment to this report.
2. The Compliance Audit Return is to be:
 - a. Presented to Council at a meeting of Council;
 - b. Adopted by Council; and
 - c. Recorded in the minutes of the meeting at which it is adopted.

DISCUSSION

3. The Compliance Audit Return forms an important part of the City's compliance monitoring program. The Compliance Audit Return commences in January 2011, with the initial distribution of questions.
4. The Assistant Business Governance Officer distributes relevant sections of the Compliance Audit to Responsible Officers for completion.
5. The completed questions are then returned by the Responsible Officer to the Assistant Business Governance Officer for compilation. Any questions being answered with a "No" response require an explanation for non compliance. by the Responsible Officer

CEO:

Identified areas of non compliance.

6. The identified areas of non compliance are:

a. **Delegation of Power / Duty:**

- **No. 1. Ref: s5.46(2). Delegation of Power/Duty.** *Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2009/2010 financial year?*
- **No. 5. Ref: s5.18.** Has Council reviewed delegations to its committees in the 2009/2010 financial year?

Response: Delegations review initiated and conducted in 2009/10 reporting period; however not finalised by Council in the period (30/6/09 to 01/07/10).

- Delegations reviewed by full Council on 21/04/09 and 16/11/10.
- With effect 16/11/10 no Committee of Council has delegated authority.

b. **Executive Functions:**

No. 4. Ref: s3.18(3)(b). *Has the local government satisfied itself that the services and facilities that it provides avoid unnecessary duplication of services or competition particularly with the private sector?*

Response: Ongoing review of services and facilities is in progress, formally facilitated through elected member workshops and the Audit Committee.

c. **Finance:**

No. 5. Ref: s5.56 Admin Reg 19C(2). *Has the local government made a plan for the future of its district in respect of the period specified in the plan (being at least 2 financial years)?*

Response: Five Year Financial Plan under development. Updated Plan to be submitted for adoption in early 2011.

d. **Local Government Employees:**

No. 10. Ref: s5.38. *Was the performance of each employee, employed for a term of more than one year, (including the CEO and each senior employee), reviewed within the most recently completed 12 months of their term of employment?*

Response: No. Two reviews were not completed. One is outstanding and the other relates to the Interim CEO, who was acting in an interim position and not subject to review.

e. **Local Laws:**

No. 6. Ref: s3.16(1). *Have all reviews of local laws under section 3.16(1) of the Act been carried out within a period of 8 years?*

Response: No.

Status:

- Animal Local Law 2001 to be presented for consideration by Council in early 2011;
- The Former Perth 2001 to be presented for consideration by Council in early 2011.

PUBLIC CONSULTATION/ENGAGEMENT

7. Nil.

GOVERNMENT CONSULTATION

8. Nil.

STATUTORY IMPLICATIONS

9. Section 7.13(1)(i) of the **Local Government Act 1995** and Regulation 14 of the **Local Government (Audit) Regulations 1996** establish the requirements for Local Governments to undertake an annual compliance audit and submit a copy of that audit to the Department of Local Government (DLG).

10. Regulation 14 of the **Local Government (Audit) Regulations 1996** states:

14. Compliance audit return to be prepared

(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.

(3) A compliance audit return is to be —

(a) presented to the council at a meeting of the council;

(b) adopted by the council; and

(c) recorded in the minutes of the meeting at which it is adopted.

FINANCIAL IMPLICATIONS

11. There is no direct cost to Council for this Audit. Internal staff time for The Assistant Business Governance Officer amounted to eight hours.

POLICY IMPLICATIONS

12. Nil.

Consulted References	<i>Local Government Act 1995.</i>
File Number (Name of Ward)	GR.STL.6
Previous Reference	OCM 16/03/10 Item 16.4.1