



AGENDA

FOR THE

AUDIT AND RISK COMMITTEE MEETING

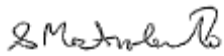
8 APRIL 2025

NOTICE OF MEETING

Dear Council Member,

The next Audit and Risk Committee of Council will be held on Tuesday, 8 April 2025 in the Council Chambers, Corner Weld and Haas Streets, Broome, commencing at 10:00AM.

Regards,



S MASTROLEMBO
Chief Executive Officer

04/04/2025

Our Mission

"To deliver affordable and quality Local Government services."

DISCLAIMER

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions in section 5.25 of the *Local Government Act 1995* establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Broome expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

Should you require this document in an alternative format please contact us.

SHIRE OF BROOME
AUDIT AND RISK COMMITTEE MEETING
TUESDAY 8 APRIL 2025
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1. OFFICIAL OPENING

2. ATTENDANCE AND APOLOGIES

3. DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY

4. CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Audit and Risk Committee held on 18 February 2025, as published and circulated, be confirmed as a true and accurate record of that meeting.

5. REPORT OF OFFICERS

5.1 3RD QUARTER FINANCE AND COSTING REVIEW 2024-25	
LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	FRE02
AUTHOR:	Director Corporate Services
CONTRIBUTOR/S:	Accountant
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil

SUMMARY:
 The Audit and Risk Committee is requested to consider results of the 3rd Quarter Finance and Costing Review (FACR) of the Shire's budget for the period ended 31 March 2025, including forecast estimates and budget recommendations to 30 June 2025.

BACKGROUND

Previous Considerations

SMC	22 August 2024	Item 5.4.1
ARC	29 October 2024	Item 5.1
OMC	31 October 2024	Item 13.1
ARC	18 February 2025	Item 5.2
OMC	27 February 2025	Item 9.4.6

The Shire of Broome has carried out its 3rd Quarter Finance and Costing Review (FACR) for the 2024-25 financial year. This review of the 2024-25 Annual Budget is based on actuals and commitments for the first 9 months of the year from 1 July 2024 to 31 March 2025, and forecasts for the remainder of the financial year.

This process aims to highlight over and under expenditure of funds, and over and under achievement of income targets for the benefit of Executive and Responsible Officers to ensure good fiscal management of their projects and programs.

Once this process is completed, a report is compiled identifying budgets requiring amendments to be adopted by Council. Additionally, a summary provides the financial impact of all proposed budget amendments to the Shire of Broome's adopted end-of-year forecast, to assist Council to make an informed decision.

It should be noted that the 2024-25 annual budget was adopted at the Special Meeting of Council on 22 August 2024 as a balanced budget.

The Quarter 3 FACR commenced on 20 March 2025. At the start of the Q3 FACR, a net deficit of \$87,619 was forecast arising from past budget amendments adopted by Council, including the Quarter 1 and Quarter 2 FACR's, and amendments stemming from Council's adoption of the Final 2024 Audit in December 2024. These amendments resulted in an adjusted opening deficit of \$87,619.

Significant amendments approved through the FACR processes to date include:

- \$172,000 additional income at the Waste Management Facility offset by a \$100,000 increase in costs (primarily related to dry hire excavator costs required due to BOMAG repairs) resulting in a \$72,000 transfer to the Regional Resource Recovery Park Reserve.
- \$120,000 decrease to salary accounts in the Ranger Operations business unit with a corresponding \$120,000 increase to fund relief staff required due to vacancies.
- \$93,984 reduction in insurance costs as the actual premiums received were lower than forecast.
- \$88,525 increased income via developer contributions which have been quarantined in reserve for future footpath and drainage works.
- \$85,393 savings in salary allocations for A Sporting Chance due to the program being wound up (refer December 12 2024 OMC Item 9.1.1).
- \$81,600 increase in expense to engage contractors for the preparation of the 2025/26 annual budget and to review Council's Long Term Financial Plan.
- \$80,000 reduction in loan fees and adjustments due to the delayed draw down of the Key Worker Housing Loan.
- \$77,000 loss of interest income due to the delayed issue of rates notices following late budget adoption coupled with less grant funding being held in the municipal bank account.
- \$70,000 additional income from planning and building fees. This increase stems largely from increased solar applications.

COMMENT

The Q3 FACR identifies a net cumulative **deficit** forecast of **\$193,282** to 30 June 2025.

The above figure represents a budget forecast should all expenditure and income occur as expected. It does not represent the actual end-of-year position which can only be determined as part of the normal annual financial processes at the end of the financial year.

While officers make every effort to ensure the net impact of each FACR is minimal, the net surplus forecast mainly relates to the following proposed amendments:

- A \$235,000 reduction in forecast Salaries and Wages, reflecting vacancies in key positions throughout the organisation.
- A \$140,000 combined increase in interest received on interim rates and non-payment of rates.
- a \$135,000 reduction in forecast income from issue of infringement notices. Business case presented previously saw the budgeted figures increase on prior year actuals. The results in this financial year mirror prior years more closely than originally forecast.

While the forecast for the 2024/25 financial year shows a positive result, it's crucial to acknowledge that the surplus isn't due to inadequate planning or budgeting. Staff turnover and vacancies have affected service delivery, prompting officers to fill gaps with contractors and defer non-essential tasks. Despite challenges, officers have strived to meet community expectations with the available resources. They face a

rigorous review in the third quarter, aiming for realistic outcomes on all accounts and projects. Recognising that operating budgets reset at the start of the new financial year, officers strive to optimise their fund allocations to achieve the best outcomes for the community by 30 June.

A comprehensive list of accounts (refer to Attachment 1) has been included for perusal by the committee, summarised by Directorate.

Quarter 3 FACR Result

A summary of the results is as follows:

SHIRE OF BROOME SUMMARY REPORT							
BUDGET IMPACT							
	2023/24 Adopted Budget (Income)/ Expense	YTD Adopted Budget Amendments (Income)/ Expense	FACR Q3 Overall (Income) / Expense	FACR Q3 Org (Savings) / Expenses	FACR Q3 Impact (Inc) / Exp (Org Savings subtracted)	YTD Impact (Org Savings Subtracted)	YTD Overall Position
Office of the CEO	\$0	\$45,732	-\$35,000	-\$35,000	\$0	\$45,732	\$10,732
Corporate Services	\$0	\$8,811	-\$108,249	-\$152,863	\$44,614	\$53,425	-\$99,438
Development Services	\$0	-\$56,251	-\$42,434	-\$49,434	\$7,000	-\$49,251	-\$98,685
Infrastructure Services	\$0	\$126,588	-\$124,718	-\$178,767	\$54,049	\$180,637	\$1,870
Change in brought forward surplus	\$0	-\$37,261	\$0	\$0	\$0	-\$37,261	-\$37,261
	0,000*	\$87,619	-\$310,401	-\$416,064	\$105,663	\$193,282	-\$222,782

*Council adopted the annual budget with a predicted end-of-year balanced budget, which included previous year carried forward surplus.

CONSULTATION

All amendments have been proposed after consultation with Executive and Responsible Officers at the Shire.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulation 1996

r33A. Review of Budget

- (1) Between 1 January and the last day of February in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government's financial position as at the date of the review; and

- (c) review the outcomes for the end of that financial year that are forecast in the budget; and
 - (d) include the following —
 - (i) the annual budget adopted by the local government;
 - (ii) an update of each of the estimates included in the annual budget;
 - (iii) the actual amounts of expenditure, revenue and income as at the date of the review;
 - (iv) adjacent to each item in the annual budget adopted by the local government that states an amount, the estimated end-of-year amount for the item.
- (2) The review of an annual budget for a financial year must be submitted to the council on or before 31 March in that financial year.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.
- *Absolute majority required.
- (4) Within 14 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

[Regulation 33A inserted: Gazette 31 Mar 2005 p. 1048-9; amended: Gazette 20 Jun 2008 p. 2723-4; SL 2023/106 r. 18.]

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- 1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
- (a) is incurred in a financial year before the adoption of the annual budget by the local government;
 - (b) is authorised in advance by resolution*; or
 - (c) is authorised in advance by the mayor or president in an emergency.
- (1a) In subsection (1) —

“additional purpose” means a purpose for which no expenditure estimate is included in the local government’s annual budget.

POLICY IMPLICATIONS

Nil.

It should be noted that according to the materiality threshold set at the budget adoption, should a deficit achieve 1% of Shire's operating revenue (\$458,810) the Shire must formulate an action plan to remedy the over expenditure.

FINANCIAL IMPLICATIONS

The overall result of the **Quarter 3 FACR** is a surplus of **\$310,401**. Within this review process, officers identified **\$416,064** of organisational savings.

Taking the existing net deficit of \$87,619 into consideration, being all budget amendments previously endorsed by Council, and the amendments proposed in the Quarter 3 FACR, the **net result** is a cumulative **surplus** forecast of **\$222,782**. Organisational Savings of **\$416,064** have been identified which if approved would result in a net cumulative **deficit** forecast of **\$193,282** to 30 June 2025.

The decision to allocate the surplus, identified as "organisation savings," rests with Council. These savings are genuine organisation savings that can be allocated to other areas. Officers are comfortable that the forecast deficit position of \$193,282 can be addressed prior to the end of the financial year.

It is recommended that organisational savings of \$416,064 is used to reduce the \$997,717 approved borrowing to fund Cable Beach Stage A1. This will reduce total borrowings to \$581,653 and reduce annual loan repayments from a projected \$126,314 to \$73,639, providing ongoing savings and improving Council's debt servicing ratio.

RISK

The Finance and Costing Review (FACR) seeks to provide a best estimate of the end-of-year position for the Shire of Broome at 30 June 2025. Contained within the report are recommendations of amendments to budgets which have financial implications on the estimate of the end-of-year position.

The review does not, however, seek to make amendments below the materiality threshold unless strictly necessary. The materiality thresholds are set at \$10,000 for operating budgets and \$20,000 for capital budgets. Should a number of accounts exceed their budget within these thresholds, it poses a risk that the predicted final end-of-year position may be understated.

In order to mitigate this risk, the CEO enacted the FACRs to run quarterly and Executive examine each job and account to ensure compliance. In addition, the monthly report provides variance reporting highlighting any discrepancies against budget.

It should also be noted that should Council decide not to adopt the recommendations, it could lead to some initiatives being delayed or cancelled in order to offset the additional expenditure associated with running the Shire's operations.

STRATEGIC ASPIRATIONS

Performance – We will deliver excellent governance, service and value, for everyone.

Outcome Eleven – Effective leadership, advocacy and governance:

11.2 Deliver best practice governance and risk management.

Outcome Thirteen - Value for money from rates and long term financial sustainability:

13.1 Plan effectively for short and long term financial sustainability.

VOTING REQUIREMENTS*Absolute Majority***REPORT RECOMMENDATION:**

That the Audit and Risk Committee recommends that Council:

- 1. Receives the Quarter 3 Finance and Costing Review Report for the period ended 31 March 2025;*
- 2. Adopts the operating and capital budget amendment recommendations for the year ended 30 June 2025 as attached (Attachment 1);*
- 3. Approves the allocation of \$416,064 of organisational savings as identified within this report to reduce planned borrowings required for Council's Cable Beach Stage A1 project (GL 114865620); and*
- 4. Notes a forecast net end-of-year deficit position to 30 June 2024 of **\$193,282** including previously adopted budget amendments and the budget amendments in recommendations 2 and 3.*

Attachments

1. Quarter 3 Finance and Costing Review 2024-25

SHIRE OF BROOME SUMMARY REPORT							
BUDGET IMPACT							
	2024/25 Adopted Budget (Income)/ Expense	YTD Adopted Budget Amendments (Income)/ Expense	FACR Q3 Overall (Income)/ Expense	FACR Q3 Org (Savings) / Expenses	FACR Q3 Impact (Inc) / Exp (Org Savings subtracted)	YTD Impact (Org Savings Subtracted)	YTD Overall Position
Office of the CEO	\$0	\$45,732	-\$35,000	-\$35,000	\$0	\$45,732	\$10,732
Corporate Services	\$0	\$8,811	-\$108,249	-\$152,863	\$44,614	\$53,425	-\$99,438
Development Services	\$0	-\$56,251	-\$42,434	-\$49,434	\$7,000	-\$49,251	-\$98,685
Infrastructure Services	\$0	\$126,588	-\$124,718	-\$178,767	\$54,049	\$180,637	\$1,870
Change in b/fwd surplus	\$0	-\$37,261	\$0	\$0	\$0	-\$37,261	-\$37,261
	0,000*	\$87,619	-\$310,401	-\$416,064	\$105,663	\$193,282	-\$222,782

*Council adopted the annual budget with a predicted end-of-year balanced budget, which included previous year carried forward surplus

**Please note that should the Forecast budget predict a deficit greater than 1% of budgeted operating revenue excluding grants and contributions for assets, and profit on sale of assets (\$458,810), an action plan to remedy the situation will be prepared in accordance with Item 5.4.1 of August SMC on Materiality Threshold.

† Includes all additional Council adopted budget amendments year-to-date, including any previous FACRs

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
Office of the CEO										
ADMIN1 - Chief Executive Officer - S Mastrolembo										
22230		341	Legal Expenses - Op Exp - Other Governance	\$15,000	\$0	\$30,000	\$45,000		Additional expenditure for Industrial Relations matters.	\$30,000
						\$30,000		\$0		\$30,000
CS3 - Manager People and Culture - C Tribble										
142043		77	Organisation Training - General	\$252,000	\$129,481	-\$40,000	\$212,000		Staff turnover in management impacted the ability to deliver planned training and attendance at conferences did not occur as a result.	-\$40,000
142044		79	Uniforms - Op Exp - General Admin O'Heads	\$91,000	\$42,190	-\$25,000	\$66,000		Issues with contract and turnover reduced expenditure.	-\$25,000
						-\$65,000		\$0		-\$65,000
			<i>Office of the CEO Directorate (Saving)/Expense</i>			-\$35,000		\$0		-\$35,000
Corporate Services										
BRAC1 - Manager Community Facilities - C Zepnick										
117010	117011	34	Aquatic Building & Pool General Maint Exp	\$35,000	\$28,068	\$5,000	\$40,000		Insurance claim for a storm-damaged shade pole was denied. Repair funded through municipal budget.	\$5,000
117015	117015	34	Chemical related expenses Aquatic	\$50,000	\$66,507	\$20,000	\$70,000		Increased attendance and weather conditions have necessitated increased chemical treatment. Increased chemical costs.	
117156		34	Program Annual Events - Op Exp - BRAC Dry	\$8,000	\$116	-\$6,886	\$1,114		Events have not occurred due to staffing shortages.	
117256		02	Program Annual Events - Op Inc - BRAC Dry	-\$8,000	\$0	\$7,000	-\$1,000		Events have not occurred due to staffing shortages.	
117275		02	Stadium Venue Hire Income Rec'd - Op Inc - BRAC Dry	-\$30,000	-\$11,823	-\$10,000	-\$40,000		Income tracking ahead of budget.	-\$10,000
117218	117220	34	Medland Pavilion - Reactive Maint - Op Exp	\$21,000	\$19,852	\$7,000	\$28,000		Flooring replacement in kiosk area to maintain safety standards.	\$7,000
						\$22,114		\$0		\$2,000
CMS4 - Coordinator Civic Centre - S Bowra										

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
116145	KA01	11	Exhibition Infrastructure for Kimberley Artwork Grant - Cap Exp	\$69,788	\$0	-\$69,788	\$0		Original budget allocated to incorrect expense type.	
116145	KA01	34	Exhibition Infrastructure for Kimberley Artwork Grant - Cap Exp	\$0	\$0	\$128,288	\$128,288		Original budget of \$69788 allocated to inappropriate expense type. Shire required to fund a portion of this project. Saving in Job 116481 to offset.	
116480	116481	34	Equipment Renewal - Op Exp - Bme Civic Centre	\$61,466	\$11,329	-\$34,000	\$27,466		Saving in account used to fund exhibit panels in KA01.	
						\$24,500		\$0		\$0
CS2 - Manager Financial Services - F Mamzone										
30145		34	Debt Collection Recovery	\$30,000	\$13,679	-\$20,000	\$10,000		Tracking below budget due to delay in issuing notices following August Budget adoption. Shortened window for debt recovery has resulted in a permanent variance.	-\$20,000
32490		14	Legal Expense Recovery No GST - Op Inc Rates	-\$30,000	-\$2,866	\$20,000	-\$10,000		Tracking below budget due to delay in issuing notices following August Budget adoption. Shortened window for debt recovery has resulted in a permanent variance.	\$20,000
30106		01	Interim Rates Broome - Op Inc - Rates	-\$285,000	-\$356,007	-\$70,000	-\$355,000		Interim rates receipts exceed budget forecast.	-\$70,000
30201		23	Rates Non Payment Int - Op Inc - Rates	-\$130,000	-\$201,683	-\$70,000	-\$200,000		Interest receipts exceed budget forecast.	-\$70,000
142120		58	Bank Charges with GST Only - Op Exp - Gen Admin	\$55,000	\$65,112	\$10,000	\$65,000		Increased merchant fees from CBA. Increased ProMaster fees.	\$10,000
142193		34	Consultants & Relief Staff	\$302,053	\$176,397	\$25,000	\$327,053		Additional consultant support required due to extended vacancy. Salary savings used to offset costs.	
146106		61	Salary - Op Ex - Records	\$317,726	\$193,505	-\$25,000	\$292,726		Salary savings used to offset accountant consultancy	
						-\$130,000		\$0		-\$130,000
CS4 - Manager Governance, Strategy & Risk - R Doyle										
24390		14	Reimbursements & Sundry Income with GST - Op Inc - Members	\$0	-\$8,623	-\$8,263	-\$8,263		Reimbursements from WALGA for Shire President Travel in 23/24.	-\$8,263
113416	113410	02	Male Oval Hire - Op Inc - Parks & Ovals	-\$7,000	-\$10,600	-\$3,600	-\$10,600		Additional one-off fees received for circus.	-\$3,600

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
147585		14	Reimbursement of Insurable Claimable Costs - Op Inc - Unclassified General MUN	-\$102,437	-\$135,468	-\$35,200	-\$137,637		Reimbursement of insurance claim for Magurr Park (Banu Avenue) fencing	
122000	121025	34	Sector 2 Cable Beach - Works Maintenance	\$80,024	\$138,161	\$35,200	\$115,224		Damaged fencing at Magurr Park (Banu Avenue). Income from insurance claim from fire event to follow.	
						-\$47,063		\$0		-\$11,863
BA - Accountant - J Dodds										
95301		55	Key Worker Accommodation Loan (NEW) Fees & Interest Exp - Staff Housing	\$67,256	\$0	-\$30,000	\$37,256		Loan is yet to be drawn down, actual interest will be lower than forecast.	-\$30,000
142212		20	Interest Rec on Muni Investment - Op Inc - General Administration O'Heads	-\$723,000	-\$359,652	\$17,000	-\$706,000		Lower carrying balance of municipal funds due primarily to delay in rates receipts.	\$17,000
						-\$13,000		\$0		-\$13,000
			Corporate Services Directorate (Saving)/Expense			-\$108,249		\$0		-\$152,863
Development Services										
DS1 - Director Development Services - S Becker										
106100		61	Salary - Op Exp - Development Services	\$321,502	\$189,320	-\$40,000	\$281,502		Salary savings due to vacancy in Director and Executive Assitant roles	-\$40,000
106100		76	Salary - Op Exp - Development Services	\$36,972	\$17,581	-\$5,000	\$31,972		Superannuation savings due to vacancy in Director and Executive Assitant roles	-\$5,000
						-\$45,000		\$0		-\$45,000
BS1 - Manager Planning & Building - K Wood										
106430		04	Subdivision / Strata Title Fees - Op Inc - Town Planning / Red Dev	-\$1,500	-\$5,221	-\$3,500	-\$5,000		Subdivision clearance fees ahead of budget.	-\$3,500
						-\$3,500		\$0		-\$3,500
REQ4 - Special Projects Coordinator - H Toikander										
117024	117025	34	BRAC Gym & Fitness Facility - Detailed Design / Tender Pkg - Cap Exp	\$424,926	\$180,733	-\$208,084	\$216,842		Remaining budget funds to be allocated into POS (BRAC) Reserve as per Council Resolution Minute No. C/0423/029 Item 2.	

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
117321			Transfer to BRAC Reserve - Cap Exp - BRAC Dry Areas MUN	\$0	\$0	\$208,084	\$208,084	\$208,084	Transfer of surplus funds to POS (BRAC) Reserve per Council Resolution Minute No. C/0423/029.2	
						\$0		\$208,084		\$0
CMS2 - Manager Community Engagement and Projects - N Roukens										
82600		61	Salary - Op Exp - Community Services	\$803,115	\$498,413	-\$90,000	\$713,115		Salary savings due to Economic Development Coordinator vacancy in Department.	-\$90,000
CMS3 - Economic Development Coordinator - E Pendlebury										
82689		14	Reimbursements & Other Income - Op Inc - Economic Services	\$0	-\$22,727	-\$22,727	-\$22,727		Reimbursement of unspent funding received from West Kimberley Alliance.	-\$22,727
						-\$22,727		\$0		-\$22,727
HS1 - Manager Environmental Health, Emergency & Ranger Services - A Ahtong										
507218		34	Consultants - Op Exp - Ranger Operations	\$10,000	\$1,161	-\$6,000	\$4,000		Savings identified in account.	-\$6,000
52400		03	Animal Fines & Penalties - Op Inc - Animal Control	-\$40,000	-\$5,358	\$30,000	-\$10,000		Income associated with Animal Fines has not been realised for 24/25. Business Case presented previously which saw income totals in this account increased from previous financial years. The proposed amendments are in line with the income received in previous financial years.	\$30,000
53400		03	Sundry (ORV Etc) Fines & Penalties - Op Inc - Other Law Order & Public Safety MUN	-\$75,000	-\$9,500	\$50,000	-\$25,000		Income associated with Fines has not been realised for 24/25. Business Case presented previously which saw income totals in this account increased from previous financial years. The proposed amendments are in line with the income received in previous financial years.	\$50,000
74010		61	Salary - Op Exp - Preventative - Inspection / Admin	\$509,826	\$397,329	-\$16,000	\$493,826		Staff vacancies throughout they year resulting in lower than forecast salary expense.	-\$16,000
74011		34	Relief Staff Expenses - Op Exp - Preventative - Inspection / Admin	\$20,000	\$37,949	\$18,793	\$38,793		Staff vacancies throughout they year resulting in higher than forecast relief cover.	\$18,793

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
74280		34	Other Minor Expenditure - Op Exp - Preventative - Inspection / Admin	\$5,000	\$11,315	\$7,000	\$12,000		An additional budget is required to cover costs for the remainder of the 24/25 financial year. This account includes all freight associated with pool sampling.	
74420		04	Health Licences - Op Inc - Preventative - Inspection / Admin	-\$90,000	-\$94,675	-\$10,000	-\$100,000		Income has been revised to \$100,000 for 24/25 noting the additional income received to date.	-\$10,000
74490		04	Trading Licences - All Except Beach - Op Inc - Prevent - Inspection / Admin	-\$25,000	-\$34,850	-\$10,000	-\$35,000		Income has been revised to \$35,000 for 24/25 noting the additional income received to date.	-\$10,000
124910		03	Parking Fines - Op Inc - Parking Facilities	-\$75,000	-\$2,585	\$55,000	-\$20,000		Income associated with Fines has not been realised for 24/25. Business Case presented previously which saw income totals in this account increased from previous financial years. The proposed amendments are in line with the income received in previous financial years.	\$55,000
53015		61	Relief Staff Exp - Op Exp - Ranger Operations	\$270,000	\$231,855	\$35,000	\$305,000		Contract Ranger services required through to EOFY due to extended vacancies. Offset by salary savings.	
51010		61	Salaries - Op Exp - Fire Prevention	\$426,840	\$291,531	-\$35,000	\$391,840		Reducing salary costs to fund external support due to extended vacancies.	
						\$118,793		\$0		\$111,793
			Development Services Directorate (Saving)/Expense			-\$42,434		\$208,084		-\$49,434
			Infrastructure Services							
			ES3 - Manager Works - K Hill							
141450		02	Works Private Works Income - Not Prepaid	\$0	-\$19,367	-\$19,367	-\$19,367		Private works income received that was not forecasted.	-\$19,367
148293		34	Safety Equip - Op Exp - Depot Operations	\$26,000	\$4,685	-\$10,000	\$16,000		Savings. Repairs and materials tracking lower versus budget.	-\$10,000
145102		34	Plant Tyres & Tubes - Op Exp - Plant Operation	\$90,000	\$37,188	-\$20,000	\$70,000		Savings. Repairs and materials tracking lower versus budget.	-\$20,000
148070		61	Salary - Op Exp - Depot (Support Officer)	\$119,340	\$45,266	-\$45,000	\$74,340		Salary savings due to vacancy in Business Support Officer role	-\$45,000
148070		76	Salary - Op Exp - Depot (Support Officer)	\$13,762	\$0	-\$5,000	\$8,762		Salary savings due to vacancy in Business Support Officer role	-\$5,000
						-\$99,367		\$0		-\$99,367

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
ES5 - Operations Coordinator - L Eglin										
142001		61	Prestarts - Works	\$86,072	\$10,060	-\$55,000	\$31,072		Pre-starts allocated incorrectly leading to savings in this account. Overarching salary savings through OEBA offset via this account.	-\$55,000
						-\$55,000		\$0		-\$55,000
ES8 - Manager Waste- M Mitchell										
101555	101557	34	Building Upgrade - Crib Room & Office Space - San Gen Refuse	\$0	\$21,140	\$21,140	\$21,140		Replacement of intercom system that failed due to harsh operating environment.	
101410		02	Kerbside Collection - Op Inc - Sanitation Gen Refuse	-\$4,155,894	-\$4,189,999	-\$34,000	-\$4,189,894		Additional income received from interim rates notices.	
101411		02	Caravan Pk & Additional Services - Op Inc - Sanitation Gen Refuse	-\$80,000	-\$94,665	-\$15,000	-\$95,000		Actual income receipted greater than forecast.	
101423		18	Sundry Income - Op Inc - Sanitation Gen Refuse	-\$280,910	-\$293,796	-\$12,000	-\$292,910		Additional fees received from battery and mixed metal collection.	
101895		43	Transfer to Regional Resource Recovery Park Reserve - Cap Exp - Reg Res Rec Pk	\$1,672,579	\$267,756	\$39,860	\$1,712,439	\$39,860	Transfer to Regional Resource Recovery Park Reserve.	
						\$0		\$39,860		\$0
ES9 - Manager Engineering - L McKenzie										
143025		34	Safety Audit Op Exp - Eng Office	\$12,000	\$600	-\$11,400	\$600		Necessary Road Safety Audits this year are in hand through project funds.	-\$11,400
143485		02	Subdivision Engineering Supervision Charges - Op Inc - Eng Office	-\$130,000	-\$88,768	\$40,000	-\$90,000		Timing of current subdivision works are not expected to see any further contributions this year.	\$40,000
147100	147100	34	Admin Building - Packaged Plant - Cap Exp	\$365,140	\$17,980	\$1,600,000	\$1,965,140		The budget for the 2025-26 Asset Management Plan renewal project for Administration Building air conditioning system (which is funded from reserves) is to be brought forward into 24/25 to facilitate timing of tender process and meet Local Government Act procurement requirements to facilitate delivery of the works in 2025-26.	
142790		26	Transfer from Building Reserve - Gen Admin MUN	\$0	\$0	-\$1,600,000	-\$1,600,000	-\$1,600,000	Reserve transfer to facilitate the air conditioning renewal project for the Administration Building being brought forward.	

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
148012	148013	34	Depot Other Infra Renewal Const - Cap Exp - Depot Ops	\$111,322	\$0	-\$60,000	\$51,322		Asset renewal project relating to the nursery shade house is to be deferred pending outcome of the 25/26 Depot Relocation Feasibility Study. Funds to be allocated to Reserves to fund nursery infrastructure at the new / relocated Depot.	
148009		43	Transfer to Building Reserve - Cap Exp - Depot MUN	\$0	\$0	\$60,000	\$60,000	\$60,000	Transfer to Building Reserve for funds reallocated away from Nursery Shade House.	
						\$28,600		-\$1,540,000		\$28,600
ESS - Operations Coordinator - L Eglin										
123000	123000	34	Mtce Streets, Rds - Rural	\$429,665	\$0	-\$40,000	\$389,665		Savings. All materials required to 30 June have been ordered.	-\$40,000
						-\$40,000		\$0		-\$40,000
PK3 - Parks and Gardens Coordinator - A Batt										
113000	113033	34	Haynes Oval - P&G Maintenance	\$31,615	\$12,502	-\$10,000	\$21,615		Savings. Repairs and materials tracking lower versus budget.	-\$10,000
113000	113043	34	Town Beach - P&G Maintenance	\$76,570	\$25,732	-\$10,000	\$66,570		Savings. Repairs and materials tracking lower versus budget. Remaining budget sufficient to carry out maintenance and cleaning to year end.	-\$10,000
113000	113046	34	Nursery - Operating Exp	\$17,490	\$22,026	\$10,000	\$27,490		Additional soil and pots required for native propagation. Safety improvements to trolley and paths.	\$10,000
148070		61	Salary - Op Exp - Depot (Support Officer)	\$135,394	\$45,105	-\$45,000	\$90,394		Transfer of Salary Savings to Consultant account to engage specialist support for Parks auditing and programming recommendations.	
113380		34	Consultants & Concept Plan Exps - Op Exp - Parks & Ovals MUN	\$29,000	\$0	\$45,000	\$74,000		Transfer of Salary Savings to Consultant account to engage specialist support for Parks auditing and programming recommendations.	
113396	113397	34	Reticulation Control Systems - P&G Maintenance	\$26,256	\$6,899	-\$10,000	\$16,256		Savings. Lower than expected replacement of components in 2025.	-\$10,000
117210	117211	34	BRAC Ovals - P&G Maintenance	\$62,832	\$58,534	\$10,000	\$72,832		Higher than expected reticulation repairs.	
126050	126050	34	Drain Slashing & Maintenance - P&G	\$120	\$10,835	\$10,000	\$10,120		Contractor slashing services required.	\$10,000
						\$0		\$0		-\$10,000

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
PM3 - Senior Property & Leasing Officer - L Blunt										
96102		34	Staff Housing - Operating Expense MUN	\$6,000	\$8,390	\$25,000	\$31,000		Additional expense required to furnish one staff house.	\$25,000
96101		34	Staff Housing - Reactive Maintenance - Op Exp	\$27,200	\$23,954	\$7,500	\$34,700		Air Conditioner failed at 4/46 Tanami requiring replacement.	\$7,500
142995		14	Reimbursement Property Dept Legal Fee - Op Inc - Corp Gov & Supp	-\$40,000	\$0	\$38,000	-\$2,000		Reduction proposed in budgeted income as eligible reimbursement is low this financial year.	
147464		028	Anglicare Tenancy 2,3 - KRO2 - Rent & Recoup - Op Inc	-\$180,000	-\$167,333	-\$43,000	-\$223,000		Income increase following rent review in May 2024.	-\$43,000
						\$27,500		\$0		-\$10,500
PM2 - Asset & Building Coordinator - Civil - A Waddell										
117450	117452	34	BRAC Oval Upgrade of Infrastructure - Cap Exp	\$429,095	\$190,463	-\$65,049	\$364,046		Funding reallocated to A/C 113763 for renewal of Male Oval tank.	
113551	113763	34	Male Oval Renewal Infrastructure - Cap Exp - Parks & Ovals	\$30,816	\$15,866	\$95,049	\$125,865		Amendment for renewal of Male Oval tank in addition to planned liner replacement following accelerated failure. Funding reallocated from A/C #113017 and #117452	
113989		26	Transfer from POS Reserve - Parks & Ovals	-\$1,444,682	\$0	-\$30,000	-\$1,474,682	-\$30,000	Transfer from Public Open Space Reserve to part-fund renewal of Male Oval tank.	
125300	VARPATH	34	Various Footpath Renewals - Cap Exp	\$132,268	\$122,335	-\$9,933	\$122,335		Recognition of underspend in project budget. No further costs anticipated.	
122000	121031	34	Lighting - Works Maintenance	\$83,326	\$97,016	\$20,000	\$103,326		Amendment required to account for insurance claims and additional repairs following various failures.	
132142	132143	34	Sam Male Lugger Restoration - Cap Exp	\$28,700	\$43,929	\$15,229	\$43,929		Budget error in prior year has resulted in expenditure overrun in current year.	
						\$25,296		-\$30,000		\$0
REQ3 - Asset Coordinator - Building Infrastructure Property & Assets - A Perry										
113755		34	Civic Centre Building Renewal (Incl Plant & Furniture) - Cap Exp - Public Halls	\$64,470	\$40,223	-\$24,247	\$40,223		Underspend on renewal project realised.	
116100	116102	34	Library Gazebo (Old Wackett Roof) Sec Ins & Other Exp	\$3,000	\$0	\$20,000	\$23,000		Removal of Library Gazebo due to corrosion and engineering report. Safety risk.	\$20,000
146662		34	BOSCCA Building Renewal (Incl Plant & Furn) - Cap Exp - Com Fac Leased	\$22,000	\$9,325	-\$12,500	\$9,500		Underspend on renewal project realised.	-\$12,500

Finance and Costing Review - Quarter 1 2024/25

List of Proposed budget amendments by Directorate

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2024/25										
COA Code	Job Number	IE Code	Job Description	2024/25 Full Year Current Budget	2024/25 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org (Savings) / Expenses
149420	149421	34	BOSCCA - Reactive Maintenance - Op Exp	\$1,300	\$4,880	\$5,000	\$6,300		Costs associated with an insurance claim.	
						-\$11,747		\$0		\$7,500
			Infrastructure Services Directorate (Saving)/Expense			-\$124,718		-\$1,530,140		-\$178,767
						-\$310,401		-\$1,322,056		-\$416,064

5.2 AUDIT FINDINGS PROGRESS UPDATE

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	COA01
AUTHOR:	Manager Financial Services
CONTRIBUTOR/S:	Nil
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil

SUMMARY:

The Audit and Risk Committee are presented a progress update of the findings identified in the:

- a) 2022/2023 Final Audit Management Report;
- b) Interim Audit Management Report for year ended 30 June 2024;
- c) Performance Audit 2024 – Local Government Physical Security Server Room Assets (Emerging Findings);
- d) 2023/24 Final Audit Management Report; and
- e) 2024 Regulation 17 Internal Audit Report.

BACKGROUND

SMC 21 December 2023	Item 5.4.1
ARC 22 April 2024	Item 6.2
ARC 28 August 2024	Item 5.1, 5.2, 5.3
ARC 29 October 2024	Item 5.2
ARC 10 December 2024	Item 5.1
ARC 10 December 2024	Item 5.2
OMC 12 December 2024	Item 13.1

2022/2023 Final Audit Management Report

The Shire's Final Audit Management Report for the 2022/2023 financial year was received by Council at the SMC 21 December 2023.

An update of the progress of audit findings contained in the Shire's 2023 Final Audit Management Report was received by the Audit and Risk Committee (ARC) at the ARC meeting held 22 April 2024 with updates subsequently provided at the August and October ARC meetings.

2023/2024 Interim Audit Management Report

The Shire's Interim Audit was conducted by RSM Australia (RSM) on behalf of the Office of the Auditor General (OAG) in April 2024. The Interim Audit Management Report was

received by the Audit and Risk Committee at the ARC meeting held 28 August 2024 with updates subsequently provided at the October ARC meeting.

2024 Performance Audit – Local Government Physical Security of Server Room Assets (Emerging Findings)

A Performance Audit of 16 non-metropolitan local government entities was undertaken by the OAG to assess the management of local government physical ICT assets to protect them from physical and environmental hazards. Each local government received an Emerging Findings Letter which contained specific findings to the local government and a Summary of Findings Report which was tabled in State Parliament under sections 24 and 25 of the *Auditor General Act 2006*.

The Emerging Findings Letter and Summary of Findings Report were received by the ARC at the ARC meeting held 28 August 2024 with updates subsequently provided at the October ARC meeting.

Progress Update – Audit Reports

The Audit and Risk Committee received an update on the status of all three audit findings at the ARC meeting held 28 August 2024. Of the 22 findings, 10 were completed, 6 were in progress, and 6 were overdue.

A subsequent progress update was provided at the ARC meeting held 29 October 2024. Of the 22 findings, 14 were completed, 3 were in progress, and 5 were overdue.

It is worth noting that two of the findings in progress address the same issue. This issue was recorded in two separate audit reports because it remained overdue at the time of the second audit (2023/2024 Interim Audit).

Recent Audit Findings

The 2023/24 Final Audit Management Report and the 2024 Regulation 17 Audit were both accepted by the ARC at its meeting held 10 December 2024 and subsequently endorsed by Council the 12 December 2024 Ordinary Meeting of Council (OMC).

2023/2024 Final Audit Management Report

The Shire's Final Audit Management Report for the 2023/2024 financial year was received by the ARC at the ARC meeting held 10 December 2024 and by Council at the OMC 12 December 2024. The 2024 final audit raised eight internal control improvement recommendations, several which had been previously identified and were existing actions within the improvement register.

Regulation 17 Audit Report

Regulation 17 of the Local Government (Audit) Regulations requires the Chief Executive Officer (CEO) to review the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance at least once every 3 years.

The Shire of Broome (Shire) engaged Paxon Group (Paxon) to undertake this review on behalf of the CEO. Paxon provided 8 recommendations stemming from their review.

COMMENT

A summary of progress on audit findings from the following reports is provided in **Confidential Attachment 1**:

- a) 2022/2023 Final Audit Management Report
- b) 2023/2024 Interim Audit Management Report
- c) 2024 Performance Audit – Local Government Physical Security Server Room Assets (Emerging Findings)

Details contained within the report are considered confidential as releasing them publicly would increase the likelihood that identified risks could be the target of fraudulent or illegal activities. Officers are actively addressing the issues identified in the external audits. Each finding is assigned a risk rating by the auditor to help prioritize and schedule actions for resolution.

2023/2024 Final Audit Management Report

Since the last Audit and Risk Committee meeting on October 29, 2024, 3 additional audits have concluded:

- The 2023/2024 Final Audit, conducted by RSM Australia on behalf of the OAG.
- The Regulations 17 Review, performed by Paxon Group.

A summary of findings from these audits are included for reference.

This report provides a high-level overview of outstanding findings and demonstrates the ongoing commitment to addressing identified risks.

February 2024 Progress Update

The table below summarises findings from outstanding audit matters stemming from audits conducted since 2022. It tracks:

- Total findings raised,
- New findings identified in each audit,
- Findings closed as at the last update,
- Findings classified as “superseded” (re-raised in subsequent audits to avoid duplication),
- Findings closed since the last update, and
- Status of open findings (overdue or not yet due).

	Total Findings	New Finding	Previously Closed	Supersceded	Closed this	Open	Overdue	Not yet due
2022 Audit	34	34	28	6	0	0	0	0
2023 Audit	14	5	2	3	0	0	0	0
2024 Interim Audit	6	3	3	0	1	1	1	2
2024 Performance Audit - Security & Access	2	2	2	0	0	0	0	0
2024 Audit	8	4	0	0	4	4	0	3
2024 Regulation 17	8	8	0	0	0	8	2	6
	72	56	35	9	5	13	3	11

- Closed Findings: Finding 6 from the 2023/2024 Interim Audit (Timeliness of policy reviews) is now resolved. A Business Operating Procedure and a Council Policy have been approved, marking this finding as complete.
- Superseded Findings: 9 findings from previous audits have been reclassified as "superseded" as they were addressed in subsequent reports.
- Overdue Findings: 2024 Interim Audit - Accuracy of leave balances.

Findings added

Two recent audits have identified additional findings:

2024 Final Audit: Eight findings, including four new findings and four re-raised from prior audits. Of these 8 findings, 4 have been closed this period:

1. Incorrect recognition of Loan Receivable from the Broome Surf Life Saving Club
2. Timeliness and evidence of review of general journals
3. Portable and attractive assets register not maintained
4. Bonds and deposits register not maintained.

2024 Regulation 17 Review: Eight entirely new findings of which none have been resolved and 2 are now overdue:

1. Fraud Control Plan
2. Manual journal approval process and reconciliations.

The table below outlines findings by target completion dates and highlights overdue findings and those due for resolution in the next quarter.

Audit	Findings	Prior year finding	Rating	Target completion date
2024 Interim	1 - Risk Register Maintenance		Moderate	30-Sep-25
2024 Interim	4 - Accuracy of leave balances	2022	Minor	20-Feb-25
2024 Final	3. Non-timely reconciliation of key account balances	2023	Moderate	30-Jun-25
2024 Final	4. Non-confirmation of goods received or services transferred		Minor	30-Jun-25
2024 Final	5. No testing of business continuity (BCP) and disaster recovery plan (DRP)		Minor	31-Jul-25
2024 Final	8. No policies and procedures for Inventory management	2022	Minor	31-Dec-25
2024 Regulation 17	1 - Internal audit program		Medium	30-Sep-25
2024 Regulation 17	2 - Operation of Risk Management		Medium	30-Sep-25
2024 Regulation 17	3 - Fraud Control Plan		High	30-Mar-25
2024 Regulation 17	4 - Manual journal approval process and reconciliations		Medium	31-Jan-25
2024 Regulation 17	5 - Asset stocktake Processes (fleet and IT assets)		Medium	30-Jun-25
2024 Regulation 17	6 - Annual review of delegations		Low	30-Jun-25
2024 Regulation 17	7 - Monitoring over procurement processes		Low	30-Apr-25
2024 Regulation 17	8 - Public interest disclosure processes		Low	30-Apr-25

2024 Regulation 17 Audit Progress Update

Item 3 Fraud Control Plan 25% complete

The Council Policy Fraud and Corruption Prevention was adopted by Council at the 28 February 2025 Ordinary Meeting of Council.

Item 7 Monitoring over Procurement Processes 50% Complete

Officers have included an oversight and review of procurement processes however have not documented the process to date.

Item 8 Public Interest Disclosure Processes 50% Complete

Council Policy Public Interest Disclosure was adopted by Council at the 28 February 2025 Ordinary Meeting of Council.

The proposed Public Interest Disclosure Officers are due to complete the necessary training by the end of February 2025. Once the training is complete, the draft documents will be presented to Council for consideration at the 22 May 2025 Ordinary Meeting of Council.

Efforts to manage overdue actions have been undertaken. Accountable officers have provided updates regarding the tasks and progress to bring the actions to completion. Where required, new target completion dates are to be presented to OAG for mutual agreement. It is noted that there has only been a 6 week period since the last update was provided to the ARC.

CONSULTATION

Office of the Auditor General

RSM Australia has received the progress updates presented to the Audit and Risk Committee.

STATUTORY ENVIRONMENT

Local Government Act 1995

7.12A (3) Duties of local government with respect to audits

- (3) A local government must —
- (aa) examine an audit report received by the local government; and
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (b) ensure that appropriate action is taken in respect of those matters

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

No specific financial implications are associated with this item. Remediation of any of the issues raised within the Audit Management Reports or Emerging Finding Letter may require budget allocations to resolve. Where this requires funding outside of the existing 2024/2025 adopted annual budget, Responsible Officers would request budget allocations either through the Shire's Finance and Costing Review process, or as part of the 2025/2026 annual budget process.

RISK

The audit findings provide management with recommendations particularly to strengthen internal controls and reduce the likelihood of certain risks. Delays in progressing and completing the audit findings can be unfavourable to the organisation, but are also weighed against other demands on Shire resources, and the costs to the community.

STRATEGIC ASPIRATIONS

Performance - We will deliver excellent governance, service & value for everyone.

Outcome 13 - Value for money from rates and long term financial sustainability

Objective 13.1 Plan effectively for short- and long-term financial sustainability

Outcome 14 - Excellence in organisational performance and service delivery

Objective 14.3 Monitor and continuously improve performance levels.

VOTING REQUIREMENTS

Simple Majority

REPORT RECOMMENDATION:

That the Audit and Risk Committee recommends that Council:

1. Receive the progress update of findings as per **Confidential Attachment 1**;

2. *Notes the progress towards rectification of outstanding findings over the period;*
3. *Requests the Chief Executive Officer to progress the finalisation of all remaining outstanding findings as soon as practicable.*

Attachments

1. February 2025 - Audit Progress Update (*Confidential to Councillors and Directors Only*)

This attachment is confidential in accordance with section 5.23(2) of the Local Government Act 1995 section 5.23(2)((f)(i)) as it contains “a matter that if disclosed, could be reasonably expected to impair the effectiveness of any lawful method of procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law”, and section 5.23(2)((f)(ii)) as it contains “a matter that if disclosed, could be reasonably expected to endanger the security of the local governments property”.

6. MEETING CLOSURE

These minutes were confirmed at a meeting held (DD Month Year),
and signed below by the Presiding Person, at the meeting these minutes were
confirmed.

Signed: