



# **MINUTES**

## **Audit, Risk and Compliance Committee Meeting**

### **Tuesday, 26 November 2024**

**Time: 5:30pm**

**Location: Council Chambers, McGregor Street  
Port Hedland WA 6721**

**Distribution Date: 3 December 2024**

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## **1 Opening of Meeting**

The Presiding Member declared the meeting open at 5:30pm.

## **2 Acknowledgement of Traditional Owners and Dignitaries**

The Presiding Member asked all present Elected Members and Staff to stand and acknowledged the Kariyarra people as the Traditional Custodians of the land that we are meeting on and recognised their strength and resilience and pays respect to elders past, present and emerging.

## **3 Recording of Attendance**

### *Important note:*

*This meeting is being audio recorded to facilitate community participation and for minute-taking purposes, which may be released upon request to third parties. In accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders members of the public are not permitted to use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the Presiding Member to do so. Members of the public are also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Standing Orders Local Law mobile telephones must be switched off and not used during the meeting.*

### **3.1 Attendance**

#### *Scheduled Present:*

Deputy Mayor Ash Christensen  
Cr Ambika Rebello

#### *Scheduled for Attendance:*

Lee Furness (Acting Chief Executive Officer)  
Steve Leeson (Director Corporate Services)  
Tom Kettle (Manager Governance)  
Rebecca Faloon (Senior Audit, Risk & Insurance Advisor)  
Sarah Bevan (Contracts Advisor - Governance)  
Jessica Hunt (Audit, Risk & Insurance Support Officer)

### **3.2 Attendance by Telephone / Instantaneous Communications**

Nil.

### **3.3 Apologies**

Cr Lorraine Butson

### **3.4 Approved Leave of Absence**

Nil.

### **3.5 Disclosures Of Interest**

Nil.

## **4 Applications for Leave of Absence**

Nil.

## **5 Response to Previous Questions**

### **5.1 Response to Questions taken on notice from Elected Member at the Audit, Risk and Compliance Committee Meeting held on 11 September 2024.**

Nil.

### **5.2 Response to Questions taken on notice from Public at the Audit, Risk and Compliance Committee Meeting held on 11 September 2024.**

5.2.1	Cr Camilo Blanco
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*In item 12.9, a table is presented regarding the Quarter 4 Procurement Report on panel usage. Regarding Number 5, there is a reference to RFT2122-17 for the Supply of Plant and Equipment. The issue raised is that the amount listed in the confidential section*

*exceeds the delegated authority by double. Could we get clarification on how this occurred?*

*Specifically, for RFT2122-17, as indicated in the confidential attachments, the associated costs seem to exceed the delegation authority. The key question is how we were able to exercise this delegation without involving the Council. Regardless of panel usage, we need to understand the process for exceeding delegation limits, what triggers this allowance, and what the delegation threshold is for panels. It's unclear whether the delegation limit is \$10 million, \$50 million, or another amount. Happy to have this taken on notice.*

Deputy Mayor Christensen provided the following response

Taken on notice.

The Manager Governance provided the following response on 18 September 2024

*The development and use of panels is undertaken in compliance with Regulation 24AC Local Government (Functions and General) Regulations 1996, Council Policy 2/007, Council Policy 2/022 Panels of Pre-Qualified Suppliers and delegation 1.2.18 Tenders for Goods and Services and delegation 1.2.19 Panels of Pre-Qualified Suppliers for Goods and Services.*

*The Town approaches the market through a tender process to establish a panel contract for a range of similar goods and services that are purchases on a continuing and regular basis.; RFT-2122-17 in this case.*

*The panel may then be used for individual purchases up to \$500,000 under delegation, subject to compliance with Policy 2/022 (eg. Requisite quotations, approved budget etc.), for the term of the RFT contract. It is important to note that delegation 1.2.19 was amended from \$1 million to \$500,000 at the 25 June 2024 Ordinary Council Meeting (CM202324/292).*

*Attachment one reports on the number of purchase orders raised to each supplier within each category of RFT panel and the total expenditure paid to each supplier for the reporting period. The cumulative expenditure is not limited by delegation, but by the approved budget.*

## **6 Public Time**

### **6.1 Public Question Time**

**The Presiding Member opened Public Question Time at 5:33pm.**

Nil.

**The Presiding Member closed Public Question Time at 5:33pm.**

## **6.2 Public Statement Time**

**The Presiding Member opened Public Statement Time at 5:34pm.**

Nil.

**The Presiding Member closed Public Statement Time at 5:34pm.**

## **6.3 Petitions / Deputations / Presentations / Submissions**

Nil.

## **7 Questions from Members without Notice**

Nil.

## **8 Announcements by Presiding Member without Discussion**

Nil.

## **9 Declarations of All Members to have given due consideration to all matters contained in the Agenda before the Meeting**

The following Audit, Risk and Compliance Committee Members declared that they had given due consideration to all matters contained in the agenda.

Deputy Mayor Ash Christensen  
Cr Ambika Rebello

## 10 Confirmation of Minutes of Previous Meeting

### ARC202425/015 COMMITTEE DECISION

**MOVED:** Cr Ambika Rebello

**SECONDED:** Deputy Mayor Ash Christensen

**That Committee Members confirm that the Minutes of the Audit, Risk and Compliance Committee Meeting held on Wednesday, 11 September 2024 are a true and correct record.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

### *Disclaimer*

*Members of the public are cautioned against taking any action on Committee decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.*



## 11 Reports of Officers

<b>11.1</b>	<b>Audit, Risk and Compliance Committee - 2025 Calendar Year Work Plan</b>
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**Author:** **Audit, Risk & Insurance Support Officer**

**Authorising Officer:** **Director Corporate Services**

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

### **ARC202425/016 COMMITTEE DECISION**

**MOVED:** Cr Ambika Rebello

**SECONDED:** Deputy Mayor Ash Christensen

**That the Audit, Risk and Compliance Committee endorse the 2025 Work Plan, as per Attachment 1.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

## **PURPOSE**

The purpose of this report is for the Audit, Risk and Compliance Committee (the "ARC Committee" or "Committee") to endorse the ARC Committee Work Plan for the 2025 calendar year.

## **DETAIL**

Pursuant to Section 7 of the *Local Government Act 1995* ("the Act"), an Audit Committee is to be established to offer guidance and assistance to the local government, operating with accountability to the Council.

The ARC Committee is required to develop an annual work plan in accordance with the guidelines specified in section 7.8 of its Terms of Reference (Version 12). The yearly work plan functions as a strategic roadmap, assisting the ARC Committee in efficiently navigating and executing the functions, roles, and responsibilities slated for the upcoming calendar year. In accordance with the specifications set forth in section 7.8 of the ARC Committee's Terms of Reference (Version 12), a comprehensive annual work plan has been thoughtfully developed.

The work plan incorporates components aligning the ARC Committee's responsibilities with legislative compliance dates and the established meeting schedule. Additional reports may be presented to the ARC Committee as deemed suitable throughout the year. The work plan remains dynamic, subject to updates as new relevant items are identified for

Committee consideration. It is an active, evolving document that may be presented to the Committee for re-approval during the year if any modifications are implemented.

ARC Committee Work Plan 2025					
<i>Meeting Dates</i>	11 Mar 2025	13 May 2025	12 Aug 2025	25 Nov 2025	TOR Clause
<i>Recommendations to Council Meeting Dates</i>	26 Mar 2025	25 June 2025	27 Aug 2025	07 Feb 2026	
<b>ARC Committee Performance and Administration</b>					
Annual Work Plan Review					7.8
<b>Risk Management (including Fraud)</b>					
Risk Register Review					8.2
<b>Internal Control and Internal Audit</b>					
Internal Audit Report Review (as available)					8.8
Audit Log Review					8.9
<b>Financial Reporting</b>					
Outstanding Debtors (Including Rates)					8.11
<b>Compliance</b>					
Procurement Report on Panels Usage					8.17
Compliance Audit Return					8.18
<b>External Audit</b>					
Interim Financial Audit					8.19; 8.22
Audited Financial Report					8.19; 8.22
<b>Other Responsibilities</b>					
Public Interest Disclosure Policies & Procedures Review					8.26
Terms of Reference Review					8.27

The Committee is advised to recognise that certain items may be identified on an ad-hoc basis before the work plan is formally presented. In such cases, reports will not be withheld from the Committee, but the work plan will be promptly updated at the next available opportunity.

## LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is of low significance because the adoption of this work plan is not anticipated to yield any financial implications for the Town or result in social, economic, or environmental impacts for the community.

## CONSULTATION

### *Internal*

- Director Corporate Services

### *External Agencies*

- Nil

### *Community*

- Nil

## **LEGISLATION AND POLICY CONSIDERATIONS**

- ARC Committee Terms of Reference v12, Section 7.8

## **FINANCE AND RESOURCE IMPLICATIONS**

- Nil

## **STRATEGIC SUSTAINABILITY IMPLICATIONS**

The following section/sections of the Town's Strategic Community Plan 2018-2028 are/is applicable in the consideration of this item:

### Our Leadership:

4.2.1 Sound long-term financial planning is implemented.

4.2.2 Transparent and regular financial reporting and communication to the community is undertaken.

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

There are no significant identifiable environmental, social, or economic impacts relating to this item.

## **Access and Inclusion**

The following outcome/outcomes of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

Nil.

## **Corporate Business Plan**

The following actions of the Town's Corporate Business Plan 2018-2022 apply in relation to this item:

### Our Corporate Services:

Governance and Procurement - Provide high standards of governance and leadership.

Financial Management and Rates - Financial management services compliant with legislation to enable the Town to sustainably provide services to the community.

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

**RISK MANAGEMENT CONSIDERATIONS**

<b>Risk Type</b>	Operational
<b>Risk Category</b>	Compliance
<b>Cause</b>	Work plan not adopted
<b>Effect</b>	Potential non-compliance with prescribed legislative and regulatory requirements
<b>Risk Treatment</b>	This risk will be mitigated if the Committee reviews and adopts the 2025 work plan

A compliance risk arises should the Audit Committee fail to adopt its upcoming calendar year work plan. The ramifications of such non-compliance include the Committee not receiving and reviewing critical items that adhere to legislative deadlines. This may lead to lapses in fulfilling statutory obligations and can result in regulatory non-compliance.

The risk rating is considered medium (6) determined by a likelihood of unlikely (2) and a consequence of moderate (3).

To mitigate this risk, a proactive approach will be taken through consultation with the Committee during the Agenda Feedback Session before the formal meeting, allowing for the resolution of any concerns expressed by Committee members. Additionally, the Committee has been apprised that the Work Plan has been strategically developed to synchronise key legislative requirements with the predetermined meeting dates, ensuring compliance.

Given the Committee's integral role in supporting the Town's governance and oversight obligations, it is considered improbable that there will be any issues of non-compliance with this item.

**OPTIONS**

- Option 1 – Adopt officer’s recommendation
- Option 2 – Amend officer’s recommendation
- Option 3 – Do not adopt officer’s recommendation

## **CONCLUSION**

The ARC Committee's adherence to the guidelines in section 7.8 of its Terms of Reference, as evidenced by the enclosed annual work plan, serves as a strategic roadmap for navigating and executing functions efficiently. With a dynamic structure, the work plan accommodates additional reports and remains adaptable to emerging considerations. Recognising potential ad-hoc scenarios, the Committee is assured prompt updates without withholding reports. The identified compliance risk is addressed through proactive measures, reducing the likelihood of non-compliance and reinforcing the Committee's integral role in good governance.

## **ATTACHMENTS**

1. 20241120 2025 ARC Committee Work Plan [**11.1.1** - 1 page]

**11.2**

**Strategic Internal Audit Plan - 2023-2024 Review 3 - WHS Review**

**Author:** **Audit, Risk & Insurance Support Officer**

**Authorising Officer:** **Manager Governance**

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**ARC202425/017 COMMITTEE DECISION**

**MOVED: Deputy Mayor Ash Christensen      SECONDED: Cr Ambika Rebello**

**That the Audit, Risk and Compliance Committee receive and note the 2023-2024 Financial Year Internal Audit Report on Work, Health & Safety, as per Attachment 1.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**PURPOSE**

This report is to inform the Audit, Risk, and Compliance Committee (The "ARC Committee") about the findings of the 2023-2024 Financial Year Work, Health & Safety Internal Audit Report.

The agreed-upon management actions will be documented in the Audit Log, and the ARC Committee will receive routine progress updates on the Town's implementation of the recommended measures.

**DETAIL**

Paxon Group were awarded the contract by the Town to deliver the 3-Year Strategic Internal Audit Plan – FY2023-24 to FY2025-26 on 09 May 2023. Following the engagement, Paxon Group prepared a Strategic Three (3) Year Rolling and Annual Internal Audit Plan (Internal Audit Plan) that was considered and adopted by the ARC Committee on 08 August 2023 (Committee Decision: ARC202324/004).

In accordance with the Internal Audit Plan, Paxon Group were tasked to conduct an internal audit of the Town's Work, Health & Safety (WHS) Department. The objective of the WHS Review was to provide a report to assist the CEO in reporting to the ARC Committee on the appropriateness and effectiveness of the Town's systems and procedures in relation to risk management, internal control and legislative compliance.

## Summary of findings

The report contained two findings, both rated as low risk.

The WHS Review identified areas in current WHS reporting processes and the accurate record-keeping of incidents and hazards.

The Town is aware of these issues and has begun implementing steps to address them in line with the recommendations provided.

## **LEVEL OF SIGNIFICANCE**

In accordance with Policy 4/009 'Significant Decision Making', this matter is of medium significance, due to likely consequences arising from non-compliance, potential to impact the Town's ability to deliver services, impact the Town's reputation and general interest by the community in the compliance capability of the business operations of the Town.

## **CONSULTATION**

### *Internal*

- Executive Leadership Team
- Principal Health, Safety & Wellness
- Manager Governance
- Acting Audit, Risk & Insurance Advisor

### *External Agencies*

- Paxon Group

### *Community*

- Nil

## **LEGISLATION AND POLICY CONSIDERATIONS**

- *Local Government (Audit) Regulations 1996*

## **FINANCE AND RESOURCE IMPLICATIONS**

The invoice for the Work, Health & Safety Review is still outstanding and will be paid upon receiving the document from Paxon. Existing budget allocations make provision for Audit Consultancies.

## **STRATEGIC SUSTAINABILITY IMPLICATIONS**

The following section of the Town's Strategic Community Plan 2018-2028 is applicable in the consideration of this item:

## Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

There are no significant identifiable environmental, social or economic impacts relating to this item.

## **Access and Inclusion**

The following outcome of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

Nil.

## **Corporate Business Plan**

The following action of the Town's Corporate Business Plan 2023-2027 apply in relation to this item:

## Our Corporate Services:

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

## **RISK MANAGEMENT CONSIDERATIONS**

<b>Risk Type</b>	Operational
<b>Risk Category</b>	Compliance
<b>Cause</b>	Failure to conduct the review within the required timeframe
<b>Effect</b>	Regulatory non-compliance; increased exposure to risk and impairment of the committee's ability to perform its oversight function effectively.
<b>Risk Treatment</b>	Accept
<p>There is an operational risk associated with the failure to conduct the prescribed review of the local government's systems and procedures related to work, health &amp; safety within the required three-year timeframe.</p> <p>This failure could result in:</p> <ul style="list-style-type: none"><li>• Regulatory non-compliance</li><li>• Increased vulnerability to risks</li></ul>	



- Impairment of the ARC Committee’s ability to perform its oversight function effectively

The risk is rated as Medium (6), determined by a likelihood of Unlikely (2) and a consequence of Moderate (3).

This risk has been accepted due to the presence of appropriate controls, including the inclusion of a Work, Health & Safety Review as a standing audit in each three-year rolling internal audit plan. The residual risk is deemed acceptable according to the Town’s risk acceptance criteria.

## **OPTIONS**

- Option 1 – Adopt officer’s recommendation
- Option 2 – Amend officer’s recommendation
- Option 3 – Do not adopt officer’s recommendation

## **CONCLUSION**

The 2023-24 Financial Year Work, Health & Safety Internal Audit Report outlines areas for improvement in current WHS reporting processes and accurate record-keeping. The ARC Committee is advised to receive and note the findings and recommendations, which the Town has already begun to address. By implementing these measures, the Town aims to enhance its governance, mitigate risks, and ensure compliance with regulatory requirements, thereby improving overall operational effectiveness and maintaining public trust.

## **ATTACHMENTS**

1. CONFIDENTIAL - WHS Final Report (13 November 2024) [**11.2.1** - 13 pages]

**11.3****Internal Audit Log Review**

**Author:** **Audit, Risk & Insurance Support Officer**

**Authorising Officer:** **Manager Governance**

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**ARC202425/018 COMMITTEE DECISION**

**MOVED:** Cr Ambika Rebello

**SECONDED:** Deputy Mayor Ash Christensen

**That the Audit, Risk & Compliance Committee;**

**1. Receive and note the progress update against the management actions contained within the Internal Audit Report, as per Attachment 1**

**2. Adopt the revised due dates for audit actions detailed in this report and as outlined in Attachment 1.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**PURPOSE**

The purpose of this report is for the Audit, Risk and Compliance Committee (the "ARC Committee") to receive and note the progress update against the management actions contained within the Internal Audit Report.

**DETAIL**

The Internal Audit Report functions as a comprehensive record encompassing all internal audit items owned by the Town. It covers all internal audit items associated with both the preceding 3-Year Strategic Internal Audit Plan (2020-2023) and the current 3-Year Strategic Internal Audit Plan (2023-2026) to date.

The primary objective of the Audit Report is to provide the administration with a clear overview of all audit items and their respective statuses, whether they are completed, in progress, or overdue. Each audit item is assigned a risk rating, facilitating the administration in prioritising and scheduling tasks for completion.

Regular reviews of the Internal Audit Report are conducted, with subsequent reporting to the ARC Committee. This process acts as a mechanism for oversight and contributes to the enhancement of organisational accountability and transparency.

A summary of the status of agreed management actions is found in the table below.

	Completed	In Progress	Not Started	Total
August 2024	15	32	13	60
November 2024	17	35	12	64

19% Not Started

54% In Progress

27% Completed



Verification of items marked as complete by management is periodically conducted by the Town’s internal audit function. To provide an additional layer of assurance, Paxon Group has scheduled a review in FY 2024-25 to further verify the completion of these items by auditing the log.

Unfortunately, the software that the Town utilises to record audit items is experiencing minor technical difficulties while generating the audit reports. To allow the Committee Members the ability to access the relevant information, this has been provided as an excel spreadsheet as an interim solution. The reporting issue has been escalated to the software provider and we are awaiting their feedback for potential resolutions to the issue.

Subject to ARC Committee Feedback, a revision of due dates is presented for the Committee’s consideration as follows;

Audit Title	Management Action	Original Due Date	Proposed Revised Due Date	Management Comment
Records Management Review	Management agrees with the audit observation. A full review of the current Standard Operating Procedure (SOP) ‘Closing Synergy Files’ will be performed to include adequate procedures for periodical review and follow-up processes, by the targeted date.	<del>31/12/2023</del>	30/06/2025	<b>Quarter 2, 2024/25</b> When the Records module is integrated into TechOne, it will utilise automated alerts to indicate file review periods. The module will have the capability to monitor files, and the Standard Operating Procedure (SOP) will undergo updates upon the module's live

				implementation in TechOne. Proposed rescheduling the due date inline with project migration timeframe.
Records Management Review	Management agrees with the audit observation. A Standard Operating Procedure (SOP) will be developed, approved and implemented to formalise a process for auditing records, by the targeted date.	<del>31/12/2022</del>	30/06/2025	<b>Quarter 2, 2024/25</b> SOP will developed upon the finalisation of the implementation of the TechOne System - June 2025. Proposed rescheduling the due date inline with project migration timeframe.
Regulation 17 Review	The strategic risk register will be reviewed to consider: -Inclusion of environmental and fraud/misconduct risks, where identified and applicable. -Inclusion of additional compliance risks, where identified and applicable. -Development of treatment plans for risks rated as high or extreme, where applicable; and -Alignment with strategic objectives	<del>31/12/2024</del>	31/03/2025	<b>Quarter 2, 2024/25</b> The Strategic Risk Register will be reviewed on commencement of Acting Senior Audit, Risk and Insurance Advisor in November 2024. Recommended change the due date inline with available resourcing.
Regulation 17 Review	The PID policy 1/023 will be updated to ensure the links remain relevant and functional.  Additionally, both the PID policy 1/023 and the PID page on the Town's website will be revised to ensure the details of the PID officers align with the delegation register.	<del>31/12/2024</del>	30/04/2025	<b>Quarter 2, 2024/25</b> The Public Interest Disclosure Policy is not due for review until April 2025. Recommended to change the due date inline with the Policy Next Review.

## **LEVEL OF SIGNIFICANCE**

In accordance with Policy 4/009 'Significant Decision Making', this matter is of medium significance, due to likely consequences arising from non-compliance, potential to impact the Town's ability to deliver services, impact the Town's reputation and general interest by the community in the compliance capability of the business operations of the Town of Port Hedland.

## **CONSULTATION**

### *Internal*

- Action Owners

### *External Agencies*

- Paxon Group

### *Community*

- Nil

## **LEGISLATION AND POLICY CONSIDERATIONS**

- Regulation 17, *Local Government (Audit) Regulations 1996*

## **FINANCE AND RESOURCE IMPLICATIONS**

There are no financial or resource implications associated with this item.

## **STRATEGIC SUSTAINABILITY IMPLICATIONS**

The following section of the Town's Strategic Community Plan 2018-2028 are/is applicable in the consideration of this item:

### Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

There are no significant identifiable environmental, social or economic impacts relating to this item.

## **Access and Inclusion**

The following outcome of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

Nil.

## Corporate Business Plan

The following action of the Town's Corporate Business Plan 2018-2022 apply in relation to this item:

### Our Corporate Services:

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

### **RISK MANAGEMENT CONSIDERATIONS**

<b>Risk Type</b>	Operational
<b>Risk Category</b>	Compliance
<b>Cause</b>	Non-completion of agreed management actions
<b>Effect</b>	Non-compliance with best practice principles, industry standards, legal requirements and compliance guidelines.
<b>Risk Treatment</b>	Accept
<p>There is a compliance risk associated with this item caused by potential non-completion of agreed management actions, leading to non-compliance with industry standards and best practice, legal requirements and compliance guidelines.</p> <p>The risk rating is considered medium (9) which is determined by a likelihood of possible (3) and a consequence of moderate (3).</p> <p>This risk has been accepted due to the adequacy of controls in place including periodic tracking of management actions in the system, automated reminders and follow-up mechanisms.</p>	

### **OPTIONS**

- Option 1 – Adopt officer's recommendation
- Option 2 – Amend officer's recommendation
- Option 3 – Do not adopt officer's recommendation

### **CONCLUSION**

The ARC Committee has reviewed and acknowledged the progress update on the management actions in the Internal Audit Report. This report tracks the status of all internal audit items under both the preceding and current 3-Year Strategic Internal Audit Plans. Regular review and reporting ensure compliance with best practices and legal requirements, enhancing transparency and accountability. The attached progress summary provides further details on the status of the agreed management actions.

## **ATTACHMENTS**

- 1.** CONFIDENTIAL - 20241120 Audit Log Progress [**11.3.1** - 7 pages]

**11.4****Quarterly Risk Register Review**

**Author:** **Audit, Risk & Insurance Support Officer**

**Authorising Officer:** **Manager Governance**

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**ARC202425/019 COMMITTEE DECISION**

**MOVED: Deputy Mayor Ash Christensen      SECONDED: Cr Ambika Rebello**

**That the Audit, Risk and Compliance Committee receives the Quarterly Operational Risk Report.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**PURPOSE**

This report provides the Audit, Risk and Compliance Committee (ARC Committee) with an update on the progress of the Town's Risk Management.

**DETAIL**

The Town's Risk Management Policy, along with the Risk Management Framework (RMF), outlines the approach for identifying, assessing, managing, and monitoring risks.

Implemented in early 2024, the Town's risk management system captures a comprehensive register of risks at the strategic, operational, and project levels. Risk owners, responsible for operational-level risks, are expected to update their risks periodically in line with RMF requirements. For example, low risks are monitored annually, medium risks quarterly, high risks monthly, and extreme risks continuously. This proportionate approach ensures risks are managed effectively, monitored according to their significance, and emerging threats are mitigated where possible.

Due to the newness of the system and risk management process, additional consultation with key stakeholders has been necessary to ensure thorough reviews. Over time, this process will become automated as risk owners develop a routine for reviewing risks according to specified timelines and as internal operating procedures are established for additional support.



## Overview of Risk Assessment Process

1. Inherent Risk Assessment – This involves evaluating the risk against the Town’s Risk Assessment and Acceptance Criteria, focusing solely on the raw potential impact and likelihood, independent of any existing controls.
2. Residual Risk Assessment – This assessment considers all existing controls and mitigation measures, providing a realistic depiction of the actual risk exposure faced by the Town after controls are implemented.
3. Forecast/Future Risk Assessment – If the residual risk exceeds the acceptable threshold, potential treatment plans are considered to further mitigate the risk. Some risks may remain beyond acceptable levels despite efforts; these require rigorous monitoring and review.

A summary of the current extreme and high risks can be found in the table below.

	Extreme	High
Inherent Risk Rating	1	5
Residual Risk Rating	0	6

For detailed insight into current risks, see Attachment 1, which includes an excerpt from the operational risk register highlighting high or extreme residual risks that require reporting to the Committee.

### **LEVEL OF SIGNIFICANCE**

In accordance with Policy 4/009 ‘Significant Decision Making’, this matter is of medium significance. It is likely that the community expects the ARC Committee to be well informed about the significant risks facing the Town. Additionally, there is an implicit expectation that the ARC Committee is knowledgeable about the strategies implemented to mitigate these risks, especially concerning the Town's financial stability, ability to deliver essential services, preservation of its reputation, and other critical aspects affecting the community's well-being.

### **CONSULTATION**

#### *Internal*

- Senior Leadership Team

#### *External Agencies*

- Nil

#### *Community*

- Nil

### **LEGISLATION AND POLICY CONSIDERATIONS**

- AS ISO31000:2018 Risk Management

## **FINANCE AND RESOURCE IMPLICATIONS**

Certain risks outlined in the Risk Register could potentially have financial implications for the Town should they materialise. These specific risks and their corresponding financial implications have been thoroughly documented within the Risk Register.

## **STRATEGIC SUSTAINABILITY IMPLICATIONS**

The following section of the Town's Strategic Community Plan 2018-2028 is applicable in the consideration of this item:

### Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

There are no significant identifiable environmental, social or economic impacts relating to this item.

### **Access and Inclusion**

The following outcome of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

Nil.

### **Corporate Business Plan**

The following action of the Town's Corporate Business Plan 2018-2022 apply in relation to this item:

### Our Corporate Services:

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

## **RISK MANAGEMENT CONSIDERATIONS**

<b>Risk Type</b>	Operational
<b>Risk Category</b>	Service Interruption
<b>Cause</b>	Failure to routinely review and update risk assessments
<b>Effect</b>	Implementation of inappropriate or ineffective risk mitigation measures, leaving the organisation vulnerable to potential threats and decreasing responsiveness to emerging risks.
<b>Risk Treatment</b>	Accept with existing controls

There is a service interruption risk associated with this item caused by failure to periodically review and update risk assessments and perpetuation of outdated risks within the register. This could lead to implementation of inappropriate or ineffective risk mitigation measures, leaving the organisation vulnerable to potential threats and decreased responsiveness to emerging risks, hindering the organisation's ability to proactively identify and address emerging risks, increasing the likelihood of unexpected disruptions.

The risk rating is considered Medium (9) determined by a likelihood of Possible (3) and a result of Moderate (3).

This risk will be accepted, considering existing controls are functional, including:

- Training is provided to risk owners.
- Reminders are sent to risk owners who have not completed their risk reviews within the specified timeframe.

## **OPTIONS**

Option 1 – Adopt officer's recommendation

Option 2 – Amend officer's recommendation

Option 3 – Do not adopt officer's recommendation

## **CONCLUSION**

This report provides the ARC Committee with an update on the Town's Risk Management progress. Through the newly introduced standing report, the ARC Committee gains insight into current and emerging risks, guided by the Risk Management Policy and Framework. Efforts are underway to formalise reporting on strategic risks, with the strategic risk register now functional and populated; monitoring and review mechanisms will be formally implemented.

## **ATTACHMENTS**

1. CONFIDENTIAL - 20241120 Risk Register Report [**11.4.1** - 1 page]

**Author:** Senior Procurement & Contracting Advisor

**Authorising Officer:** Manager Governance

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**ARC202425/020 COMMITTEE DECISION**

**MOVED:** Cr Ambika Rebello

**SECONDED:** Deputy Mayor Ash Christensen

**That the Audit, Risk and Compliance Committee note 'Nil' identified non-compliance with Policy 2/022 Panels of Pre-Qualified Suppliers for Quarter 1 Financial Year 2024-2025, as per Attachment 1.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**PURPOSE**

The purpose of this report is for the Audit, Risk and Compliance Committee (the "ARC Committee") to consider:

As part of Panels of Pre-Qualified Suppliers Policy 2/022, Section 3 Compliance and Reporting the Town shall on a quarterly basis report to the Town's Audit, Risk and Compliance Committee any identified non-compliance with the Policy.

**DETAIL**

In accordance with Regulation 24AC of the Local Government (Functions and General) Regulations 1996, the Town has established the following Panels of Pre-Qualified Suppliers As per section 2.2 of Policy 2/022 Panels of Pre-Qualified Suppliers, the Town exercises one of the following options for the distribution of work:

Panel Number	Panel Details	No. of Suppliers on the Panel	No. of Works Undertaken
RFT2324-05	Trades Panel	13	42
RFT2324-28	Report Writing Investigation & Response	5	0
RFT2324-22	Civil Construction Material	3	0
RFT2324-20	Construction Professionals	25	3
RFT2324-01	Construction	6	36
RFT2122-25	Report Writing	3	0
RFT2122-08	Project Management	4	24
RFT2324-19	Civil Construction	15	17

a) The Town will obtain quotations from each pre-qualified supplier on the panel for all purchases.

Or

b) The Town will purchase goods and services exclusively from any prequalified supplier appointed to that panel.

The quotes obtained are authorised in accordance with the Town's Delegation Register. In every instance, a contract for an item of work with a prequalified supplier is not to exceed 12 months or include any options to renew or extend.

The Procurement Team diligently collaborated with the ERP team to address gaps discovered in the ERP system, which had hindered the compilation of the last quarter's report. The process of obtaining the required data proved to be challenging; however, valuable suggestions have been proposed to the ERP Team to streamline the procedure and ensure accurate data compilation in the future.

During this period, Procurement successfully identified the list of projects awarded to Pre-Qualified Panel Suppliers on VendorPanel and TechOne for the duration of 01 July 2024 to 30 September 2024. However, it is essential to acknowledge that the data, though diligently obtained, has been produced through a manual process. Internal Buyers use VendorPanel for purchases under \$100,000.00.

Based on the available data, the Procurement Team reports no instances of non-compliance with the Panels Policy, indicating a satisfactory level of adherence.

## **LEVEL OF SIGNIFICANCE**

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, due to likely consequences arising from non-compliance, potential to impact the Town's ability to deliver services, impact the Town's reputation and

general interest by the community in the compliance capability of the business operations of the Town of Port Hedland.

## **CONSULTATION**

### *Internal*

- Acting Senior Procurement and Contracting Advisor

### *External Agencies*

- Nil

### *Community*

- Nil

## **LEGISLATION AND POLICY CONSIDERATIONS**

- Policy 2/022 - Panels of Pre-Qualified Suppliers.
- Policy 2/007 - Procurement Policy
- Regulation 24AC of the Local Government (Functions and General) Regulations 1996

## **FINANCE AND RESOURCE IMPLICATIONS**

Nil.

## **STRATEGIC SUSTAINABILITY IMPLICATIONS**

The following section of the Town's Strategic Community Plan 2018-2028 is applicable in the consideration of this item:

### Our Leadership:

- 4.2.3 Transparent and regular governance reporting and communication to the community is undertaken

There are no significant identifiable environmental, social or economic impacts relating to this item.

### ***Access and Inclusion***

The following outcome of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

Nil.

### ***Corporate Business Plan***

The following action of the Town's Corporate Business Plan 2023-2027 apply in relation to this item:

Our Corporate Services:

Governance and Procurement - Provide high standards of governance and leadership.

**RISK MANAGEMENT CONSIDERATIONS**

<b>Risk Type</b>	Operational
<b>Risk Category</b>	Compliance
<b>Cause</b>	Failure to implement correct procedures
<b>Effect</b>	Resulting in non-compliance with industry best practice
<b>Risk Treatment</b>	Accept with existing controls
<p>There is a compliance risk associated with this item because failure to implement the right procedure will result in non-compliance with industry best practice. The risk rating is considered to be medium (6), which is determined by a likelihood of possible (3) and a consequence of minor (2).</p> <p>The risk will be mitigated by ensuring officers follow the procedures as per the procurement requirements in accordance with the Town's Policy documents.</p>	

**OPTIONS**

- Option 1 – Adopt officer's recommendation
- Option 2 – Amend officer's recommendation
- Option 3 – Do not adopt officer's recommendation

**CONCLUSION**

In accordance with the Panels of Pre-Qualified Suppliers Policy 2/022, Section 3, Compliance and Reporting, this report presents the Audit, Risk and Compliance Committee with an overview of the Procurement findings for non-compliance with the Panels Policy for the quarter 01 July 2024 to 30 September 2024.

**ATTACHMENTS**

1. CONFIDENTIAL - Panel Purchase Orders – 01 July 2024 to 30 September 2024  
[11.5.1 – 1 page]

**12 Motions of Which Previous Notice have been given**

Nil.

**13 New Business of an Urgent Nature (Late Items)**

Nil.

**14 Matters for Which Meeting May be Closed (Confidential Matters)**

**ARC202425/021 COMMITTEE DECISION**

**MOVED: Deputy Mayor Ash Christensen      SECONDED: Cr Ambika Rebello**

**That Council close the meeting to members of the public as prescribed in section 5.23(2) of the Local Government Act 1995, to consider item 14.1.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**The Presiding Member declared the meeting closed to the Public at 5:38pm.**

<b>14.1</b>	<b>Town Debtors</b>
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**ARC202425/022 COMMITTEE DECISION**

**MOVED: Cr Ambika Rebello      SECONDED: Deputy Mayor Ash Christensen**

**That the Audit, Risk and Compliance Committee recommends that Council:**

- 1. Receives the report on Town Debt.**
- 2. Write off \$26,761.68 Rates debtors.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*



**ARC202425/023 COMMITTEE DECISION**

**MOVED: Cr Ambika Rebello**

**SECONDED: Deputy Mayor Ash Christensen**

**That the Audit, Risk and Compliance Committee open the meeting to the members of the Public.**

***CARRIED BY SIMPLE MAJORITY (2/0)***

*For: Deputy Mayor Ash Christensen and Cr Ambika Rebello*

*Against: Nil*

**The Presiding Member declared the meeting open to the Public at 5:40pm.**

**15 Closure**

**15.1 Date of Next Meeting**

The next Audit, Risk and Compliance Committee Meeting will be held on Tuesday, 11 March 2025 commencing at 5:30pm.

**15.2 Closure**

There being no further business, the Presiding Member thanked all who attended and declared the meeting closed at 5:41pm.

## **TERMS OF REFERENCE**

### **1. Purpose of the Terms of Reference**

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The purpose of this document is to define the Terms of Reference (TOR) for the Audit, Risk and Compliance Committee (the "ARC Committee" or "Committee").

These TOR describe the Committee's purpose, authority, membership, functions, reporting requirements and responsibilities.

### **2. Establishment and Appointment**

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The ARC Committee is a formally appointed committee of the Council for the Town of Port Hedland (the "Town") pursuant to section 7.1A of the *Local Government Act 1995* ("the Act").

### **3. Role**

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The ARC Committee is to provide guidance and assistance to Council concerning matters within its Terms of Reference. It assumes a key role in assisting the Town of Port Hedland (the "Town") in fulfilling its governance and oversight obligations related to financial reporting, internal controls, risk management systems, legislative compliance, ethical accountability, and internal and external audit functions.

### **4. Objectives**

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The primary objective of the ARC Committee is to assume responsibility for the annual external audit and establish effective communication with the Town's external auditor. This ensures that Council can be satisfied with the performance of the local government in managing its financial affairs.

Further objectives of the Audit, Risk and Compliance Committee are to oversee:

- 4.1 The scope of work, objectivity, performance and independence of the external auditor.
- 4.2 The integrity of internal and external financial reporting, including accounting

policies.

- 4.3 The establishment, effectiveness and maintenance of controls and systems to safeguard the Town's financial and physical resources.
- 4.4 The systems or procedures that are designed to ensure that the Town comply with relevant statutory and regulatory requirements.
- 4.5 The process and systems which protect the Council against risk, fraud and irregularities.
- 4.6 Compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance.
- 4.7 Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits.

## **5. Authority and Independence**

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The ARC Committee does not have executive powers or authority to implement actions in areas over which the administration (management) has responsibility. Furthermore, the ARC Committee does not have any delegated financial responsibility. This ensures that the Committee is able to fulfill its function as an impartial advisory body separate from the Town's management, thereby ensuring objective assessments and guidance.

Under the Town's Register of Delegated Authority – Statutory, the ARC Committee:

- 5.1 Has the authority to meet with the Town's Auditor at least once every year on behalf of the Council [s.7.12A(2) of the Act].
- 5.2 Has the authority to:
  - i. Examine an audit report received by the local government.
  - ii. determine if any matters raised by the audit report, require action to be taken by the local government; and
  - iii. Ensure that appropriate action is taken in respect of those matters.
- 5.3 Has the authority to review and endorse the Town's report on any actions taken in response to an Auditor's report, prior to it being forwarded to the Minister [s.7.12A(4) of the Act].

## **6. Membership**

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### Composition

- 6.1 The ARC Committee will comprise of a minimum of three and a maximum of five Elected Members, with one member being an independently appointed member, where possible. All members shall have full voting rights and will be appointed by an absolute majority vote of the Council [s5.10(1)(a) of the Act].
- 6.2 Council may appoint by an absolute majority up to three (3) Councillors to be Deputy Members of the Committee. Any Deputy Member may perform the functions of any Committee Member when the Member is unable to do so by reason of illness, absence or other cause. A Deputy of a Member of a Committee, while acting as a Member, has all the functions of and all the protection given to a member [s.5.11A(2)(a),(3) and (4) of the Act].
- 6.3 Deputy Members do not operate as substitutes for individual members. In situations where more than one Deputy Member is in attendance at a Committee meeting, the Committee will conduct a vote to designate which Deputy Member is authorised to perform the duties of the absent member.

### Term

- 6.4 In compliance with section 5.11 of the Act, all members will be appointed by Council, and will remain a member until:
- a) the term of the person's appointment as a committee member expires; or
  - b) the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or
  - c) the committee is disbanded; or
  - d) the next ordinary elections day

### Appointment

- 6.5 The Presiding Member and Deputy Presiding Member will be appointed by the ARC Committee Members at the Committee's first meeting following an Election.

### Skills and Experience

- 6.6 Collectively, the group of Committee members possess a diverse set of skills and expertise encompassing risk management, assurance, business acumen and background in related fields.
- 6.7 Members may seek advice from an external independent advisor. The independent advisor must be able to demonstrate expertise and knowledge in at least one of the disciplines of financial risk management, corporate governance, risk management or auditing. The independent advisor will also have demonstrated understanding and/or experience in:
- Accounting Standards (AASB)
  - Local Government Act 1995
  - Local Government experience and/or Band 1 Council
- 6.8 New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.

#### Declaration of an Interest

- 6.9 ARC Committee members are required by the Act and Code of Conduct in observing the requirements of declaring any proximity, financial or impartiality interests that relate to any matter to be considered at each meeting.

#### Resignation from the Committee

- 6.10 In accordance with Part 2, Regulation 4 of the *Local Government (Administration) Regulations 1996*, A Committee member may resign from membership of the Committee by giving the CEO or the Committee's presiding member written notice of the resignation. It is recommended that ARC Committee members provide a notice period of three (3) months.

#### Management excluded from membership

- 6.11 The Chief Executive Officer and Employees are not members of the Committee (Section 7.1A(3)&(4) of the Act).

#### Management attendance

6.12 The following individuals from the Town's administration will be present at ARC Committee Meetings to offer advice, guidance, and undertake the responsibility of recording minutes:

- Chief Executive Officer
- Director Corporate Services
- Manager Governance
- Manager Financial Services
- Senior Audit, Risk and Insurance Advisor
- Audit, Risk and Insurance Support Officer

## **7. Meetings**

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7.1 The Committee shall meet at least quarterly.

7.2 The Presiding Member of the Committee has the authority to convene extra meetings, or such meetings may be convened upon the request of the Chief Executive Officer.

7.3 The Committee meetings are generally open to the public unless the Presiding Member or Chief Executive Officer deem it necessary to proceed behind closed doors pursuant to Section 5.23 of the Act.

7.4 All Elected Members are invited to attend each Audit, Risk and Compliance Committee meeting, but will not be eligible to vote on any items presented at the meeting.

7.5 Meeting attendance is subject to Electronic Meetings and Electronic Attendance Policy 4/011.

7.6 As prescribed by Section 5.19 of the Act, the quorum for Committee meetings shall be at least 50% of the number of offices of the Committee (whether vacant or not).

7.7 The Chief Executive Officer will facilitate the meetings of the Committee and invite members of management, internal and external auditors or others to attend meetings as observers and to provide pertinent information, as necessary.

7.8 The Committee will develop a forward meeting schedule that includes the dates, location, and proposed work plan for each meeting for the forthcoming year, which covers the responsibilities outlined in this terms of reference.

- 7.9 Meeting agendas will be prepared and provided at least 72 hours in advance to members, along with appropriate briefing materials.
- 7.10 Minutes will be taken at each meeting and presented to the subsequent meeting for confirmation.
- 7.11 Pursuant to Regulation 13 of the *Local Government (Administration) Regulations 1996*, the unconfirmed minutes of the Committee meeting will be published within 7 days after the meeting is held.
- 7.12 Voting is in accordance with Section 5.21 of the Act.

## **8. Responsibilities**

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The Committee will fulfill the following responsibilities:

### Risk Management

- 8.1 Review and suggest improvements to whether management has in place a current and fit-for-purpose risk management framework and associated procedures for effective identification and management of the Town's risks, including fraud.
- 8.2 Determine whether a sound and effective approach has been followed in managing the Town's major risks including those associated with individual projects, program implementation, and activities.
- 8.3 Assess the impact of the Town's risk management framework on its control environment.
- 8.4 Review and suggest improvements to the process of developing and implementing the Town's fraud control arrangements and satisfy itself the Town has appropriate processes and systems in place to detect, capture and effectively respond to fraud-related information.
- 8.5 Determine whether the Town has a sound and effective approach for business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically reviewed and tested.

## Internal Control and Internal Audit

- 8.6 Ensure adequate systems of internal control are in place to mitigate key business risks and promote the effectiveness and efficiency of operations.
- 8.7 Approve, review and suggest improvements to the Internal Audit Plan and ensure the Internal Audit function is operating effectively, independently and in accordance with the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing.
- 8.8 Receive and review all audit reports and provide advice to the Council on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice.
- 8.9 Monitor management's implementation of internal audit recommendations, processes and practices to ensure that the independence of the audit function is maintained.
- 8.10 Oversee the coordination of planned activities among the four lines of defence, delineating ownership, accountabilities, resources and governance of risk management activities within the Town.

## Financial Reporting

- 8.11 Review and suggest improvements to significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- 8.12 Review and suggest improvements to the process for the consolidation of financial information of the Town related entities into the financial reports of the Town.
- 8.13 Review with management and the external auditors all matters required to be communicated to the Audit, Risk and Compliance Committee under the Australian Auditing Standards, and suggest improvements if required.
- 8.14 Review and suggest improvements (subject to legislation) to the draft Annual Financial Statements (subject to legislation) and recommend the adoption of the Annual Financial Statements to Council.



## Compliance

- 8.15 Review and suggest improvements to the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- 8.16 Keep informed of the findings of any examinations by regulatory agencies and any auditor (internal or external) observations and monitor management's response to these findings.
- 8.17 Obtain regular updates from management about compliance matters.
- 8.18 Review and suggest improvements to the annual Compliance Audit Return and report to the Council the results of the review.

## External Audit

- 8.19 Meet with the Office of the Auditor General to discuss the audit plan (audit entrance meeting) and the results of the financial audit (audit exit meeting).
- 8.20 Consider the findings and recommendations of relevant Performance Audits undertaken by the external auditor and ensure the Town implements relevant recommendations.
- 8.21 Provide an opportunity for the ARC Committee to meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed privately.
- 8.22 Annually review and suggest improvements to the performance of external audit including the level of satisfaction with the external audit function.
- 8.23 Monitor management's implementation of external audit recommendations.

## Reporting

- 8.24 Report regularly to the Council ARC Committee activities, issues, and related recommendations through circulation of minutes.

8.25 Monitor that open communication between the internal auditor, the external auditors, and the Town's management occurs.

#### Other Responsibilities

8.26 Perform other activities related to this terms of reference as requested by the Council or through audit recommendations.

8.27 Request that the Chief Executive Officer perform a review after an Election, suggest improvements to and assess the adequacy of the Audit, Risk and Compliance Committee terms of reference, request Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.

### **9. Definitions**

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<b>Term</b>	<b>Definition</b>
ARC Committee	The Audit, Risk and Compliance Committee
CEO	The Chief Executive Officer
Committee	The Audit, Risk and Compliance Committee
The Act	The <i>Local Government Act 1995</i>
The Town	The Town of Port Hedland
TOR	The Terms of Reference

### **10. Version Control**

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<b>Version</b>	<b>Meeting</b>
V1	<i>Adopted by Council at its Ordinary Meeting held 16 November 2011.</i>
V2	<i>Amended by Council at its Ordinary Meeting held 23 October 2013.</i>
V3	<i>Amended by Council at its Ordinary Meeting held on 11 December 2013.</i>
V4	<i>Amended by Council at its Ordinary Meeting held on 27 May 2015.</i>
V5	<i>Amended by Council at its Ordinary Meeting held on 28 October 2015.</i>
V6	<i>Amended by Council at its Ordinary Meeting held on 22 June 2016.</i>
V7	<i>Amended by Council at its Ordinary Meeting held on 24 May 2017.</i>

V8	<i>Re-Adopted by Council at its Ordinary Meeting held on 1 November 2017.</i>
V9	<i>Re-Adopted by Council at its Ordinary Meeting held on 19 December 2019.</i>
V10	<i>Amended by Council at its Ordinary Meeting held on 23 September 2020.</i>
V11	<i>Amended by Council at its Ordinary Meeting held on 7 September 2022.</i>
V12	<i>Amended by Council at its Ordinary Meeting held on 29 May 2024.</i>