

ATTACHMENT BOOKLET FOR ORDINARY COUNCIL MEETING

16 December 2020 at 4:30pm

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MINUTES OF THE ORDINARY COUNCIL MEETING

18 NOVEMBER 2020

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MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD IN THE COUNCIL CHAMBERS AT 21 VICTORIA STREET, MINGENEW ON 18 NOVEMBER 2020 COMMENCING AT 4.30PM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 4:30pm.

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

COUNCILLORS

JD Bagley	Councillor	Rural Ward
GJ Cosgrove	Councillor	Town Ward
HR McTaggart	Councillor	Rural Ward
HM Newton	Councillor	Town Ward
RW Newton	Councillor	Rural Ward
AR Smyth	Councillor	Town Ward
CV Farr	Councillor	Town Ward

APOLOGIES

Nil

STAFF

N Hay Chief Executive Officer
J Clapham Finance Manager
E Greaves Governance Officer

GUESTS

R Tyndale Powell

T Nitschke

3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

4.0 PUBLIC QUESTION TIME / PUBLIC STATEMENT TIME

Mr T Nitschke spoke to the planning application for a transportable dwelling to be located on his property at 14 lkewa Street, indicating his desire to settle in Mingenew and outlining that the presented plan was considerate of his financial situation and the need to have a nice looking home. Following the rejection of his request for planning approval to construct a shed on the property, being advised that a residence needed to be built prior to the shed being considered, Mr Nitschke investigated numerous options, with a new transportable home being the most affordable option and compliant with Council requirements.

Mr Tyndale Powell spoke to the construction of the shed on his property at 10 Enanty Street, Mingenew and confirmed that the shed positioning was amended following the planning approval received by Council in August 2020. When the approved site plan was received from Council he

realised that it was incorrect and submitted an amended plan for building approval. He requested that Council consider the altered plan for planning approval and outlined that he has letters from 2 x neighbours supporting the amended site plan (letters submitted to Council at the meeting).

- 5.0 APPLICATIONS FOR LEAVE OF ABSENCE Nil.
- 6.0 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS Nil.
- 7.0 CONFIRMATION OF PREVIOUS MEETING MINUTES
 - 7.1 ORDINARY COUNCIL MEETING HELD 21 OCTOBER 2020

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 7.1 RESOLUTION# 01181120 MOVED: Cr HR McTaggart SECONDED: Cr AR Smyth

That the Minutes of the Ordinary Council Meeting of the Shire of Mingenew held in the Council Chambers on 21 October 2020 be confirmed as a true and accurate record of proceedings.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

- 8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION Nil.
- 9.0 DECLARATIONS OF INTEREST Nil.
- 10.0 RECOMMENDATIONS OF COMMITTEES Nil.

11 CHIEF EXECUTIVE OFFICER REPORTS

11.1 LOCAL GOVERNMENT (MODEL CODE OF CONDUCT) REGULATIONS 2020 RESPONSE

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0059

Date: 10 November 2020

Author: Nils Hay, Chief Executive Officer Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

To consider the Shire's response to the Local Government (Model Code of Conduct) Regulations 2020.

Key Points

- As part of the ongoing review of the Local Government Act, new Model Code of Conduct Regulations are proposed
- The proposed regulations will cover conduct of Council and Committee Members, as well as candidates running for election
- The Department has provided an (extended) deadline of 6 December for submissions

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.1 RESOLUTION# 02181120 MOVED: Cr HR McTaggart SECONDED: Cr HM Newton

That Council endorses the prepared Shire of Mingenew response to the Local Government (Model Code of Conduct) Regulations 2020, as presented in Attachment Booklet – November 2020, to be submitted as Council's formal feedback to the Western Australian Local Government Association (WALGA) and the Department of Local Government, Sport and Cultural Industries (DLGSC).

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

- 11.1.1 Local Government (Model Code of Conduct) Regulations 2020 Consultation Draft
- 11.1.2 2016 Consultation Paper on Local Government Rules of Conduct and Minor Breaches
- 11.1.3 Draft Shire of Mingenew comments on proposed Local Government (Model Code of Conduct) Regulations 2020

Background

Following the announcement in 2017, that a review of the *Local Government Act 1995* would be commenced, a significant course of consultation and reform has been undertaken to establish a more modern and relevant suite of legislation to better deliver for WA communities. The Government's vision is for local governments to be "agile, smart and inclusive".

Given the breadth of matters covered by the Local Government Act, a staged approach to the review has been adopted:

- Stage one: priority reforms
- Stage two: wide ranging reforms

The majority of the stage one priority reforms are now in place following the passage of the *Local Government Legislation Amendment Act 2019*. These reforms include:

• A new gift framework for elected members;

- A mandatory online induction for all candidates;
- Universal training for elected members;
- Changes to the Standards Panel; and
- Easier access to information to provide greater transparency to the community.

The remaining priority reforms which are expected to be implemented later this year include:

- New mandatory code of conduct for elected members, committee members and candidates (as addressed in this paper);
- Best practice standards for Chief Executive Officer (CEO) recruitment, performance review and early termination (as addressed in a following item at the November 2020 Ordinary Council Meeting); and
- Further transparency measures.

Extensive community consultation was conducted on stage two topics between September 2018 and March 2019 by the Department of Local Government, Sport and Cultural Industries (the Department) with contributions from community members, ratepayer associations, industry groups, local governments, elected members, and peak bodies.

On the basis of that work, a draft Local Government (Model Code of Conduct) Regulation 2020 has been prepared and was put out for consultation in late October 2020. The consultation draft, along with a proposed response document are both attached. The due date for submissions is 6 December 2020.

Comment

In preparing the Shire's proposed response, consideration has been given to our previous position on similar items, as well as the (attached) 2016 consultation paper relating to Local Government rules of conduct. Whilst legislative reform in this area is welcomed, it is important that:

- It does not create unreasonable administrative burdens for small local governments like ours, or duplicate/conflate/confuse existing instruments such as local laws relating to meeting procedures
- The regulations fairly manage candidate behaviour; even in the event that candidates are not ultimately
- Consideration is given to the relationship between elected members and administration and the difficulties that arise where the administration is required to serve as investigator and adjudicator on elected member breaches of conduct

Consultation

- WA Local Government Association (WALGA)
- Local Government Professionals WA

Statutory Environment

These regulations will bring into effect sections 48 to 51 of the *Local Government Legislation Amendment Act 2019*. In particular, the following will take effect: sections 5.102A, 5.103, 5.104 and 5.105

Policy Implications

Nil at this stage. Ultimately, if adopted, review will be required of the Council's Code of Conduct to align with any new provisions.

Financial Implications

Nil.

Strategic Implications

Strategic Community Plan 2019-2029

Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner.

11.2 LOCAL GOVERNMENT (ADMINISTRATION) REGULATIONS (NO. 2) 2020 – MODEL STANDARDS FOR CEO RECRUITMENT, PERFORMANCE AND TERMINATION RESPONSE

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0059

Date: 10 November 2020

Author: Nils Hay, Chief Executive Officer Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

To consider the Shire's response to the Local Government (Administration) Regulations (No. 2) 2020 – Model standards for CEO recruitment, performance and termination.

Key Points

- As part of the ongoing review of the Local Government Act, an amendment to the Administration Regulations is proposed
- The proposed regulations will cover CEO recruitment, performance and termination
- The Department has provided an (extended) deadline of 6 December for submissions

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.2 RESOLUTION# 03181120 MOVED: Cr AR Smyth SECONDED: Cr JD Bagley

That Council endorses the prepared Shire of Mingenew response to the Local Government (Administration) Regulations (No. 2) 2020, as presented in Attachment Booklet – November 2020, to be submitted as Council's formal feedback to the Western Australian Local Government Association (WALGA) and the Department of Local Government, Sport and Cultural Industries (DLGSC).

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

11.2.1 WALGA InfoPage on Draft Local Government (Administration) Amendment Regulations (No.2) 2020 11.2.2 Draft Shire of Mingenew comments on proposed Local Government (Administration) Regulations (No. 2) 2020

Background

Following the announcement in 2017, that a review of the *Local Government Act 1995* would be commenced, a significant course of consultation and reform has been undertaken to establish a more modern and relevant suite of legislation to better deliver for WA communities. The Government's vision is for local governments to be "agile, smart and inclusive".

Given the breadth of matters covered by the Local Government Act, a staged approach to the review has been adopted:

- Stage one: priority reforms
- Stage two: wide ranging reforms

The majority of the stage one priority reforms are now in place following the passage of the *Local Government Legislation Amendment Act 2019*. These reforms include:

• A new gift framework for elected members;

- A mandatory online induction for all candidates;
- Universal training for elected members;
- Changes to the Standards Panel; and
- Easier access to information to provide greater transparency to the community.

The remaining priority reforms which are expected to be implemented later this year include:

- New mandatory code of conduct for elected members, committee members and candidates (as addressed earlier in the November 2020 Ordinary Council Meeting agenda);
- Best practice standards for Chief Executive Officer (CEO) recruitment, performance review and early termination (as addressed in this item); and
- Further transparency measures.

Extensive community consultation was conducted on stage two topics between September 2018 and March 2019 by the Department of Local Government, Sport and Cultural Industries (the Department) with contributions from community members, ratepayer associations, industry groups, local governments, elected members, and peak bodies.

On the basis of that work, a draft Local Government (Administration) Regulation (No. 2) 2020 has been prepared and was put out for consultation in late October 2020. The consultation draft, along with a proposed response document are both attached. The due date for submissions is 6 December 2020.

Comment

In preparing the Shire's proposed response, consideration has been given to our previous position on similar items, as well as the (attached) WALGA InfoPage. Whilst legislative reform in this area is welcomed, it is important that:

- Councils maintain control over the CEO recruitment, performance management and termination process
- Legislation does not introduce any additional compliance/cost burden, particularly for small local governments like ours
- Regulations do not cause harm to well-functioning Council/CEO employment relationships

Consultation

- WA Local Government Association (WALGA)
- Local Government Professionals WA
- Other Mid West local governments

Statutory Environment

The Local Government Legislation Amendment Act 2019 introduced numerous amendments to the Local Government Act 1995, including the yet to commence insertion of new sections introducing mandatory Model Standards for CEO recruitment, performance and termination.

These proposed regulations will form those sections.

Policy Implications

Nil at this stage. Ultimately, if adopted, some Council policies and procedures may need to be reviewed to ensure compliance with the updated legislation.

Financial Implications

Nil at this stage.

Strategic Implications

Strategic Community Plan 2019-2029

Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner.

11.3 REPORT OF THE INQUIRY INTO THE CITY OF PERTH – SHIRE OF MINGENEW RESPONSE

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0278

Date: 2 November 2020

Author: Erin Greaves, Governance Officer Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

To consider the proposed response to the City of Perth Inquiry Report in terms of the impact of the recommendations on the Shire of Mingenew and wider, local government sector.

Key Points

- The recent City of Perth Inquiry released a wide-ranging report with over 300 recommendations, some of which are directed at the WA Local Government sector
- The findings of this report have been flagged as elements which will form the basis for the new Local Government Act 1995
- To ensure that the Shire of Mingenew has considered these issues and formed a position, a response has been prepared

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.3 RESOLUTION# 04181120 MOVED: Cr AR Smyth SECONDED: Cr HM Newton

That Council endorses the prepared response to the City of Perth Inquiry as attached, and submits the response to the Department of Local Government, Sport and Cultural Industries.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

- 11.3.1 Inquiry into the City of Perth Report Overview
- 11.3.2 Shire of Mingenew response to Inquiry Report Recommendations

Background

In March/April 2018, the City of Perth (the City) Council was suspended and an Inquiry Panel was established by the Minister for Local Government; Culture and the Arts, the Hon. David Templeman MLA, to look into the governance systems and practices of the City due to its alleged dysfunctionality. Concerns centred around the culture, relationships and responsibilities between Councillors and staff, the separation of roles and responsibilities, decision-making effectiveness and the City's ability to act in the best interest of the local community. Mr Anthony (Tony) Power of the Inquiry Panel outlined, "One of the main functions of this Inquiry is to inquire into and report on matters in its Terms of Reference for the purpose of making recommendations aimed at restoring and ensuring the future good government of the City. This will be achieved by its recommendations."

The Report itself considers the following as some of the main factors that lead to the suspension of the Council in March 2018 and the Inquiry commencing in April 2018:

 The Council was factionalised. The Lord Mayor, Ms Lisa Scaffidi, led a majority "Team" until the Council election in October 2017

- A lack of harmony and cooperation developed within the Executive Leadership Group (ELG), which
 included the CEO and five directors
- Some council members used their positions to advance their own personal interests, or those of family and associates
- Some council members misused their official entitlements
- Some council members failed to make proper declarations of conflicts of interest, gifts and/or sources of income
- Some council members became involved in City administrative matters, which were not legitimately their concern, including human resources matters
- The CEO was unable to prevent council members interfering in administrative matters
 - Some council members manipulated election processes
 - Some procurements were not properly handled by City employees
 - Some complaints and allegations were not properly dealt with by the City

The full City of Perth Inquiry has not been included with this report (due to its size) however, a copy of each Volume of the Report is available on the Department of Local Government, Sport and Cultural Industries' (DLGSC) website at https://www.dlgsc.wa.gov.au/local-government/inquiries/inquiry-into-the-city-of-perth.

Comment

The Inquiry into the City of Perth has identified a number of risk areas for the broader local government sector and therefore, the Inquiry Panel as made a number of recommendations to the Minister to address the issues and put in place appropriate control measures to safeguard against similar future failings. The Department of Local Government has indicated that consideration of these recommendations will be incorporated into the wider review of the Local Government Act.

There is general concern over the increased responsibilities and potential costs for local governments should some of the recommendations by implemented within the Local Government Act Review, particularly for smaller local governments attempting to resource compliance, enforcement and auditing. There are also functionalities of Council that are somewhat diminished by some of the recommendations that brings into question the democratic rights of each Council to govern effectively and efficiently for their respective communities.

Consultation

Elected Members at Concept Forum Debrief – October 2020

Statutory Environment

Local Government Act 1995 under Part 8, Division 2

Policy Implications

The full implications of the City of Perth Inquiry Report are not yet known, until the outcomes and recommendations of the Report are considered as part of the Local Government Act Review.

Financial Implications

As above, there may be financial implications depending on the Local Government Act Review.

Strategic Implications

Strategic Community Plan 2019-2029

Strategy 1.2.3 Provide sound corporate governance of Shire and create an attractive work environment.

11.4 STATE ELECTION PRIORITIES 2020

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0349

Date: 2 November 2020

Author: Erin Greaves, Governance Officer Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

To consider endorsing a set of key strategies priorities for the Shire of Mingenew to communicate to State political parties in light of the upcoming State Election in March 2021.

Key Points

- The next State general election is scheduled to held on 13 March 2021
- To ensure political parties have an understanding of our own priorities and projects in the next 1-5 years, a list of key strategies has been developed to assist in advocating for funding support.
- The list has been informed by the Shire's Strategic Community Plan and Corporate Business Plan.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.4 RESOLUTION# 05181120

MOVED: Cr HM Newton SECONDED: Cr JD Bagley

That Council:

- Endorses the following key strategic issues and projects, as detailed in the Attachment Booklet, to be communicated to State political parties for consideration in developing funding and advocacy priorities in the lead up to the 2021 State Government Election:
 - Strategies to address declining populations in rural WA
 - Housing and Land, including incentives for developers / investors to build in regional WA, and State Government property maintenance
 - Heavy Vehicle Traffic (RAV5 and larger) via Mingenew Townsite
 - Space Industry Profile and Development Support, including support for Mingenew Space Precinct Business Case
 - Support for Regional State Employment State Government Agencies
 - Secondary Grain Freight Route Project
 - Regional Fibre Project (Three Springs to Tenindewa)
 - Smart enabled Street Light Retrofit Program
 - "Wander out Yonder" initiatives to include support for hospitality and childcare industries
 - Support for health services in regional WA to attract and retain doctors and other specialist health services
 - Digital Farms project
 - Incentivise creative industries and sport and recreation to increase accessibility and engagement, particularly youth and at-risk people
- 2. Authorises the Chief Executive Officer to write to the four major political parties, and any other relevant agency, outlining the Shire's identified key priorities.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

11.4.1 State Election Priorities – Key Strategic Issues and Projects for Shire of Mingenew

Background

State General Elections for both the Legislative Assembly (lower house) and Legislative Council (upper house) are held every four years on the second Saturday in March. Therefore, the next State Government Election is scheduled to be held on 13 March 2021. Western Australia is divided into 59 Legislative Assembly districts and six Legislative Council regions. During an election, one candidate is elected for each Legislative Assembly district and six candidates are elected for each Legislative Council region.

A draft list of strategic issues and initiatives were presented to Councillors for discussion at a Council Forum in October 2020. The list presented at this meeting collates the points raised by elected members.

Comment

In the lead up to an election, political parties are often active in communicating the policy positions, strategies for addressing constituent issues and announcing funding priorities for the proceeding years, in the hope of garnering voter support.

Council have the opportunity to be proactive in advocating local community needs and priorities with State Government political parties in the lead up to the 2021 State Government Election so that feedback and regional issues may be considered when the parties develop their strategies and priorities for communicating with constituents.

Consultation

Council Concept Forum

Statutory Environment

Local Government Act 1995

Policy Implications

Nil

Financial Implications

State and Federal Government funding priorities have an effect on the Shire's ability to source external funding opportunities based on its own priorities. Council can play a role in advocating for funding priorities for its Shire and the sector based on its local understanding and needs.

Strategic Implications

Strategic Community Plan 2019-2029

Strategy 1.2.2 Enhance open and trusting communication between Council and the community, and deliver high quality services in partnership with external stakeholders

11.5 WALGA STATE COUNCIL MEETING – 2 DECEMBER 2020

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0118

Date: 9 November 2020

Author: Erin Greaves, Governance Officer Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

To consider and vote on the WALGA State Council Matters for Decision and submit those to the Council.

Key Points

- The WALGA State Council meeting is scheduled to be held on 2 December 2020 commencing at 4pm.
- The Shire of Mingenew is represented at State Council by Cr Karen Chappel, Deputy President of WALGA and Chair of the Northern Country Zone of WALGA.
- The next WALGA State Council meeting is proposed to be held on 3 March 2021.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.5 RESOLUTION# 06181120 MOVED: Cr CV Farr SECONDED: Cr HR McTaggart

PART A

That Council supports WALGA's recommendations submitted in the 2 December 2020 WALGA State Council Meeting Agenda, as follows:

<u>Item 5.1 Local Government Act Review Advocacy Paper – Key Issues from Recent Inquiries into Local Government</u>

That:

- 1. Ongoing advocacy relating to the Review of the Local Government Act 1995 be noted: and
- 2. The Advocacy Positions for a New Local Government Act: Key Issues from recent Inquiries into Local Government be endorsed.

Item 5.2 Submission – Registration of Building Engineers in WA

That WALGA:

- 1. Advise the Department of Mines Industry Regulation and Safety (DMIRS) that the registration of Building Engineers in WA is supported.
- 2. Request that DMIRS also consider the registration of Electrical Engineers, Façade Engineers, Energy Assessors, Bush Fire Consultants, Access consultants, Swimming pool, Patio installers and Demolition contractors.
- 3. Request that DMIRS clarify that dilapidation reports may only be undertaken by Registered Engineers.
- 4. Provide this report to Department of Mines Industry Regulation and Safety as feedback on the Consultation Regulatory Impact Statement.

Item 5.3 Family and Domestic Violence and the Role of Local Governments

That:

- 1. WA Local Governments recognise the prevalence, seriousness and preventable nature of family and domestic violence and the roles that Local Governments can play in addressing gender equity and promoting respectful relationships in their local community.
- 2. WALGA advocates to the State Government:

- a. to define and communicate the role, responsibilities and expectations of Local Governments in family and domestic violence.
- b. for adequate funding for family and domestic violence programs and services, particularly in regional areas.
- c. for appropriate resources and funding be allocated to Local Governments to implement any particular roles and actions addressing family and domestic violence as defined in the State Strategy.
- d. to provide support to Local Government in the broader rollout of the Prevention Toolkit for Local Government.
- e. to continue advocacy to the Commonwealth Government for additional funding and support.
- 3. WALGA organises presentations for Local Governments that address family and domestic violence, as part of relevant events or webinars.

Item 5.4 Underground Power

That Local Government supports the:

- 1. continuation of cooperative arrangements between the State Government, Western Power and Local Government to progressively replace the overhead electricity distribution network in residential areas with underground power.
- 2. development of a new approach to identifying and prioritizing areas for investment in underground power, initiated by the need to invest in the overhead network to meet safety, reliability and capability requirements.
- 3. development of a new approach to allocating State Government resources to facilitate projects proceeding in areas with a high electricity network need and lower economic capacity of ratepayers while retaining a commitment to funding an average of 25% of program costs.
- 4. opportunity for Local Governments to initiate projects to convert areas to underground power be retained with Western Power to continue to contribute the amount recoverable.

PART B

That Council notes that Matters for Noting / Information and Organisational Reports provided within the 2 December 2020 WALGA State Council Meeting Agenda, as follows:

- 6.1 Submission to the Infrastructure WA State Infrastructure Strategy Discussion Paper
- 6.2 Draft Amendments to the Planning and Development (Local Planning Scheme) Regulations 2015
- 6.3 Interim Review State Planning Policy 3.1 Residential Design Codes
- 6.4 State and Federal Budgets
- 6.5 Noongar Heritage Agreement for Local Government
- 6.6 Aboriginal Cultural Heritage Bill Consultation
- 6.7 Local Government Animal Welfare in Emergencies Grant Program
- 6.8 2020 Annual General Meeting
- 6.9 COVID-19 Update
- 7.1 Key Activity Reports
- 7.2 Policy Forum Reports

VOTING:

CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

11.5.1 WALGA State Council Agenda – 2 December 2020

Background and Comment

<u>Item 5.1 Local Government Act Review Advocacy Paper – Key Issues from Recent Inquiries into Local Government</u>

WALGA has developed an Advocacy Paper focusing on key issues identified in final reports of three recent Local Government Inquiries:

- 1. Final Report of the Local Government Review Panel
- 2. Report of the Inquiry into the City of Perth
- 3. Select Committee into Local Government Final Report

The Advocacy Paper clarifies WALGA's position in regards to the following identified key issues:

New Local Government Act

That the State Government prepare a new Local Government Act as a priority.

Legislative Intent

That the following key principles be embodied in the Local Government Act:

- 1. Uphold the general competence principle currently embodied in the Local Government Act
- 2. Provide for a flexible, principles-based legislative framework
- 3. Promote a size and scale compliance regime
- 4. Promote enabling legislation that empowers Local Government to carry out activities beneficial to its community taking into consideration Local Governments' role in creating a sustainable and resilient community through:
 - i. Economic development
 - ii. Environmental protection, and
 - iii. Social advancement
- 5. Avoid red tape and 'de-clutter' the extensive regulatory regime that underpins the Local Government Act, and
- 6. The State Government must not assign legislative responsibilities to Local Governments unless there is provision for resources required to fulfil the responsibilities.

Intergovernmental Cooperation

That a Partners in Government Agreement promoting a collaborative partnership approach be signed by the Premier, Minister for Local Government and Local Government leaders at the commencement of each term of the State Government.

Elections

The Local Government sector supports:

- 1. Four year terms with a two year spill
- 2. Greater participation in Local Government elections
- 3. The option to hold elections through
 - Online voting
 - Postal voting, and
 - In-person voting
- 4. Voting at Local Government elections to be voluntary
- 5. The first past the post method of counting votes
- 6. Local Governments being enabled to determine the number of Elected Members required on the Council between six and 15 (including the Mayor/President)
- 7. Local Governments to determine if the Mayor or President is elected by the Council or the community at large
- 8. Continuation of the property franchise.

Rating Exemptions

That an independent review of all rate exemptions be undertaken.

Fees and Charges

That:

- 1. An independent review be undertaken to remove fees and charges from legislation and regulation and,
- 2. Local Government be empowered to set fees and charges for Local Government services.

Road Funding

That the Government returns to Local Government at least 27 percent of motor vehicle licence fee collections.

Regional Collaboration

That:

- 1. Local Governments be empowered to form single and joint subsidiaries, and beneficial enterprises, and
- 2. Compliance requirements of Regional Councils be reviewed and reduced.

Community Engagement

The Local Government sector supports:

- 1. Responsive, aspirational and innovative community engagement principles
- 2. Encapsulation of aims and principles in a community engagement policy, and
- 3. The option of hosting an Annual Community Meeting to present on past performance and outline future prospects and plans.

Roles and Responsibilities

That clarification of roles and responsibilities for mayors/presidents, councillors and CEOs be considered in conjunction with the separation of powers between the Council as governing body and the administration of the Local Government.

External Oversight

The Local Government sector supports:

- 1. Establishing an Office of the Independent Assessor to replace the Standards Panel to provide an independent body to receive, investigate and assess complaints against elected members and undertake inquiries.
- 2. Remove the CEO from being involved in processing complaints
- 3. That an early intervention framework of monitoring to support local governments be provided.

Financial Management and Procurement

That the Local Government sector:

- Requests the Minister for Local Government to require the Department of Local Government to prepare a Model set of Financial Reports for the Local Government sector, in consultation with the Office of the Auditor General;
- 2. Requests the Department of Local Government to re-assess the amount of detail required to be included in annual financial reports, in particular for small and medium sized entities as suggested by the Office of Auditor General;
- 3. Supports Local Governments being able to use freehold land to secure debt;
- 4. Supports Building Upgrade Finance being permitted for specific purposes such as cladding, heritage and green improvements;
- 5. Supports the alignment of Local Government procurement thresholds, rules and policies with the State Government.

Accountability and Audit

That audit committees of Local Government, led and overseen by the Council, have a clearly defined role with an Elected Member majority.

The Advocacy Paper does not replace or diminish existing detailed policy positions, which are underpinned by multiple consultation processes and State Council deliberations. Whilst there may be some variation to WALGA's formal position and the Shire's, the advocacy positions presented generally represents the key issues identified by the broader local government sector. The Shire of Mingenew has participated in the

various consultation means to outline its own position and specific feedback on the Local Government Act Review Panel recommendations, Select Committee recommendations and City of Perth recommendations.

Item 5.2 Submission – Registration of Building Engineers in WA

The Department of Mines Industry Regulations and Safety (DMIRS) are consulting with industry on amendments to the *Building Services* (*Registration*) *Regulations 2011* to require certain categories of engineers to be registered to carry out building engineering work to improve public safety and provide consumer protection.

A review of the Regulations is in response to the *Building Confidence: Improving the effectiveness of compliance and enforcement systems for the building and construction industry across Australia* report that have identified a number of issues and deficiencies in the building industry. WA and the ACT are the only jurisdictions with no regulatory requirements for building-related engineers.

The proposed changes are outlined in the Consultation Regulatory Impact Statement which has been developed in consultation with the Australian Building Codes Board (ABCB). The CRIS is open for comment to 3 December 2020.

This is likely to have minimal impact on the Shire of Mingenew and its ratepayers given the low volume of building activity. However, this may result in increased costs to those requiring building/engineering services should professionals requiring registration pass on any costs to consumers.

Item 5.3 Family and Domestic Violence and the Role of Local Governments

WALGA have received Zone requests to analyse and clarify the role of local governments in addressing family and domestic violence and, in response, developed a Family and Domestic Violence: The Role of Local Governments Discussion Paper to facilitate feedback from local governments. The proposed recommendation seeks clarification from the State Government on its role, responsibilities and funding availability for family and domestic violence matters.

Item 5.4 Underground Power

With the completion of projects identified under Round 6 of the State Underground Power Program in 2022, WALGA are seeking to review and update its policy position that considers future prioritisation strategies and investment of underground power.

WALGA have also prepared a number of papers for noting/information and further comment is provided below:

- The Department of Planning, Lands and Heritage will commence consultation on the development of the new Aboriginal cultural heritage legislation for WA soon
- In response to the State Council resolution in September 2020 relating to Drought funding in WA, the Federal Government has responded to WALGA's correspondence, outlining that a further \$50m has been allocated for the On-farm Emergency Water Infrastructure Rebate Scheme and is working on the Local Government Regional Drought Resilience Planning Program which will inform future funding allocations.
- The Local Government Review panel have recommended a review of the local government rating system
 which may address concerns regarding the exemption for State Government Unallocated Crown Land
 (currently exempt).
- From Saturday, 14 November, WA will move from a 'hard' to a 'controlled' interstate border under the Emergency Management Act, subject to every state and territory recording a 14-day rolling average of less than 5 community cases of COVID-19 per day.

Consultation

WALGA

Statutory Environment

Local Government Act 1995

Policy Implications

Financial Implications

Strategic Implications
Strategic Community Plan 2019-2029

Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner.

Prior to consideration of Item 11.6, Cr HR McTaggart declared a Proximity and Indirect Financial Interest due to the business relationship held with property owners of Lot 97s and 98 Ikewa Street (consulted neighbours who provided a submission on this development), left the meeting at 4:41pm and did not participate in discussion or vote on the matter.

11.6 PROPOSED TRANSPORTABLE BUILDING – 14 IKEWA STREET, MINGENEW

Location/Address: 14 (Lot 95) Ikewa Street, Mingenew (corner Wattle & Ikewa Streets)

Name of Applicant: T. Nitschke

Disclosure of Interest: Nil File Reference: A276

Date: 9 November 2020

Author: Simon Lancaster, DCEO / Planning Advisor, Shire of Chapman Valley

Senior Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

Council is in receipt of an application seeking to site a transportable building upon Lot 95 corner Wattle & Ikewa Streets to serve as a residence. The application has been advertised for comment and no objections were received. This report recommends that Council approve the application subject to additional external works being undertaken once the building is on-site.

Key Points

- Mr T Nitschke is proposing to install a new transportable 1-bedroom residence at 14 (Lot 95) Ikewa Street, Mingenew (currently vacant residential lot)
- The building is 12m x 3.2m (38.4m²), with a 2.4m wall height and would be sited 500mm above ground level with lattice between the floor level and ground level.
- The building would have colorbond 'Surfmist' walls and a zincalume trimdeck roof
- As the proposed building is not intended to be constructed on site, advertising of the proposal was required, and planning approval is sought
- No objections were received from members of the public during the consultation period

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.6 RESOLUTION# 07181120 MOVED: Cr JD Bagley SECONDED: Cr AR Smyth

That Council grant formal planning approval for a transportable building to be sited upon 14 (Lot 95) Ikewa Street, Mingenew (corner of Wattle and Ikewa Streets) to serve as a residence, subject to the following conditions:

- Development shall be in accordance with the attached approved plans dated 18 November 2020 and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.
- Any additions to or change of use of any part of the building or land (not the subject of this consent/approval) requires further application and planning approval for that use/addition.
- The building shall be clad to a finish and colour to the approval of the local government.
- A verandah is required to be constructed along the length of the northern elevation of the building to the approval of the local government and using materials and colours that are to the approval of the local government.
- Skirting is required to be installed between the floor level of the building and the ground level to the approval of the local government and using materials and colours that are to the approval of the local government.

- Landscaping is required to be installed and maintained about the development for the purpose of softening the visual impact of the building to the approval of the local government.
- 8 Installation of crossing place/s to the approval of the local government.
- The conditions relating to this approval are to be complied with to the approval of the local government within 12 months of the building being sited upon the property.

Notes:

If an applicant is aggrieved by this determination there is a right (pursuant to the *Planning and Development Act 2005*) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

VOTING:

CARRIED BY SIMPLE MAJORITY: 6/0

Attachments

Attachment 11.6.1 - Copy of submitted application (provided as separate attachment) Attachment 11.6.2 - Copy of received submissions (provided as separate attachment)

Background

Lot 95 is an 817m² property located on the south-east corner of the Wattle and Ikewa Street intersection.

Figure 11.4(a) – Location Plan for Lot 95 corner Wattle & Ikewa Streets, Mingenew



Figure 11.4(b) – Aerial Photograph of Lot 95 corner Wattle & Ikewa Streets, Mingenew

The applicant is proposing to site a $12m \times 3.2m$ ($38.4m^2$) transportable building upon Lot 95 to serve as a residence. The building is 2.4m in wall height and would be sited 500mm above ground level with lattice between the floor level and ground level.

The internal layout of the building consists of 1 bedroom, a main kitchen/living area and a toilet/shower room. The building would have colorbond 'Surfmist' walls and a zincalume trimdeck roof.

The building is proposed to be sited 5m from the Wattle Street (western) boundary and 16m from the Ikewa Street (northern) boundary, and 5m from the side (eastern) boundary and 15m from the rear (southern) boundary).

The applicant's submitted site, elevation and floor plans and supporting correspondence are provided as Attachment 11.6.1.



Figure 11.1(c) - View looking east at Lot 95 from Wattle Street

Council previously refused an application to construct a shed prior to a residence upon Lot 95 at its 19 June 2019 meeting.

Comment

The appearance of the transportable building might be considered more commonly associated with a worker's accommodation camp than within the context of a residential townsite and Council might therefore deem that the application should be refused.

However, it might also be considered that with the addition of further external works, such as skirting and a verandah along its frontage, and landscaping, this would improve the visual appearance of the building, and these measures have been included within the officer recommendation.

Council might consider that further external works should also be imposed as conditions of approval, such as eaves around the sides and rear of the building and/or carport to one side of the building.

Council might also consider that a condition be imposed requiring the lodgement of a bond by the applicant, that would be held by the Shire until the additional external works had been completed, to encourage the applicant to complete the works in a timely fashion to create a residence, that whilst on a markedly reduced scale, is not out of keeping with the character of the surrounding area.

In the event that Council deems that the application should <u>not</u> be supported it might consider the following alternative wording appropriate in its deliberations:

"That Council refuse the application for a transportable building upon Lot 95 corner Wattle & Ikewa Streets, Mingenew for the following reasons:

The proposed development is not deemed to meet the objectives for the 'Residential' zone as established in Clause 3 of the Shire of Mingenew Local Planning Scheme No.4.

- The proposed development is not deemed to meet the requirements for a repurposed dwelling/second hand dwelling as established in Schedule 1 of the Shire of Mingenew Local Planning Scheme No.4.
- In its consideration of the application Council is not satisfied that the development satisfies the matters under Clause 67 of the deemed provisions of the Planning and Development (Local Planning Schemes) Regulations 2015.
- 4 Approval of this application would set an undesirable precedent for future variation to the Shire's statutory and policy requirements, which in time could prove to be detrimental to the amenity of the 'Residential' zone.

Advice Note:

Should the applicant be aggrieved by this determination there is a right pursuant to the Planning and Development Act 2005 to request to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination."

Consultation

The Shire wrote to the landowners of the 13 surrounding properties on 6 October 2020 providing details of the application and inviting comment upon the proposal prior to 30 October 2020, a sign was also displayed on-site to advise of the received application and the opportunity for comment.

At the conclusion of the advertising period 3 submissions had been received, all expressing support for the application (with one of the submissions suggesting that a verandah be added to the front of the building to enhance its appearance). Copies of the received submissions have been provided as **separate Attachment 11.6.2**.

Statutory Environment

Lot 95 corner Wattle & Ikewa Streets, Mingenew is zoned 'Residential R12.5' under the Shire of Mingenew Local Planning Scheme No.4 ('the Scheme').

Clause 9 of the Scheme includes the following aims of the scheme:

- "(a) to preserve, protect and enhance the amenity and character of Mingenew Townsite, and areas of cultural, heritage and natural and biodiversity significance across the Shire; and"
- "(c) to provide for a range of accommodation and lifestyle choices that meet the needs and aspirations of the community"

Clause 16 of the Scheme lists the objectives of the 'Residential' zone as being:

- To provide for a range of housing and a choice of residential densities to meet the needs of the community.
- To facilitate and encourage high quality design, built form and streetscapes throughout residential areas.
- To provide for a range of non-residential uses, which are compatible with and complementary to residential development."

Schedule 2 Part 7 Clause 61 of the *Planning and Development (Local Planning Schemes) Regulations 2015* ('Regulations') provides for exemption from the requirement to make planning application for residences that comply with the requirements of the Residential Design Codes of Western Australia (i.e. providing the residence meets state-wide requirements relating to matters such as boundary setback, access, privacy,

overshadowing, site coverage etc.). However, the exemptions relate to development that is erected (i.e. constructed) on-site.

The application was not therefore subject to exemption and required application to be made, and can be considered to meet the definition of either of the following land use definition listed in Clause 38 of the Scheme:

"second-hand dwelling means a dwelling that has been in a different location, and has been dismantled and transported to another location"

"repurposed dwelling means a building or structure not previously used as a single house which has been repurposed for use as a dwelling"

Both of these land uses are listed as 'A' uses in the 'Residential' zone in the Scheme's Zoning Table (i.e. they must be advertised prior to determination).

Schedule 1 of the Shire's Scheme also notes the following:

Repurposed dwellings and secondhand dwellings

- 1. The standards of finish of Repurposed Dwellings and/or Second-Hand Dwellings shall be agreed on between the applicant and the local government prior to the issue of development approval and must be consistent with those prevailing in the locality in which the building is to be located or any policy adopted by local government.
- 2. Local government may permit the erection or placement of a Repurposed Dwelling and/or Second-Hand Dwelling on a lot providing that the design of the building is to the satisfaction of the local government and:
 - (a) is in a satisfactory condition;
 - (b) will not detrimentally affect the amenity of the area;
 - (c) is permanently affixed to the ground; and
 - (d) is finished to a high standard.

Schedule 2 Part 9 Clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015* lists the following relevant matters to be considered by local government in considering a development application:

- "(a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;...
- ...(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;
- (n) the amenity of the locality including the following
 - (i) environmental impacts of the development;
 - (ii) the character of the locality;
 - (iii) social impacts of the development;...
- ...(p) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;...
- ...(x) the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;
- (y) any submissions received on the application;...
- ...(zb)any other planning consideration the local government considers appropriate."

Policy Implications

Nil

Financial Implications

The application would not have a budgetary impact to Council.

Strategic Implications

Lot 95 falls within the area at the eastern end of the townsite identified on the Mingenew Townsite Local Planning Strategy Map as being suitable for rezoning to 'Special Use' to allow for the development of a Live-Work Area.

Section 4.3.9 'Amenity Impacts of Existing Industrial Development' of the Mingenew Townsite Local Planning Strategy notes that:

"Existing industrial development in proximity to the Mingenew townsite, particularly the CBH grain receival point, is considered by residents to have some off-site amenity impacts, such as noise and dust. As a result the vacant residential land south of Ikewa Street and north of View Street is not seen locally as being attractive for development.

There may be an opportunity to consider a live/work investigation area (i.e. for home based businesses and workshops) in this section of Mingenew."

"Objective 5.1 - Allow for a mixture of residential and small scale mixed business/light industrial uses to provide work-live options.

Planning Provision 5.1 - Rezone the area between Ikewa and View Streets to a Special Use zone, with small scale light industrial uses to be permitted in association with a residence."

Mr T Nitschke left the meeting at 4:43pm and Cr McTaggart returned to the meeting.

Prior to discussion on Item 11.7, Cr CV Farr declared a financial interest as owner of the Mingenew Spring Caravan Park and an Impartiality Interest with the applicant being an immediate family member, left the meeting at 4:44pm and did not participate in discussion or voting on the matter.

11.7 PROPOSED SITING OF MOBILE FOOD & COFFEE VAN

Location/Address: 20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park)

Reserve 47995 Midlands Road, Mingenew (car parking bay) 86 (Lot 50) Midlands Road, Mingenew (former service station)

Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park)

Name of Applicant: F. Catchick
Disclosure of Interest: Cr CV Farr

File Reference: ADM0514, A761, A701, A787, A903

Date: 10 November 2020

Author: Simon Lancaster, DCEO/Planning Advisor, Shire of Chapman Valley

Senior Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

<u>Summary</u>

Council is in receipt of an application seeking to operate a mobile food & coffee van at the following locations:

- 20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park);
- Reserve 47995 Midlands Road, Mingenew (car parking bay);
- 86 (Lot 50) Midlands Road, Mingenew (former service station);
- Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park).

This report recommends that Council conditionally approve the application for a 12-month trial period.

OFFICER RECOMMENDATION – ITEM 11.7

MOVED: Cr HM Newton SECONDED: Cr JD Bagley

That Council grant formal planning approval for the siting of a mobile food & coffee van at the following locations subject to the below conditions:

- 20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park);
- Reserve 47995 Midlands Road, Mingenew (car parking bay);
- 86 (Lot 50) Midlands Road, Mingenew (former service station);
- Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park)

Conditions:

- The approval is valid for a period of 12 months (until 18 November 2021) after which time the application shall be reconsidered by the Shire Chief Executive Officer (under the delegated authority of Council) as to any impacts arising from the operation of the development in the local government's determination on whether to grant any extension to the approval period.
- Any additions to or change of use of any part of the development (not the subject of this consent/approval) considered by the Shire Chief Executive Officer to represent significant variation from the approved development requires further application and planning approval for that use/addition.
- The applicant is required to obtain the necessary consents from the landowners of 20 (Lot 267) Lee Steere Street, Mingenew (Brett Farr & Caroline Dillon) and 86 (Lot 50) Midlands Road, Mingenew (Michael Ormesher) and the management authority for Reserve 900 Coalseam Road, Holmwood

- (Department of Biodiversity, Conservation & Attractions) before the commencement of operations.
- The location of the mobile food & coffee van, and maintenance of public access about the mobile food & coffee van, being to the approval of the local government.
- The applicant shall ensure that the mobile food & coffee van and immediate surrounding area is kept clean and tidy to the approval of the local government.
- The applicant shall ensure that rubbish associated with the operation of the mobile food & coffee van is managed to the approval of the local government.
- No freestanding signs or hoardings advertising the operation of the mobile food & coffee van are permitted to be erected whether temporary or permanent in nature.
- The use of mechanical chimes or amplified music which could cause a noise nuisance is not permitted. The mobile food & coffee van shall at all times comply with the *Environmental Protection (Noise) Regulations 1997*.
- The mobile food & coffee van shall <u>not</u> be located upon Reserve 47995 Midlands Road, Mingenew during times when the Mingenew Bakery is open for business.
- The mobile food & coffee van shall comply with the requirements of the *Food Act 2008* and *Food Regulations 2009*.
- 11 The applicant shall obtain the written approval of the local government that the mobile food & coffee van meets the required food, health, waste management and access standards before the commencement of operations.
- 12 The applicant must possess (and provide copy to the local government) public liability insurance cover of not less than \$10 million.
- 13 This approval is issued only to the applicant and is not transferable to any other party.

Notes:

- (a) The applicant is advised that this approval is only issued for a trial period of 12 months and the operation of this development will be monitored by the local government and should complaints arise and not be adequately managed to the satisfaction of the local government, then it should not be construed that further approval would be granted.
- (b) That Council delegate authority to the Shire Chief Executive Officer for the annual renewal of the approval should no written, author-identified complaints be received during the preceding 12 month period, and there being no change in the circumstances under which the previous approval was granted. In the event that written, author-identified complaints are received in relation to the development this matter is to be returned to Council for further consideration.
- (c) In relation to conditions 10 & 11 the applicant is advised that they are required to liaise with the Shire's Environmental Health Officer to ensure compliance <u>before</u> the commencement of the operations (and as required by legislation thereafter to continue operations).
- (d) The applicant is advised that this planning approval does not negate the requirement for any additional approvals which may be required under separate legislation and it is the applicant's responsibility to obtain any additional approvals required before the development commences.
- (e) This planning approval issued to the applicant is not to be construed as the granting of an exclusive commercial use and the local government reserves the right to issue approval to other parties who may seek to conduct commercial activities.
- (f) If an applicant is aggrieved by this determination there is a right (pursuant to the *Planning and Development Act 2005*) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

AMENDMENT TO MOTION AND COUNCIL DECISION – ITEM 11.7 RESOLUTION# 08181120 MOVED: Cr HM Newton SECONDED: Cr JD Bagley

That the following be added to the second location listed in the resolution "....Reserve 47995 Midlands Road, Mingenew (car parking bay) during times that the Mingenew Bakery and Palm Roadhouse are closed".

SUBSTANTIVE MOTION

That Council grant formal planning approval for the siting of a mobile food & coffee van at the following locations subject to the below conditions:

- 20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park);
- Reserve 47995 Midlands Road, Mingenew (car parking bay) during times that the Mingenew Bakery and Mingenew Roadhouse are closed;
- 86 (Lot 50) Midlands Road, Mingenew (former service station);
- Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park)

Conditions:

- The approval is valid for a period of 12 months (until 18 November 2021) after which time the application shall be reconsidered by the Shire Chief Executive Officer (under the delegated authority of Council) as to any impacts arising from the operation of the development in the local government's determination on whether to grant any extension to the approval period.
- Any additions to or change of use of any part of the development (not the subject of this consent/approval) considered by the Shire Chief Executive Officer to represent significant variation from the approved development requires further application and planning approval for that use/addition.
- The applicant is required to obtain the necessary consents from the landowners of 20 (Lot 267) Lee Steere Street, Mingenew (Brett Farr & Caroline Dillon) and 86 (Lot 50) Midlands Road, Mingenew (Michael Ormesher) and the management authority for Reserve 900 Coalseam Road, Holmwood (Department of Biodiversity, Conservation & Attractions) before the commencement of operations.
- The location of the mobile food & coffee van, and maintenance of public access about the mobile food & coffee van, being to the approval of the local government.
- 5 The applicant shall ensure that the mobile food & coffee van and immediate surrounding area is kept clean and tidy to the approval of the local government.
- The applicant shall ensure that rubbish associated with the operation of the mobile food & coffee van is managed to the approval of the local government.
- No freestanding signs or hoardings advertising the operation of the mobile food & coffee van are permitted to be erected whether temporary or permanent in nature.
- The use of mechanical chimes or amplified music which could cause a noise nuisance is not permitted. The mobile food & coffee van shall at all times comply with the *Environmental Protection (Noise) Regulations 1997.*
- The mobile food & coffee van shall <u>not</u> be located upon Reserve 47995 Midlands Road, Mingenew during times when the Mingenew Bakery and Mingenew Roadhouse is open for business.
- The mobile food & coffee van shall comply with the requirements of the *Food Act 2008* and *Food Regulations 2009*.
- 11 The applicant shall obtain the written approval of the local government that the mobile food & coffee van meets the required food, health, waste management and access standards before the commencement of operations.
- 12 The applicant must possess (and provide copy to the local government) public liability insurance cover of not less than \$10 million.
- 13 This approval is issued only to the applicant and is not transferable to any other party.

Notes:

- (a) The applicant is advised that this approval is only issued for a trial period of 12 months and the operation of this development will be monitored by the local government and should complaints arise and not be adequately managed to the satisfaction of the local government, then it should not be construed that further approval would be granted.
- (b) That Council delegate authority to the Shire Chief Executive Officer for the annual renewal of the approval should no written, author-identified complaints be received during the preceding 12 month period, and there being no change in the circumstances under which the previous approval was granted. In the event that written, author-identified complaints are received in relation to the development this matter is to be returned to Council for further consideration.
- (c) In relation to conditions 10 & 11 the applicant is advised that they are required to liaise with the Shire's Environmental Health Officer to ensure compliance <u>before</u> the commencement of the operations (and as required by legislation thereafter to continue operations).
- (d) The applicant is advised that this planning approval does not negate the requirement for any additional approvals which may be required under separate legislation and it is the applicant's responsibility to obtain any additional approvals required before the development commences.
- (e) This planning approval issued to the applicant is not to be construed as the granting of an exclusive commercial use and the local government reserves the right to issue approval to other parties who may seek to conduct commercial activities.
- (f) If an applicant is aggrieved by this determination there is a right (pursuant to the *Planning and Development Act 2005*) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

VOTING:

CARRIED BY SIMPLE MAJORITY: 6/0

Attachments

Attachment 11.7.1 - Copy of submitted application (provided as separate attachment)

Background

The applicant is seeking approval to site their 'Wild Side Coffee' van at 4 locations in the Shire of Mingenew and are proposing to be "selling Karvan blend 4 coffee, soft drink, water, bagels, jaffles, gourmet salads, small array of baked goods, ready made meals such as lasagna and salad, tuna bake and salad."

The submitted application is provided as **separate Attachment 11.7.1** for Council's information

Comment

The applicant is seeking to site their food & coffee van at the following 4 locations within the Shire of Mingenew.

20 (Lot 267) Lee Steere Street, Mingenew is a 2.3118ha property owned by Brett Farr & Caroline Dillon that contains the Mingenew Spring Caravan Park.

Figure 11.2(a) – 20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park)



Reserve 47995 Midlands Road, Mingenew is a 2.3493ha Crown Reserve that contains a car parking area with a management order for 'Civic Purposes' issued to the Shire of Mingenew. The applicant is proposing to site the food & coffee van at this location only on Sunday afternoon when the Mingenew Bakery is closed for business.

Figure 11.2(b) – Reserve 47995 Midlands Road, Mingenew (parking bay)



86 (Lot 50) Midlands Road, Mingenew is a 1,540m² property owned by Michael Ormesher that contains a former service station



Figure 11.2(c) – 86 (Lot 50) Midlands Road, Mingenew (former service station)

Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park) is a 753.8343ha Crown Reserve with a management order for 'Conservation Park' issued to the Department of Biodiversity, Conservation & Attractions.



Figure 11.2(d) – Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park)

Consultation

The application has not been advertised for public comment. Should Council wish to defer determination upon this application to allow for the undertaking of a formal advertising period inviting submissions it may do so under Clause 18(4)(b) of the Scheme.

The applicant advises in their correspondence that they have the support of the owners of 20 Lee Steere Street and 86 Midlands Road and are pending approval from the Department of Biodiversity, Conservation & Attractions.

The Shire wrote to the owners of 20 Lee Steere Street and 86 Midlands Road advising them of the receipt of the coffee & food van application proposing to operate from their properties.

The Shire also wrote to the Department of Biodiversity, Conservation & Attractions on 3 November 2020 advising them of the receipt of the food & coffee van application.

The DBCA advised on 4 November 2020 that it had issued a licence to the applicant to conduct commercial operations within Coalseam Conservation Park, a copy of the DBCA licence is included within **separate** Attachment 11.7.1.

In the event that Council considers supporting this application it is recommended that it be for a trial period of 12 months and that the following condition be applied:

"The applicant is required to obtain the necessary consents from the landowners of 20 (Lot 267) Lee Steere Street, Mingenew (Brett Farr & Caroline Dillon) and 86 (Lot 50) Midlands Road, Mingenew (Michael Ormesher) and the management authority for Reserve 900 Coalseam Road, Holmwood (Department of Biodiversity, Conservation & Attractions) before the commencement of operations."

Statutory Environment

Part 1 Section 4 of the *Planning & Development Act 2005* ('the Act') defines development as follows:

"development means the development or use of any land, including —

- (a) any demolition, erection, construction, alteration of or addition to any building or structure on the land:
- (b) the carrying out on the land of any excavation or other works;
- (c) in the case of a place to which a Conservation Order made under section 59 of the Heritage of Western Australia Act 1990 applies, any act or thing that
 - (i) is likely to change the character of that place or the external appearance of any building; or
 - (ii) would constitute an irreversible alteration of the fabric of any building."

Whilst the proposed siting of a mobile food & coffee van does not constitute a development as defined within parts (a)-(c) it should still be considered a development as by operating a commercial/retail activity from the land it does constitute the "use of any land".

The proposal is further considered to constitute the use of land as it would be established for extended periods, and should therefore be viewed differently to a more transitory operation such as an ice cream van that is generally in motion and might typically only be stationary when hailed by customers, that might be able to be considered under the exemption provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015.*

Schedule 2 Part 7 Clause 61(2)(d) of the *Planning and Development (Local Planning Schemes) Regulations 2015* ('Regulations') provides for exemption from the requirement to obtain development approval for a temporary use which is in existence for less than 48 hours, or a longer period agreed by the local government, in any 12 month period. This application is not considered to meet this requirement as whilst the food & coffee van would be sited for periods of less than 48 hours, it would be sited in any of the 4 proposed locations for a period of greater than 48 hours across a 12 month period.

Mobile Food Van is not a listed use in the Scheme, and it is not considered that the proposed land use would meet with the following definition that is listed in the Scheme and is considered to be the most closely aligned:

"restaurant/cafe means premises primarily used for the preparation, sale and serving of food and drinks for consumption on the premises by customers for whom seating is provided, including premises that are licenced under the Liquor Control Act 1988"

On this basis Clause 18(4) of the Scheme is therefore considered to apply in this instance:

"The local government may, in respect of a use that is not specifically referred to in the zoning table and that cannot reasonably be determined as falling within a use class referred to in the zoning table –

- (a) determine that the use is consistent with the objectives of a particular zone and is therefore a use that may be permitted in the zone subject to conditions imposed by the local government; or
- (b) determine that the use may be consistent with the objectives of a particular zone and give notice under clause 64 of the deemed provisions before considering an application for development approval for the use of the land; or
- (c) determine that the use is not consistent with the objectives of a particular zone and is therefore not permitted in the zone."

Clause 9 of the Scheme includes the following aims of the scheme:

- "(a) to preserve, protect and enhance the amenity and character of Mingenew Townsite, and areas of cultural, heritage and natural and biodiversity significance across the Shire; and"
- "(d) provide opportunities for the ongoing use and potential expansion of commercial areas, and tourist facilities to serve the needs of the residents and visitors"

20 (Lot 267) Lee Steere Street, Mingenew (Mingenew Spring Caravan Park) is zoned 'Tourism' under the Shire of Mingenew Local Planning Scheme No.4 ('the Scheme'). Clause 16 of the Scheme lists the objectives for the 'Tourism' zone as being:

- *• To promote and provide for tourism opportunities.
- To provide for a variety of holiday accommodation styles and associated uses, including retail
 and service facilities where those facilities are provided in support of the tourist accommodation
 and are of an appropriate scale where they will not impact detrimentally on the surrounding or
 wider area.
- To allow limited residential uses where appropriate.
- To encourage the location of tourist facilities so that they may benefit from existing road services, physical service infrastructure, other tourist attractions, natural features and urban facilities."

Reserve 47995 Midlands Road, Mingenew (car parking bay) is zoned 'Railways' under the Scheme. Clause 14 of the Scheme lists the objectives for the 'Railways' zone as being:

"• To set aside land required for passenger rail and rail freight services."

86 (Lot 50) Midlands Road, Mingenew (former service station) is zoned 'Rural Townsite' under the Scheme. Clause 16 of the Scheme lists the objectives for the 'Rural Townsite' zone as being:

*• To provide for a range of land uses that would typically be found in a small country town.

• To provide for the variety of predominantly commercial, service, social and administrative uses required to service the needs of local residents and visitors alike."

Reserve 900 Coalseam Road, Holmwood (Coalseam Conservation Park) is zoned 'Environmental Conservation' under the Scheme. Clause 14 of the Scheme lists the objectives for the 'Environmental Conservation' zone as being:

- ** To identify areas with biodiversity and conservation value, and to protect those areas from development and subdivision.
- To identify and protect areas of biodiversity conservation significance within National Parks and State and other conservation reserves."

Schedule 2 Part 9 Clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015* lists the following relevant matters to be considered by local government in considering a development application:

- "(a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;...
- ...(j) in the case of land reserved under this Scheme, the objectives for the reserve and the additional and permitted uses identified in this Scheme for the reserve;...
- ...(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;
- (n) the amenity of the locality including the following
 - (i) environmental impacts of the development;
 - (ii) the character of the locality;
 - (iii) social impacts of the development;...
- ...(s) the adequacy of -
 - (i) the proposed means of access to and egress from the site; and
 - (ii) arrangements for the loading, unloading, manoeuvring and parking of vehicles;
- (t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;...
- ...(v) the potential loss of any community service or benefit resulting from the development other than potential loss that may result from economic competition between new and existing businesses:
- (w) the history of the site where the development is to be located;
- (x) the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;...
- ...(zb)any other planning consideration the local government considers appropriate."

Policy Implications

Nil

Financial Implications

A planning application fee was received and, as a food business, the Shire would collect an annual surveillance fee, in accordance with Council's Fees & Charges.

Strategic Implications

The Shire of Mingenew Strategic Community Plan 2019 sets the following strategic objective:

"Strategy 5: Making Business Easy in Mingenew Goal: Ensure Mingenew is supporting local businesses to grow and maintain employment within the community"

It may be considered that a mobile food & coffee van whilst offering a new service to the residents of, and visitors to, the Shire of Mingenew also has the potential to impact upon existing Mingenew businesses and may be considered contrary to this Strategic Community Plan Strategy.

Competition and impact on existing local businesses is an issue that local governments have often been forced to grapple with, particularly where arguments have been mounted that an existing retailing operation offers multiple services and employment to a local community, and when faced with an arriving (sometimes mobile, or unmanned, or non-locally employing) competitor that offers a more limited service (in terms of products or hours of operation) that undermines their profitability, this can result in the existing service provider no longer being viable and the local community resultantly losing those associated services and employment. Existing businesses might also note that they are required to pay local government rates and service authority charges (e.g. power and water) and these are not required of mobile food outlets who might seek to park in the most advantageous locations and only in periods of high activity whereas permanent business support local communities all year round.

Council can have some regard for this issue under Clause 67 of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* including the requirements of orderly and proper planning, having regard for the amenity of the locality including social impacts of the development, the amount of traffic likely to be generated by the development particularly in relation to the capacity of the local road system in the locality, the impact of the development on the community as a whole, and any submissions received on the application. However, it is noted that the Clause 67 of the Regulations also lists the following matter to be considered by local government:

"(v) the potential loss of any community service or benefit resulting from the development other than potential loss that may result from economic competition between new and existing businesses."

This is also an issue that Section 3.3.7 'Economic Competition' of the Western Australian Planning Commission publication 'Development Assessment Panel Training Notes – Making Good Planning Decisions' (2011) addresses as follows:

"The threat of competition to existing businesses is not a relevant planning consideration. It only becomes a relevant planning consideration if there is a prospect that there will be a reduction in the facilities available to the community.

This was made clear in the High Court decision of Kentucky Fried Chicken Pty Ltd v Gantidis (1979) 140 CLR 675. In that case, Barwick CJ at [681] said that:

"economic competition feared or expected from a proposed use is not a planning consideration within the terms of the planning ordinance governing this matter".

Stephen J at [687] noted that:

"...the mere threat of competition to existing businesses, if not accompanied by a prospect of a resultant overall adverse effect upon the extent and adequacy of facilities available to the local community if the development be proceeded with, will not be a relevant town planning consideration."

However, it is also noted that Section 2.10 of the *Local Government Act 1995* lists one of the roles of a Councillor as being:

"A councillor —

(a) represents the interests of electors, ratepayers and residents of the district;"

In the event that Council considers supporting this application it is recommended that it be for a trial period of 12 months and that the following condition be applied:

"The mobile food & coffee van shall <u>not</u> be located upon Reserve 47995 Midlands Road, Mingenew during times when the Mingenew Bakery is open for business."

Cr CV Farr returned to the meeting at 4:56pm and Mr R Tyndale Powell left the meeting.

12.0 FINANCE AND ADMINISTRATION MANAGER REPORTS

12.1 FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2020

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

File Reference: ADM0304

Attachment/s: Monthly Financial Report – October 2020

Disclosure of Interest: Nil

Date: 9 November 2020

Author: Helen Sternick, Senior Finance Officer

Authorised by: Jeremy Clapham, Finance & Administration Manager

Voting Requirement: Simple Majority

Summary

This report recommends that the Monthly Financial Report for the period ending 31 October 2020 as presented to the Council be received.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.1 RESOLUTION# 09181120

MOVED: Cr HM Newton SECONDED: Cr AR Smyth

That the Monthly Financial Report for the period 1 July 2020 to 31 October 2020 be received.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Attachment

Monthly Financial Report for period ending 31 October 2020

Background

The Monthly Financial Report to 31 October 2020 is prepared in accordance with the requirements of the Local Government Act and the Local Government (Financial Management) Regulations and includes the following:

- Summary Information
- Statement of Financial Activity by Program
- Statement of Financial Activity by Nature & Type
- Statement of Financial Activity Information
- Cash and Financial Assets
- Receivables
- Other Current Assets
- Payables
- Rating Revenue
- Disposal of Assets
- Capital Acquisitions
- Borrowings
- Cash Reserves
- Other Current Liabilities
- Grants and Contributions
- Bonds and Deposits
- Explanation of Material Variances

Comment

Summary of Funds as per bank statements – Shire of Mingenew as at 31 October 2020		
Municipal Funds	\$1,920,267	
Cash on Hand	\$100	
Restricted Funds – 6 Month Term Deposit @ 0.9%	\$164,613	
Trust Fund	\$1	
Reserve fund - 6 Month Term Deposit @ 0.9%	\$427,012	

Debtor's accounts continue to be monitored with all efforts being made to ensure that monies are recovered.

The Statement of Financial Activities Report contains explanations of Councils adopted variances for the 2020/21 financial year.

The Financial Report for the year ending 30 June 2020 has not yet been audited and is subject to change. The Opening Funding Surplus on 1 July 2020 is different to the Closing Funding Surplus at 30 June 2020. The reason for this is that the Closing Funding Surplus at 30 June 2020 was estimated in order to prepare the budget, due to the June 2020 accounts not yet being finalised. There were a number of adjustments made after year end, mainly to do with legislation changes (the treatment of income, the treatment of leases and the treatment of loss allowances). The largest of these adjustments was to do with the Bridge Funds received in 2016/17 but not yet spent, amounting to \$146,667. An adjustment was required as the funds received needed to be shown as a liability rather than as income. When the funds get paid to MRWA for the work done, they will be transferred back to income and increase the Funding Surplus once more.

Consultation

Nil

Statutory Environment

Local Government Act 1995 Section 6.4 Local Government (Financial Management) Regulations 1996 Section 34

- 34. Financial activity statement required each month (Act s. 6.4)
 - (1A) In this regulation
 - committed assets means revenue unspent but set aside under the annual budget for a specific purpose.
 - (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail
 - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
 - (b) budget estimates to the end of the month to which the statement relates; and
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - (e) the net current assets at the end of the month to which the statement relates.

- (2) Each statement of financial activity is to be accompanied by documents containing
 - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
 - (b) an explanation of each of the material variances referred to in sub regulation (1)(d); and
 - (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown
 - (a) according to nature and type classification; or
 - (b) by program; or
 - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be
 - (a) Presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - (b) Recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

Policy Implications

Nil

Financial Implications

No financial implications are indicated in this report.

Strategic Implications

Nil

12.2 LIST OF PAYMENTS FOR THE PERIOD 1 OCTOBER 2020 TO 31 OCTOBER 2020

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

File Reference: ADM0042

Attachment/s: List of Payments – October 2020

Disclosure of Interest: Nil

Date: 11 November 2020

Author: Helen Sternick, Senior Finance Officer

Authorised by: Jeremy Clapham, Finance & Administration Manager

Voting Requirement: Simple Majority

Summary

This report recommends that Council receive the list of payments for period 1 September 2020 to 30 September 2020 in accordance with the Local Government (Financial Management) Regulations 1996 section 13(1).

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.1 RESOLUTION# 10181120 MOVED: Cr CV Farr SECONDED: Cr AR Smyth

That Council receive the attached list of payments for the period of 1 October 2020 to 31 October 2020 as follows:

\$166,982.04 Municipal EFT's;

\$79,251.80 Municipal Direct Debit Department of Transport (Licencing) Payments;

\$43,599.88 Municipal Direct Debit Other;

\$444.55 Municipal Other Charges;

\$74,328.81 Net Salaries

Total \$364,607.08 as per attached list of payments.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Background

Financial Regulations require a schedule of payments made through the Council bank accounts to be presented to Council for their inspection. The list includes details for each account paid incorporating the payee's name, amount of payment, date of payment and sufficient information to identify the transaction.

Comment

Invoices supporting all payments are available for inspection. All invoices and vouchers presented to Council have been certified as to the receipt of goods and the rendition of services and as to prices, computations and costings, and that the amounts shown were due for payment.

Consultation

Nil

Statutory Environment

Local Government Act 1996, Section 6.4

Local Government (Financial Management) Regulations 1996, Sections 12, 13 and 15

Policy Implications

Payments have been made under delegation.

Financial Implications

Funds available to meet expenditure.

Strategic Implications Nil

13.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN/FOR CONSIDERATION AT FOLLOWING MEETING Nil.

14.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

A Late Item 14.1 was considered following Item 15.1.

15.0 CONFIDENTIAL ITEMS

PROCEDURAL MOTION – CONFIDENTIAL ITEM 15.1 – RESOLUTION# 11181120 MOVED: Cr HR McTaggart SECONDED: Cr HM Newton

That Council closes the meeting to the public at 4:56pm in accordance with s5.23(2)(e)(ii), in order to consider Item 15.1 TENDER – RFT 2-202/21 DISPOSAL OF RESIDENTIAL LAND, which if disclosed would reveal information that has a commercial value to a person.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Prior to consideration of Item 15.1, Cr RW Newton declared a Proximity Interest as a neighbouring landowner (opposite) to the Broad Street blocks for sale, left the meeting at 5:02pm and did not participate in discussion or vote on the matter.

15.1 CLOSED SESSION [s5.23 (2)(c)]: TENDER – RFT 2 2020/21: DISPOSAL OF RESIDENTIAL LAND

Location/Address: Not Applicable
Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: TEN025

Date:11 November 2020Author:Nils Hay, CEOAuthorising Officer:Nils Hay, CEOVoting Requirements:Simple Majority

Summary

To award Tender RFT 2 2020/21: Disposal of Residential Land, the sale of nine parcels of residential land in the Mingenew townsite from \$1.

Key Points

- More submissions received than land available (10 submissions to 9 blocks of land)
- A mixture of local applicants and those from outside the region
- A mixture of residential and investment intentions
- Following allocation of successful tenderers, draft contracts have been prepared to allow for swift execution.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 15.1 RESOLUTION# 12181120 MOVED: Cr JD Bagley SECONDED: Cr AR Smyth

That Council:

- 1. Note the attached Evaluation Table (CONFIDENTIAL ATTACHMENT) 15.1.1 with respect to RFT 2 2020/21: Disposal of Residential Land;
- 2. Award the tender for the following blocks of land to the following parties at the listed prices:
 - a. 29 Oliver Street (Lot 184 on P2893) to Sandy Jones for \$200
 - b. 36 Oliver Street (Lot 176 on P2893) to Mark Crowley for \$500
 - c. 38 Oliver Street (Lot 177 on P2893) to Clint Koulouvi (Irwin Plumbing) for \$500
 - d. 40 Oliver Street (Lot 178 on P2893) to Warren Madson for \$50
 - e. 5 Broad Street (Lot 164 on P2893) to Peter Neale for \$1
 - f. 7 Broad Street (Lot 163 on P2893) to Peter Micono for \$500
 - g. 4 Queen Street (Lot 100 on DP174741) to Willara Wyatt for \$300
 - h. 35 King Street (Lot 14 on DP222813) to Scott & Lisa Rose for \$10
 - i. 38 King Street (Lot 19 on DP222813) to Peter Wilson for \$1
 - j. In the case that any of the above do not wish to proceed with their allocated block, that it be offered to Shirley Elliott for \$10
- 3. Authorise the Chief Executive Officer and Shire President to enter into contracts for the sale of the properties listed above at the prices quoted.

VOTING: CARRIED BY SIMPLE MAJORITY: 6/0

Attachments

15.1.1 Evaluation Table RFT2 2020/21

15.1.2 Copy of responses received

15.1.3 Draft Contract for Sale of Land

Background

The Shire of Mingenew advertised RFT2 2020/21 in the West Australian and the Mid West Times on 14 October 2020, and via social media, the Shire website, Mingenew Matters and local noticeboards. It also received media coverage through the Mid West Times, West Australian, ABC Radio and 6PR Radio.

The tender closed at 5pm on Friday 6 November 2020.

10 submissions (attachment 15.1.2) were received for the 9 blocks of land available. They have been evaluated as per the table in attachment 15.1.1.

Comment

As anticipated, the sale of land from \$1 generated a reasonable amount of media interest and resulted in the tender being oversubscribed. The applicants represented a cross-section of locals and non-locals, as well as those looking to build and move to Mingenew, or build for business or investment purposes.

What was also of interest was the desire from some buyers for a double-block – which supports a potential demand theory around larger lifestyle blocks in Mingenew. Due to the number of tender submissions however, at this stage, it has not been recommended that any party is offered more than a single block of land.

As much as possible, successful tenderers were offered their preferred block or – if that was unavailable (a higher-scoring response had secured it) – the block of available land next-highest preferenced by them. In the case where not all blocks had been preferenced, the nearest block (geographically) to the preferred block was awarded.

Should any party not wish to proceed, it is proposed that the unsuccessful tenderer be offered an opportunity to take that block on.

In the interest of giving prospective buyers the maximum amount of time to arrange builders and enter into contracts (as part of securing State and/or Federal building assistance), draft contracts for sale have already been prepared (attached) and will be entered into as soon as practicable after Council's awarding of the tender.

It is also proposed that we assist the unsuccessful tenderer to make contact with local landholders that may be looking to sell (noting that they will want market price, but that this is likely to be between \$5,000 and \$7,000).

Consultation:

Leadership Team

Statutory Environment

Section 3.58 of the *Local Government Act 1995* addresses the disposal of property by lease or sale

- (1) In this section —
- 1. dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;
- 2. property includes the whole or any part of the interest of a local government in property, but does not include money.
- (2) Except as stated in this section, a local government can only dispose of property to
 - (a) the highest bidder at public auction; or
 - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —

- (a) it gives local public notice of the proposed disposition
 - (i) describing the property concerned; and
 - (ii) giving details of the proposed disposition; and
 - (iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and
- (b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.
- (4) The details of a proposed disposition that are required by subsection (3)(a)(ii) include
 - (a) the names of all other parties concerned; and
 - (b) the consideration to be received by the local government for the disposition; and
 - (c) the market value of the disposition
 - (i) as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or
 - (ii) as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.
- (2) This section does not apply to
 - (a) a disposition of an interest in land under the Land Administration Act 1997 section 189 or 190; or
 - (b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or
 - (c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or

any other disposition that is excluded by regulations from the application of this section.

Policy Implications

Nil

Financial Implications

The legal fees for the conveyancing process are provided for within the Budget. Also, based upon the prices offered, the Shire stands to earn \$2,062 from the sale of the blocks.

Once the properties change hands, they will become liable for rates, which will see a slight increase in GRV rates this year, and moving forward.

Strategic Implications

Strategic Community Plan 2019-29: Strategy 3.1.1 – Ensure pipeline of land available for development.

It is noted that our SCP's KPIs include:

- 4 new businesses attracted to set up in Mingenew
- 20 houses built (different configurations)

This initiative could assist to partially (or even guite significantly) address both of those KPIs.

Voting Requirements

Simple Majority

Cr RW Newton returned to the meeting at 5:07pm.

PROCEDURAL MOTION - LATE / CONFIDENTIAL ITEM 14.1 - RESOLUTION# 13181120

MOVED: Cr JD Bagley SECONDED: Cr HR McTaggart

That Council, in accordance with Clause 3.12 and 3.13 of the Shire of Mingenew Standing Orders Local Law 2017, accept the Late Item 14.1 PROPOSED OUTBUILDING 10 (LOT 137) ENANTY STREET, MINGENEW and keep the meeting closed to members of the public in accordance with s5.23(2)(e)(ii), as the matter, if disclosed, could reasonably be expected to impair the effectiveness of a lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law.

VOTING: CARRIED BY SIMPLE MAJORITY: 7/0

Prior to Item 14.1 being considered, CR HM Newton declared a proximity interest as the owner of properties neighbouring 10 Enanty Street, Mingenew, left the meeting at 5:08pm and did not participate in discussion or vote on the matter.

14.1 LATE / CONFIDENTIAL ITEM - PROPOSED OUTBUILDING 10 (LOT 137) ENANTY STREET, MINGENEW

Location/Address: 10 (Lot 137) Enanty Street, Mingenew

Name of Applicant: NuSteel Patios & Sheds for R.Tyndale-Powell

Disclosure of Interest: Nil File Reference: A208

Date: 17 November 2020

Author: Simon Lancaster, DCEO/Planning Advisor, Shire of Chapman Valley

Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirements: Simple Majority

Summary

Council approved an application for a 144m² shed upon 10 (Lot 137) Enanty Street in the Mingenew townsite at its 19 August 2020 meeting. Construction of the shed has commenced in a different location to that approved by Council and a 'stop work' direction notice has been issued by the Shire. The matter is now returned to Council for reconsideration. This report recommends that Council approve the shed in the new location subject to the application of an additional condition relating to construction of a crossover.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 14.1 RESOLUTION# 14181120 MOVED: Cr AR Smyth SECONDED: Cr JD Bagley

That Council grant formal planning approval for an outbuilding to be constructed upon 10 (Lot 137) Enanty Street, Mingenew in the revised location, as illustrated in separate Attachment 14.1(c) subject to the following:

Conditions

- 1. Development shall be in accordance with the attached approved plans (as shown in separate Attachment 14.1(c)) and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.
- 2. Any additions to or change of use of any part of the building or land (not the subject of this consent/approval) requires further application and planning approval for that use/addition.

- 3. All stormwater is to be disposed of on-site to the approval of the local government.
- 4. Any soils disturbed or deposited on-site shall be stabilised to the approval of the local government.
- 5. The installation of a crossing place/crossover onto Phillip Street by the landowner at their expense to the standards and specifications of the local government.

Notes:

- (a) Where an approval has so lapsed, no development/land use shall be carried out without the further approval of the local government having first been sought and obtained.
- (b) If an applicant is aggrieved by this determination there is a right (pursuant to the *Planning and Development Act 2005*) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

VOTING: CARRIED BY SIMPLE MAJORITY: 6/0

Attachment (all provided as separate attachments to Agenda)

Attachment 14.1(a) - Copy of development application given Shire planning approval

Attachment 14.1(b) - Copy of planning approval letter

Attachment 14.1(c) - Copy of revised application given Shire building approval

Attachment 14.1(d) - Copy of 'stop work' direction notice

Background

Lot 137 is a 1,133m² property on the corner of Enanty Street and Phillip Street.



Figure 14.1(b) – Aerial Photograph of 10 (Lot 137) Enanty Street, Mingenew



Figure 14.1(c) – View of Lot 137 looking east from Enanty Street



Figure 14.1(d) – View of Lot 137 looking north from Phillip Street prior to commencement of shed construction



Figure 14.1(e) – View of Lot 137 looking north-west from Phillip Street following commencement of shed construction



Figure 14.1(f) – View of Lot 137 looking east illustrating nil setback to Phillip Street



Comment

A chronology of events is provided as follows:

15 June 2020

Planning application received proposing to construct an 18m x 8m (144m²) shed, with a wall height of 3.2m and a total gable roof height of 4.27m. The shed would be clad in Classic Cream colorbond wall and roof sheeting and roller doors, with Manor Red colorbond downpipes, gutters and flashing.

The shed would be sited 12m to the rear/east of the existing residence, setback 5m from the rear/eastern property boundary, 2m from the northern side boundary, and 5m from the Phillip Street/side property boundary.

The originally submitted planning application including site, elevation and floor plans and supporting correspondence are provided as **separate Attachment 14.1(a)**.

3 July 2020 - 24 July 2020

The Shire advertised the application by writing to the landowners of the 10 surrounding properties providing details of the application and inviting comment, a sign was also placed on-site to advise of the received application and the opportunity for comment.

At the conclusion of the advertising period, no objections had had been received, and 1 submission expressing support was received.

19 August 2020

Council resolved:

"That Council grant formal planning approval for an outbuilding to be constructed upon 10 (Lot 137) Enanty Street, Mingenew subject to the following:

Conditions

- Development shall be in accordance with the attached approved plans dated 19 August 2020 and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.
- 2 Any additions to or change of use of any part of the building or land (not the subject of this consent/approval) requires further application and planning approval for that use/addition.
- 3 All stormwater is to be disposed of on-site to the approval of the local government.
- 4 Any soils disturbed or deposited on-site shall be stabilised to the approval of the local government.
- If the development/land use, the subject of this approval, is not substantially commenced within a period of two years after the date of determination, the approval shall lapse and be of no further effect.

Notes:

- (a) Where an approval has so lapsed, no development/land use shall be carried out without the further approval of the local government having first been sought and obtained.
- (b) If an applicant is aggrieved by this determination there is a right (pursuant to the Planning and Development Act 2005) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination."

24 August 2020

The Shire issued a letter of planning approval advising of Council's decision a copy of which is provided as separate Attachment 14.1(b).

18 September 2020

The applicant lodged a building permit application for a shed with the same dimensions but with a site plan that had been altered so that the shed was no longer orientated north-south with a 2m northern boundary setback, 5m eastern boundary setback and 5m (Phillip Street) southern boundary setback as approved by Council. The shed was instead orientated east-west with a 17m northern boundary setback, 1.5m eastern boundary setback and nil (Phillip Street) southern boundary setback. The altered site plan appears to have been photocopied from the site plan issued with planning approval by the Shire with the original shed location removed and new shed location hand-drawn upon it and the Shire planning approval stamp and signature retained.

This plan was provided to the City of Greater Geraldton who, given the presence of the Shire's planning approval stamp, processed it as normal.

30 September 2020

The Shire, upon receipt of the building application document from the City of Greater Geraldton issued a building permit for the shed in the revised location a copy of which is provided as **separate Attachment 14.1(c)**.

It would appear that two issues contributed to this situation:

- 1. The landowner has altered a planning approval stamped plan and submitted it for building approval without advising the Shire they were seeking approval for an amended shed location (as required under Condition 1 of the planning approval); and
- 2. The Shire has approved the building permit without cross-checking the original planning approval site plan (as the signed planning approval signature block already appeared on the plan it was incorrectly assumed, in good faith, that the plan was the same).

16 November 2020

The location of the new shed – as differing from what was approved by Council – was brought to the attention of the CEO, who investigated the discrepancy.

A 'stop work' direction notice was issued by the Shire to the landowner of 10 (Lot 137) Enanty Street, Mingenew a copy of which is provided as **separate Attachment 14.1(d)**. The CEO also spoke with the landowner directly, who confirmed they had amended the plans issued by Council.

The initial consideration of the shed application primarily concerned itself with the issue of the outbuilding's area which was the basis for sought variation/exceeding of Shire staff's delegated authority. The comment of Shire staff in the 17 August 2020 Council Agenda report considered that conditional approval of the application was warranted, based upon the following:

- whilst the proposed 144m² total outbuilding area exceeds the 80m² Outbuildings Policy requirement (for lot under 1,500m²) it is noted that the outbuilding would be orientated north-south so that it would be presenting its lesser elevation to the Phillip Street secondary street frontage;
- the proposed outbuilding extension would not dominate the streetscape as it would comply with the height requirements of the Outbuildings Policy and be sited behind a 1.8m high existing colorbond fence:
- the requested outbuilding area is required for the parking of a vehicle, caravan and general storage and it may be considered preferable for these items to be secured out of the weather rather than about the rear yard, not just for the applicant but also for general amenity and appearance;
- the outbuilding would be clad in matching colours to the existing colorbond fence;
- the acceptance of the proposed outbuilding as being within the character of the surrounding area may be considered to have been demonstrated through no objections being received when the application was advertised for comment."

The new location for the shed introduces a further variation that exceeds the delegated authority of Shire staff, this being a nil boundary setback to a secondary street when Table 1 of the Residential Design Codes of Western Australia ('R-Codes') recommends a 3m boundary setback for secondary streets in the R10 zone. On this basis the outbuilding does not meet the deemed-to-comply provisions under Section 5.4.3.C3.vi of the R-Codes and cannot be determined by Shire staff under delegated authority and is therefore returned to Council for its consideration.

The R-Codes Explanatory Guidelines provides the following guidance in relation to assessing matters relating to street setbacks and secondary streets:

"Street Setback

The urban design presumption is for the street setback area to be free from buildings and structures, enabling a clear view to and from the street. This provides a comfortable and secure relationship and transition between public and private space.

From a social point of view, the street setback area and how it is developed and managed allows for comfortable communication and interaction between residents, neighbours and passers-by or callers who may not be known to the occupants. This creates the opportunity for casual and safe interaction to enhance a sense of community and safety.

At the same time, an open setback area provides for mutual surveillance between the street and building, enhancing security for the building (and its occupants) and for people passing by.

From a visual point of view, an open setback area provides a more attractive setting for the building. The street setback should also provide, depending on the location of essential services, adequate clearances from, and access to, essential services for reasons of safety and utility.

The same principles apply to communal streets and rights-of-way that provide the frontage to dwellings.

There will, of course, be exceptions, principally where the street is an arterial road carrying significant volumes of traffic.

Frontage streets

Street setback areas are an integral part of the streetscape and are fundamental to the amenity and particular character of residential localities. They may perform a number of different, but complementary roles:

- continuity of the streetscape;
- a visual setting for the dwelling;
- a buffer against noise and general activity on the public street;
- privacy for the dwelling;
- visual connection to the street, its users and to neighbours;
- space for car parking and access; and
- a transition zone between the public street and private dwelling.

These considerations apply particularly to public streets to influence orientation of the main frontage to dwellings as it presents to the street. Similar principles apply to communal streets, and rights-of-way used to provide frontage to dwellings. Secondary or side streets may also function in this way.

Side or secondary streets

Different streetscape characteristics usually occur on secondary or side streets, with the street alignments formed by the long side boundaries of corner lots. These are characterised by side fences or walls rather than open gardens, and a small setback to the building.

In many cases these streetscapes are being altered by urban redevelopment and infill, by the subdivision of corner lots, creating new frontages to the side street. Where this happens, similar considerations to those for setbacks to frontage streets will apply although there will be scope for common-sense rationalisation between existing houses which create the character of the street and infill development.

The setback area should be open but with a reduced setback for practical and streetscape reasons. Private open space may be located to one side of the building rather than a narrow strip along the rear." (Section 4.1, pages 16-17)

"Appropriate street setback distances

In the case of new residential areas, the desirable street setback distance is often fixed as an integral part of the subdivision, for example as part of structure plan(s) or local development plan(s).

In the case of established residential areas with valued streetscapes, it will usually be the case that there is a consistent pattern of street setbacks. In these cases, new development should closely conform to the established pattern. Where the pattern varies, a setback mid-way between that of the buildings on either side may be appropriate.

In established areas, it may be desirable for the decision-maker to stipulate setbacks for a particular area by setting them out in the local planning framework. The R-Codes Volume 1 street setback requirements apply in all other cases.

The manner in which street setbacks may be reduced is illustrated in figure 2a of the R-Codes Volume 1. This includes a provision allowing a street setback reduction of up to 50 per cent, providing the area of building (including any carport or garage) forward of the required street setback line is compensated for by an equal or greater area of open space behind the street setback line.

The prime purpose of this provision is to only allow a reduced setback from the street where this will create flexibility of design to achieve the design objectives for the area, and lead to a more varied and interesting streetscape. Figures 2a and 2b in the R-Codes Volume 1 illustrate situations

where portions of the dwelling may intrude into the street setback provided there is a positive relationship with adjacent dwellings and the streetscape.

Other structures

Other than carports and garages (subject to clause 5.2.1 of the R-Codes Volume 1), no substantial structures are allowed in street setback areas. Structures that may be allowed are:

- low fences or walls, which are the subject of separate consideration;
- landscape or sculptural structures, ornamental features designed to enhance the relationship between street and dwelling; and
- appropriately scaled archways or gateways, provided they are in character with the streetscape.

In addition, architectural features, including balconies, porches, chimneys and open verandahs, may be acceptable as minor incursions into the setback area, the criterion being that the main setback line is not unduly interrupted. Those minor incursions, where they do not exceed the limits prescribed at clause 5.1.2 C2.4, should not be taken into consideration when calculating average setback requirements." (Section 4.1.1, page 18)

The recommendation of this report is that the new shed location with nil boundary setback be supported based upon the following:

- the shed at a nil boundary setback would be located approximately 6.5m from the edge of the roadway which would still provide reasonable sightlines to vehicles exiting the outbuilding onto the roadway and for vehicles travelling along Phillip Street.
- the shed would be located 35m from the Enanty Street and Phillip Street intersection which would provide a reasonable setback distance to this intersection for vehicle sightlines.
- there is not a footpath located along this section of Phillip Street and it is suggested that a footpath
 would be better suited to the other/southern side of Phillip Street as this is the same side of the road
 as the Primary School located approximately 175m to the east of the proposed outbuilding.
- there are other examples of outbuildings with nil and reduced secondary street setbacks in the Mingenew townsite on Ikewa Street, Lockier Street, King Street, Irwin Street, Moore Street, Phillip Street and Oliver Street.
- whilst the applicant has not sought the required planning approval for the shed in the new location, and has submitted as part of their building application an applicant altered site plan that retains a Shire planning approval stamp, the Shire has provided building approval to the applicant for the shed with the building approval including the applicant altered site plan being stamped for building approval by the Shire, and it might be therefore argued that the applicant commenced construction of the shed in the new location on the understanding that they had Shire approval for the new location.

It is recommended that were Council to approve the shed in the new location that it be made subject to the application of an additional condition of approval requiring the landowner to construct a crossover to Phillip Street at their expense to the requirements of the Shire (this being a sealed standard).

In the event that Council considers that the shed could be supported in a new location to that approved at the 19 August 2020 meeting <u>but</u> one that is in accordance with the R-Codes then it may wish to consider the following wording in formulation of its resolution:

"That Council advise the applicant that it is willing to approve the shed in an alternate location that is not closer than 3m to the southern property boundary as this would meet with the requirements of Table 1 of the Residential Design Codes of Western Australia for secondary street minimum setback for Residential R10 zoned properties."

Were Council to pursue the above, the existing concrete slab that is located between the property boundary and the 3m setback line could remain on-site and form part of the vehicle crossover between the shed and roadway.

In the event that Council considers that further consultation should be undertaken with surrounding landowners prior to making its determination then it may wish to consider the following wording in formulation of its resolution:

"That Council write to surrounding landowners of 10 (Lot 137) Enanty Street, Mingenew inviting comment for a period of 14 days (from 20 November 2020 until 4 December 2020) upon the revised shed location and at the conclusion of the advertising period a summary of any submissions shall be provided to the applicant and they be invited to submit a response to any comments raised prior to 11 December 2020, and the matter be returned to the 16 December 2020 meeting of Council for consideration."

In the event that Council consider that the shed should not be supported in its new location then it may wish to consider the following wording in formulation of its resolution:

"That Council endorse the issuing of the Stop Work Direction Notice to the landowner of 10 (Lot 137) Enanty Street, Mingenew (provided as separate Attachment 14.1(d)) and:

- (a) Pursue enforcement of the planning direction to stop all work; and/or
- (b) Serve a further direction requiring the unapproved development to be removed; and/or
- (c) Commence a prosecution under s218(c) of the Planning and Development Act for carrying out development otherwise than in accordance with a condition of approval."

These courses of action would likely be met with legal action from the landholder, and would not be recommended without first canvassing neighbouring properties to determine if there are any objections to the structure's newly proposed location.

Consultation

The Shire wrote to the landowners of the 10 surrounding properties on 3 July 2020 providing details of the application (i.e. in the location later given planning approval) and inviting comment upon the proposal prior to 24 July 2020, a sign was also erected on-site to advise of the received application and the opportunity for comment. At the conclusion of the advertising period, no objections had been received, and 1 submission expressing support was received.

As noted above, Council might consider it appropriate to consult again with the surrounding landowners regarding the new shed location prior to making its determination.

Staff have also consulted with:

- City of Greater Geraldton Planning and Compliance staff
- Landholder
- Tim Beckett of McLeods Barristers & Solicitors

Statutory Environment

Lot 137 corner Enanty & Phillip Streets, Mingenew is zoned 'Residential R12.5' under the Shire of Mingenew Local Planning Scheme No.4.

Table 2 of the Scheme lists the objectives of the 'Residential' zone as being:

To provide for a range of housing and a choice of residential densities to meet the needs of the community.

- To facilitate and encourage high quality design, built form and streetscapes throughout residential areas.
- To provide for a range of non-residential uses, which are compatible with and complementary to residential development."

Schedule 2 Part 9 Clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015* lists the following relevant matters to be considered by local government in considering a development application:

- "(a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;...
- ...(g) any local planning policy for the Scheme area;...
- ...(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;
- (n) the amenity of the locality including the following
 - (i) environmental impacts of the development;
 - (ii) the character of the locality;
 - (iii) social impacts of the development;...
- ...(x) the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;
- (y) any submissions received on the application;...
- ...(zb)any other planning consideration the local government considers appropriate."

Policy Implications

The Shire of Mingenew 'Outbuildings' Local Planning Policy was adopted by Council at its 17 April 2019 meeting and reviewed at its 21 August 2019 meeting.

The Shire of Mingenew Outbuildings Local Planning Policy sets a maximum outbuilding area of 80m² for Mingenew townsite lots that are less than 1,500m² (and 200m² for lots greater than 1,500m²). Lot 137 is 1,133m² in area and as the original application proposed variation to the area requirements under this policy it was unable to be determined by Shire staff under delegated authority and was presented to Council at its 19 August 2020 meeting for its consideration.

The proposed shed would comply with the 4m maximum wall height and 5m maximum total roof height set by the Outbuildings Policy.

The Outbuildings Policy lists the following:

"Objectives

- To provide development standards for outbuildings specific to the Shire of Mingenew, as appropriate.
- 2 To provide a clear definition of what constitutes an "outbuilding".
- 3 To ensure that outbuildings are not used for habitation, commercial or industrial purposes by controlling building size and location.
- 4 To limit the visual impact of outbuildings.
- To encourage the use of outbuilding materials and colours that complement the landscape and amenity of the surrounding areas.
- To ensure that the outbuilding remains an ancillary use to the main dwelling or the principle land use on the property."

"Policy Provisions

General

- Pre-fabricated garden sheds, "cubby houses", kennels and other animal enclosures (such as aviaries, stables) less than 9m² in total aggregate area and less than 2.5m in height (measured from natural ground level) are exempt from this policy provided they are located to the rear of the house, and of a design and colour considered in keeping with the amenity of the area by the local government.
- Other than for general storage and/or agricultural purposes an outbuilding shall not be used for any commercial or industrial use without prior approval from Council.
- The storage of accumulated personal items and any items in connection with a commercial or industrial operation (e.g. building materials, earthmoving equipment etc.) is considered contrary to the objectives of this policy and is therefore not considered sufficient justification for an increase in the maximum standards prescribed.

Height, Size and Setbacks

Outbuildings within the Residential, Rural Townsite or Tourism zones shall;

- (a) be single storey;
- (b) be located behind any dwelling on site;
- (c) meet all setback requirements set out in the Local Planning Scheme and this policy;
- (d) not be approved by the local government on a lot not containing a dwelling;
- (e) be attached to, or setback 1.8m from any dwelling and 1.2m from any septic tank."

A Local Planning Policy does not bind the local government in respect of any application for planning approval, but the local government is to have due regard to the provisions of the policy and the objectives which the policy is designed to achieve before making its determination.

In most circumstances the Council will adhere to the standards prescribed in a Local Planning Policy, however, the Council is not bound by the policy provisions and has the right to vary the standards and approve development where it is satisfied that sufficient justification warrants a concession and the variation granted will not set an undesirable precedent for future development.

Financial Implications

The engagement of the Shire's solicitors will have a budgetary impact to Council.

Strategic Implications

The Mingenew Townsite Local Planning Strategy notes in Section 4.26 'Architectural Style' that:

"In keeping with the rural nature of the community many homes have open style fencing, larger sheds and outbuildings, rain water tanks and other modern improvements."

Following Item 14.1, Cr HM Newton returned to the meeting at 5:29pm.

16.0 TIME AND DATE OF NEXT MEETING

Next Ordinary Council Meeting to be held on Wednesday 16 December 2020 commencing at 4.30pm.

17.0 CLOSURE

The Presiding Member, Cr GA Cosgrove, closed the meeting at 5:29pm.

These minutes were confirmed at an Ordinary Council meeting on 16 December 2020.		
Signed		
<u> </u>		
Presiding Officer		
Date:		



MINGENEW LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING

MINUTES OF THE MEETING TO BE HELD AT THE MINGENEW SHIRE COUNCIL CHAMBERS 2:00PM MONDAY, 23 NOVEMBER 2020

1.0 DECLARATION OF OPENING

2.0 RECORD OF ATTENDANCE / APOLOGIES

2.1 ATTENDEES

Cathy MaCartney, St John Ambulance Neal Boonzaaier, WA Police Sam Adams, WALGA Roadwise Josh Gardner, DFES

2.2 APOLOGIES

Sarah-Jane Grieve, Silver Chain
Andrea Campbell, Silver Chain
Grant Fidock, EMRS (Shire of Mingenew and Shire of Carnamah)
Peter Herbert, Main Roads
Steve Nicholson, DBCA
Mary-Ellen McGillivray, WACHS
Keith Shaw, Department of Communities
Rick Ryan, DFES
Matt Dadd, DFES
Alison Donovan, DBCA

3.0 PREVIOUS MINUTES

3.1 BUSINESS ARISING FROM PREVIOUS MINUTES – 26 MARCH 2020 Nil.

3.2 CONFIRMATION OF MINUTES

MOVED: Neal Boonzaaier SECONDED: Nils Hay

That the Minutes of the Local Emergency Management Committee of the Shire of Mingenew held 26 March 2020 be confirmed as a true and accurate record of proceedings.

CARRIED

4.0 AGENCY REPORTS

Shire of Mingenew

No COVID cases thankfully

MINGENEW EMERGENCY MANAGEMENT MEETING AGENDA 26 MARCH 2020

- Successful "We'll Help You in Mingenew" campaign assisting community members in need during lockdown – great volunteer, community-led initiative
- Mingenew Bushfire Brigade met last month
- Will be following up with local businesses to ensure local businesses are COVID response ready through liaison with our EHO
- Emergency Management & Ranger Services Officer Grant Fidock will be finishing 31 Dec and the Shire is looking to employ WA Ranger Services to fill the same services

St Johns

- Training program for year coming to end, restart January 2021
- Sub-Centre plans in regional now include COVID Safety plans
- Mingenew has 3 x new volunteers (support workers)
- New AED installed at Enanty Barn and another to be sited at Men's Shed (awaiting safe box to be installed)

Police

- New officer in Mingenew commences next week
- Main complaints now being received relate to trucks and cars sharing the road
- Suggest signage outlining that trucks are turning onto Eleanor Street
- CCTV for townsite to address crime prevention and safety discussed with Rob Smallwood may be opportunity for pilot project in Mingenew
- Request for layout map of Shire office and townsite map with Lot numbers
- Ensure resource lists are up to date check LEMA

WALGA Roadwise

- Sam has been on leave for 3 out of the last 6 months.
- No grant funding enquiries/applications received from the region suggest an education campaign to inform visitors of trucks / local conditions, include souvenir
- Could incorporate local artwork / artist in residence

DFES

- Preparing for high threat bushfire season
- AWARE funding now open, available to local governments only closes 11 Dec
- Timely to update contacts and lists in LEMA

5.0 GENERAL BUSINESS

- Letter sent to Western Power outlining the identified issue of pole top fires being the most common cause of fires in the district – informal response received – DEMC working to provide more formal response
- New Fire shed missed out first round, looking to apply for second round funding and seek amendment to DFES conditions to build new to spec, as this is excessive to Mingenew's requirements
- Response Vehicle Identifier stickers and Register available

6.0 FUTURE MEETING DATE AND TIME

Next LEMC date to be confirmed – advice that a joint meeting with neighbouring LEMCs to be considered for pre and post fire season.

7.0 CLOSURE

The meeting was closed at 2:56pm.



MINGENEW LEMC COVID EXERCISE

HELD AT THE MINGENEW SHIRE COUNCIL CHAMBERS 1:00PM MONDAY, 23 NOVEMBER 2020

1.0 ATTENDANCE

ATTENDEES

In-person

Cathy MaCartney, St John Ambulance Neal Boonzaaier, WA Police Sam Adams, WALGA Roadwise Sarah-Jane Grieve, Silver Chain Andrea Campbell, Silver Chain Josh Gardner, DFES

Microsoft Teams

Tess Robinson, WACHS Trish Pavelka, WACHS Moira McKinnon, WACHS Vanessa Parker, WACHS

APOLOGIES

Grant Fidock, EMRS (Shire of Mingenew and Shire of Carnamah)
Peter Herbert, Main Roads
Steve Nicholson, DBCA
Mary-Ellen McGillivray, WACHS
Keith Shaw, Department of Communities
Rick Ryan, DFES
Matt Dadd, DFES
Alison Donovan, DBCA

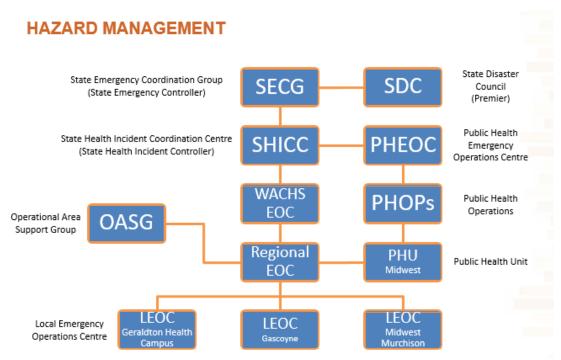
2.0 OUTCOMES

- An awareness of how a positive COVID-19 case may be managed in the local community of Mingenew
- An awareness of how close-contacts of a positive COVID-19 case may be managed in the local community of Mingenew.
- An awareness of the capacity of the HMA and other support agencies to manage a positive COVID-19 case in the local community of Mingenew.
- An awareness of the impact of a positive COVID-19 case on the local community of Mingenew.

3.0 HAZARD MANAGEMENT

The Chief Executive Officer, Department of Health is the Hazard Management Agency (HMA) for the prescribed hazard of Human Epidemic. The State Hazard Plan – Human Biosecurity is the authority document.

MINGENEW LEMC - COVID EXERCISE - 23 NOVEMBER 2020



4.0 SCENARIO

- Two travellers are staying in a caravan in the Mingenew Caravan Park it is peak wildflower season and the caravan park is at near-capacity.
- The travellers have been socialising with others in the caravan park and using the communal ablutions, however they have been maintaining reasonable social distancing.
- The travellers develop flu-like symptoms and present to the Silver Chain Mingenew Health Centre after being in town for 2 days.
- The travellers are tested and return positive test results for COVID-19.

5.0 DISCUSSION

Caravan Park

- Private business
- COVID Safety Plan in place
- Note sure the business be appropriately resourced i.e. staff to clean etc.

Silver Chain

- Sign on the door indicating separate entry for anyone with COVID symptoms or suspected contact
- Encouraging community to be seen by appointments only or in an emergency
- Equipped to do COVID swab testing can do outside or at the persons vehicle
- Test results my take up to 3 days (depending on freight / transportation options to pathology)
- Geraldton do have capacity for rapid test to be done test results within 1 hour
- Travellers would be instructed to return to caravan and self-isolate (if caravan self-contained or may need to seek alternative accommodation) – Silver Chain would risk assess to determine appropriateness based on health condition
- Silver Chain cannot do call outs i.e. to the caravan patients would need to visit the clinic if further treatment / check-up required
- If patients deteriorated there are protocols in place for treatment to escalate may need to contact RFDS and St John for transport
- Silver Chain equipped to manage severe conditions for approximately 2 hrs (which would allow for transportation of patient/s)

St John

- COVID response team / vehicle (specially equipped) available out of Geraldton or local crew



MINUTES FOR THE AUDIT AND RISK COMMITTEE MEETING 9 DECEMBER 2020

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MINUTES OF THE SHIRE OF MINGENEW AUDIT AND RISK COMMITTEE MEETING HELD IN COUNCIL CHAMBERS ON 9 DECEMBER 2020 COMMENCING AT 9.00AM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The meeting was declared open by the Chair at 9:00am.

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members

Cr RW Newton Deputy President (Chairperson)

Cr HR McTaggart Councillor Cr AR Smyth Councillor

Apologies

Mr M Battilana Independent Member

Staff

Mr N Hay Chief Executive Officer

Mr J Clapham Manager Administration and Finance

Ms E Greaves Governance Officer

Guests via Microsoft Teams / phone conference

Mr M van der Merwe Butler Settineri

Mr L Wong Office of the Auditor General (OAG)

3.0 ELECTION OF CHAIRPERSON

The Chief Executive Officer called for nominations for Chairperson.

Cr RW Newton verbally nominated himself for the position of Chairperson, supported by Cr HR McTaggart and Cr AR Smyth. No other nominations were received.

Cr RW Newton was elected unopposed as Chairperson.

4.0 DECLARATIONS OF INTEREST

Nil.

5.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

5.1 AUDIT & RISK COMMITTEE MEETING HELD 13 JULY 2020

OFFICER RECOMMENDATION AND COUNCIL DECISION- ITEM 5.1
Moved: Cr HR McTaggart Seconded: Cr RW Newton

That the minutes of the Shire of Mingenew Audit & Risk Committee Meeting held in the Council Chambers on 13 July 2020 be confirmed as a true and accurate record of proceedings.

VOTING DETAILS: CARRIED

6.0 OFFICERS' REPORTS

Prior to consideration of Item 6.1, Mr Marius van der Merwe from Butler Settineri and Mr Liang Wong from the Office of the Auditor General (OAG) provided a presentation regarding the Shire of Mingenew Audit for 2019/20.

Mr van de Merwe provided an overview of the Annual Audit Completion Report prepared by Butler Settineri, and the Draft Management Letter (including the management response) noting:

- As per last year, the Operating Surplus Ration continues to be below the Department of Local Government, Sport and Cultural Industries (DLGSC) basic standard. The ratio shows that the Shire is more reliant on grant funding than own source revenue to cover operating costs. Given this is the reality for many regional / small local governments, there is push back in the industry regarding the appropriateness of this ratio in reflecting financial health. Mr Jeremy Clapham advised that he is participating in an industry review group, which is to consider the current financial ratios and standards and make recommendations to the Department; the Auditors may only comment on the application of the requirements to the financial statements
- Preparing the annual financial statements in 2019/20 were challenging in light of significant and complex accounting standard changes, the COVID pandemic and late amendments to the financial regulations however Butler Settineri are proposing to submit an unqualified audit recommendation to the OAG;
- The Audit Findings note three matters that have been addressed in the Management Letter
 - Employees are currently being paid reimbursements through Creditor system rather than Payroll –
 Butler Settineri are recommending this change as control systems in Payroll may be more robust.
 Management's position is that the Creditor system control measures are adequate and provide
 greater capacity to reclaim GST.
 - 1 example, out of 60 samples, where the required number of quotes was not obtained in accordance with policy this was addressed through tighter control measures
 - As noted above, the Operating Surplus Ratio is below the DLGSC basic standard

Question Taken on Notice

Cr RW Newton queried whether the procurement process that was identified as not being conducted in accordance with the purchasing policy (number of quotes), should have gone through a tender process given the total value.

Mr Hay, CEO indicated that the job was not anticipated to go over the tender threshold initially and once the work had commenced, and it became apparent that the job would go over, advice was received that it would not be practical to stop work and proceed with a tender.

Mr van der Merwe advised he would investigate and provide further advice through the Management Letter.

Mr Wong advised that the OAG would finalise their findings and report, and have that back to the Shire by Friday, 11 December at the latest.

2021/22 Audit:

The contract with Butler Settineri to conduct the Audit for the Shire of Mingenew on behalf of the OAG concludes with this audit. It is anticipated that the OAG will make a decision as to whether they conduct the audit themselves or go out to Tender early in the new year (anticipated Feb / Mar 2021).

6.1 DRAFT ANNUAL REPORT AND ANNUAL FINANCIAL REPORT 2019/20

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0081

Date: 26 November 2020

Author: Erin Greaves, Governance Officer and Jeremy Clapham, Finance and

Administration Manager

Authorising Officer: Nils Hay, Chief Executive Officer

Voting Requirement: Absolute Majority

Summary

The Annual Financial Statement for the year ending 30 June 2020, as audited by Butler Settineri on behalf of the Office of the Auditor General (OAG), as presented for the audit & Risk Committee's review and recommendation to Council for adoption.

Key Points

- The Audit & Risk Committee's Terms of Reference require that the Committee consider and recommend adoption of the annual financial report to Council, and review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- Council must adopt its annual financial report prior to 31 December 2020
- A Draft copy of the Shire's Annual Report (excluding the annual financial statements and Auditor's Report) has been provided for review but will be finalised and presented to Council at the December meeting.

COMMITTEE DECISION AND RECOMMENDATION TO COUNCIL - ITEM 6.1

Moved: Cr AR Smyth Seconded: Cr HR McTaggart

That Council, on recommendation from the Shire of Mingenew Audit & Risk Committee, receives and accepts the Annual Financial Report for the financial year ended 30 June 2020 as presented.

VOTING DETAILS: CARRIED

<u>Attachment</u>

- 6.1.1 Draft Annual Report 2019/20 excluding Annual Financial Report and Auditor's Report
- 6.1.2 2019/20 Annual Financial Report (to be provided under separate cover)

Background

Pursuant to Section 7.9 of the *Local Government Act 1995* ("LGA"), an Auditor is required to examine the accounts and annual financial report submitted by a local government for audit. The Auditor is also required, by 31 December following the financial year to which the accounts and report relate, prepare a report thereon and forward a copy of that report to:

- (a) the President; and
- (b) the Chief Executive Officer; and
- (c) the Minister.

Furthermore, in accordance with Regulation 10(4) of the *Local Government (Audit) Regulations 1996 ("Audit Regulations")*, where it is considered appropriate to do so, the Auditor may prepare a Management Report to accompany the Auditor's Report, which is also to be forwarded to the persons specified in Section 7.9 of the LGA.

The Audit & Risk Committee is required to examine the reports of the auditor after receiving a report from the Chief Executive Officer on the matters reported and:

- Determine if any matters raised require action to be taken by the local government; and
- Ensure that appropriate action is taken in respect of those matters.

The Audit & Risk Committee is also required to review a report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and present the report to Council for adoption. A copy of the report is to be forwarded to the Minister prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time.

The Audit & Risk Committee is requested to consider and recommend adoption of the annual financial report to Council. The annual financial report and final auditor's report will be added to the Annual Report 2019/20 and presented to Council at the December Ordinary meeting.

Comment

The Shire was audited by Butler Settineri, as the appointed contract auditor by the Office of the Auditor General for the year ended 30 June 2020. At the time of preparing this report, the final annual financial statements had not been released. Further information regarding the Audit results / outcomes will be provided by Butler Settineri and the Office of the Auditor General (OAG) at the meeting (representatives have advised of their availability to attend by videoconference), and the attachments will be provided to Committee members under separate cover (as they become available from the Audit).

Consultation

- Butler Settineri
- Office of the Auditor General
- Lateral Aspect

Statutory Environment

Local Government Act 1995

6.4. Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.
- (2) The financial report is to
 - (a) be prepared and presented in the manner and form prescribed; and
 - (b) contain the prescribed information.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
 - (b) the annual financial report of the local government for the preceding financial year.

7.9. Audit to be conducted

- (1) An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —
 - (a) the mayor or president; and
 - (b) the CEO of the local government; and
 - (c) the Minister.
- (2) Without limiting the generality of subsection (1), where the auditor considers that —

- (a) there is any error or deficiency in an account or financial report submitted for audit; or
- (b) any money paid from, or due to, any fund or account of a local government has been or may have been misapplied to purposes not authorised by law; or
- (c) there is a matter arising from the examination of the accounts and annual financial report that needs to be addressed by the local government,

details of that error, deficiency, misapplication or matter, are to be included in the report by the auditor.

- (3) The Minister may direct the auditor of a local government to examine a particular aspect of the accounts and the annual financial report submitted for audit by that local government and to
 - (a) prepare a report thereon; and
 - (b) forward a copy of that report to the Minister, and that direction has effect according to its terms.
- (4) If the Minister considers it appropriate to do so, the Minister is to forward a copy of the report referred to in subsection (3), or part of that report, to the CEO of the local government.

7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to
 - (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and
 - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (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.
- (4) A local government must
 - (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

5.53 Annual Reports

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain
 - (a) a report from the mayor or president; and
 - (b) a report form the CEO; and
 - (c), (d) deleted
 - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
 - (f) the financial report for the financial year; and
 - (g) such information as may be prescribed in relation to the payments made to employees; and
 - (h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
 - (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
 - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —

- (i) the number of complaints recorded in the register of complaints; and
- (ii) how the recorded complaints were dealt with; and
- (iii) any other details that the regulations may require; and such other information as may be prescribed.

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.
 - * Absolute majority required.
- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

5.55. Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.27. Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

Local Government (Audit) Regulations 1996

10. Report by auditor

- (1) An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
- (2) The report is to give the auditor's opinion on
 - (a) the financial position of the local government; and
 - (b) the results of the operations of the local government.
- (3) The report is to include
 - (a) any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and
 - (b) any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and
 - (c) details of whether information and explanations were obtained by the auditor; and
 - (d) a report on the conduct of the audit; and
 - (e) the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions
 - (i) the asset consumption ratio; and
 - (ii) the asset renewal funding ratio.

(4A) In subregulation (3)(e) —

asset consumption ratio has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2);

- asset renewal funding ratio has the meaning given in the Local Government (Financial Management) Regulations 1996 regulation 50(2).
- (4) Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

Local Government (Financial Management) Regulations 1996

17A. Assets, valuation of for financial reports etc.

(1) In this regulation —

carrying amount, in relation to a non-financial asset, means the carrying amount of the non-financial asset determined in accordance with the AAS;

fair value, in relation to a non-financial asset, means the fair value of the non-financial asset measured in accordance with the AAS:

right-of-use asset, of a local government, includes the local government's right to use —

- (a) Crown land; or
- (b) other land that is not owned by the local government,

that is vested in the local government at nil or nominal cost for an indefinite period for the purpose of roads or for any other purpose;

vested improvement, in relation to a local government, means a pre-existing improvement on land of which the care, control or management is vested in the local government at nil or nominal cost for an indefinite period.

- (2) A local government must show in each financial report for a financial year ending on or after 30 June 2020
 - (a) the fair value of all of the non-financial assets of the local government that are
 - (i) land and buildings that are classified as property, plant and equipment; or.
 - (ii) investment properties; or
 - (iii) infrastructure; or
 - (iv) vested improvements that the local government controls; and
 - (b) the carrying amount of all of the non-financial assets of the local government that are plant and equipment type assets measured using the cost model in accordance with the AAS; and
 - (c) the carrying amount of all of the right-of-use assets of the local government (other than vested improvements referred to in paragraph (a)(iv)) measured using the cost model in accordance with the AAS.

[(3) deleted]

- (4) A local government must revalue a non-financial asset of the local government referred to in subregulation (2)(a)
 - (a) whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and
 - (b) in any event, within a period of no more than 5 years after the day on which the asset was last valued or revalued.
- (5) A non-financial asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5 000.

Local Government (Administration) Regulations 1996

15. Matters to be discussed at general meeting (Act s. 5.27(3))

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

Policy Implications

Council has adopted a set of Terms of Reference which outline:

"The primary objective of the Audit and Risk Committee "the Committee" is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its statutory and fiscal affairs.

The Audit and Risk Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO."

The Committee's specific duties, in relation to this Item, include:

- Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits;
- Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions;
- Liaise with the CEO to ensure that the local government does everything in its power to
 - assist the auditor to conduct the audit and carry out his or her other duties under the Local Government Act 1995; and
 - ensure that audits are conducted successfully and expeditiously;
- Examine the reports of the auditor after receiving a report from the CEO on the matters to
 - determine if any matters raised require action to be taken by the local government; and
 - ensure that appropriate action is taken in respect of those matters;
- Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report
 of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or
 6 months after the last report prepared by the auditor is received, whichever is the latest in time;
- Review the local government's draft annual financial report, focusing on
 - accounting policies and practices;
 - changes to accounting policies and practices;
 - the process used in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;
 - compliance with accounting standards and other reporting requirements; and
 - significant variances from prior years;
- Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;

Financial Implications

Nil

Strategic Implications

Strategic Community Plan 2019-2029 Strategies

- 1.2.1 Manage organisation in a financially sustainable manner
- 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner

Community Strategic Plan 2019-2029 KPIs

- Financial ratios within the recommended industry guidelines
- Unqualified audit results

Mr M van der Merwe and Mr L Wong left the meeting at 10:19am.

6.2 DRAFT WORKFORCE PLAN 2020-2024 AND INDEPENDENT EFFICIENCY AUDIT REPORT

Location/Address: Shire of Mingenew Name of Applicant: Shire of Mingenew

Disclosure of Interest: Nil

File Reference: ADM0466

Date: 30 November 2020

Author:Erin Greaves, Governance OfficerAuthorising Officer:Nils Hay, Chief Executive Officer

Voting Requirement: Simple Majority

<u>Summary</u>

The Audit & Risk Committee is presented with the Draft Workforce Plan 2020-2024 which was resourced internally, and the Workforce Efficiency Audit Report prepared by Chris Rafanelli of Rafa Workforce Development and Recruitment.

Key Points

- A draft Workforce Plan was presented to the March 2020 Audit & Risk Committee and was laid on the table for presentation at a future Council Forum
- Chris Rafanelli, Rafa Workforce Development and Recruitment was engaged to conduct a Workforce Efficiency Audit in September 2020
- It is proposed that these draft documents be referred to the next Concept Forum to ensure all Elected Members have the opportunity to provide input, with the consultant engaged to prepare the Efficiency Audit to be in attendance.

OFFICER RECOMMENDATION FOR COMMITTEE DECISION – ITEM 6.2 Moved: HR McTaggart Seconded: Cr AR Smyth

That the Draft Shire of Mingenew Workforce Plan 2020-2024 and the Workforce Efficiency Audit Report prepared by Chris Rafanelli, Rafa Workforce Development and Recruitment, be presented to the December 2020 Concept Forum, with Chris Rafanelli to be invited to the Forum to present the findings of her report.

VOTING DETAILS: CARRIED

The following feedback from the Audit & Risk Committee for the Workforce Efficiency Audit Report was noted:

- Suggest including the FTE in the Organisational Chart
- Clarify if Leading Hand positions are additional or to be filled within existing workforce
- Suggest that a Communications Officer would be more appropriate than Grants Officer
- Would like to see prioritisation of the list of Attraction and Retention strategies based on likely impact and achievability
- Business continuity considerations appreciated the Shire does have a Business Continuity Plan that was last reviewed prior to COVID should be reviewed in light of pandemic and the development of the Workforce Plan.

Feedback on the Workforce Plan was noted:

- Review SWOT Analysis to ensure items are categorised appropriately
- Reference to Ward boundaries (Internal environment) this has recently changed therefore needs to be amended in Plan

- It was clarified that first preference is to employ top candidates to live and work in Mingenew, but compromises may be necessary to attract the right person in key roles if it means they take the job offered, such as accommodating a DIDO workforce
- Implication from Workforce Efficiency Audit is that there is more value in part-time workers in administration, may need to consider increasing incentives as part of Attraction and Retention strategies.
- Another idea for promotion is to increase professional social media presence, such as in LinkedIn and tell stories link with Communications Officer
- Job share and secondment opportunities could be highlighted
- Medium / average age statistic to be checked / amended
- Capturing and utilising local skills and talents to achieve shared objectives was suggested as a strategy

Attachment

- 6.1.1 Draft Workforce Plan 2020-2024
- 6.1.2 Efficiency Audit Report Rafa Workforce Development and Recruitment

Background

In 2010, the Integrated Planning and Reporting (IPR) Framework and Guidelines were introduced in Western Australia as part of the State Government's Local Government Reform Program. Under the Local Government Act 1995, all local governments are required to plan for the future of their district. In late 2016, the IPR Framework and Guidelines underwent a revision in anticipation of local governments reviewing their current strategic community plans as required by statute by 30 June 2017. Whilst the minimum requirement under legislation and regulation is the development of a Strategic Community Plan and a Corporate Business Plan, the Shire has established a suite of documents, as recommended as part of the IPR Framework, to inform and guide decision making in order to achieve community and business objectives.

It is essential to plan for a workforce that can deliver the Corporate Business Plan and to consider the workforce implications of the Strategic Community Plan. The Workforce Plan addresses the skills, expertise and knowledge requirements; the desired organisational culture; what organisational structure will work best; recruitment and retention in the context of labour market challenges and opportunities; and the facilities and equipment needed to support a productive and inclusive workforce.

Note that it is not a requirement for Councils to adopt the Workforce Plan, although some do by agreement with their Chief Executive Officer. The Council has a legislative role in some aspects of the workforce, notably the appointment and performance management of the Chief Executive Officer, responsibility for ensuring that there is an appropriate structure for administering the local government, and some specific provisions regarding designated senior employees. Other than those exceptions, the Workforce Plan is in the domain of the Chief Executive Officer's authority. Therefore, while the resourcing of the Workforce Plan is essentially an outcome of the Council's IPR decisions, it is for the Chief Executive Officer to ensure that the Workforce Plan enables the organisation's objectives to be achieved in the most efficient and effective manner.

The last Workforce Plan to be adopted by the Shire of Mingenew was the 2013-2017 Integrated Workforce Plan, which is now significantly outdated, and does not align with the current Strategic Community Plan or Corporate Business Plan. Staff turnover and reduced capacity over that time has delayed the development of an updated Plan, until recently. A draft Workforce Plan was initially reviewed by the Audit & Risk Committee in early 2020, however the Committee felt further refining was required, and Council budgeted to undertake the Efficiency Audit in 2020/21 which was anticipated to impact the Plan, therefore they are presented together.

The Workforce Plan has been developed to determine workforce strategies that will allow the Shire to achieve its Strategic Community Plan and Corporate Business Plan objectives through consideration of:

- how the workforce will need to change over the long term
- how the workforce will need to change over the short term to achieve immediate strategic priorities of Council
- who is responsible for managing key Shire projects and expected service levels;
- external factors that may influence the workforce;
- data about the current workforce and trends.

Comment

Having a Workforce Plan allows the organisation to maximise the capacity of the workforce and better respond to challenges, as well as ensuring that a consistent and integrated approach is taken into account when making decisions that relate to the workforce or will have an impact on workforce capacity.

In order to address some of the feedback provided by the Audit & Risk Committee in March 2020, the updated Plan has a more strategic focus and has included operational data and actions as appendices to reduce the content within the report itself. The updated Plan also includes a comprehensive SWOT analysis (page 4) that has been used to establish to the recommended strategies and actions (pages 10 – 16, or as summarised on page 2).

The DLGSC recommend that the Workforce Plan cover a four-year period and is closely aligned with the Shire's Corporate Business Plan, as such this format has been used. It should be noted that, like the Shire's other integrated planning documents, it is intended to be a guiding document that has the flexibility to meet the changing needs of the community and business requirements. The document will be reviewed and updated (as required) on an annual basis to ensure it remains relevant and appropriate.

There may be some amendments to the formatting of the final document, with assistance from Lateral Aspect.

Consultation

- Separate Workforce Development Workshops with Elected Member and Staff (excluding Leadership Team)
- Chris Rafanelli, Rafa Workforce Development and Recruitment
- Other local governments
- Lateral Aspect

Statutory Environment

Local Government Act 1995

5.56. Planning for the future

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Local Government (Administration) Regulations 1996

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (3) A corporate business plan for a district is to
 - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

- (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
- (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

Policy Implications

The Workforce Plan may impact policies may impact strategic decision making and Council Policy development, and this document will be considered during future policy reviews.

The Workforce Plan will also inform internal policy positions and procedures that relate to Human Resource Management (HRM) to ensure the organisation's resourcing needs are met and can be sustained as required.

Financial Implications

After initial estimates for the Efficiency Audit ranging from \$10,000 to \$100,000 were received using WALGA's preferred supplier list, contact was made with a number of Midwest-based organisations with relevant experience to determine if a smaller scaled project could be undertaken at a more desirable rate. Of the three organisations contacted following the initial quotation process, Chris Rafanelli was the only supplier that met the required criteria, was willing to submit a quote and be available to prepare the report within our desired timeframe. Whilst Council allocated \$5,000 in the Budget for the Audit, the project was quoted and is expected to be completed for \$6,500 including GST (which is not considered to be a material variance requiring a budget amendment). It is anticipated that there may be savings with the Local Law publishing, counteracting this project being more than budgeted.

Preparing the Workforce Plan internally, utilising existing capacity and expertise, is estimated to have saved Council significant dollars in consultancy fees and it is fortunate the that scope for the Efficiency Audit could include some independent insight into its content.

Strategic Implications

Strategic Community Plan 2019-2029 Strategies

- 1.2.1 Manage organisation in a financially sustainable manner
- 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner

6.0 CLOSURE

The meeting was closed at 11:09am.

These minutes were confirmed at an Audit and Risk Committee Meeting on
Signed Presiding Officer
Date:





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President's Report 2020

It is with pleasure that I present this, my first President's report for the year ending 30th June 2020.

COVID-19 will go down in the annals of history as one of the great challenges that mankind has had to deal with. That nobody within our community contracted the virus was fortunate. The great thing was the way your Shire and its residents responded. Congratulations to our CEO Nils Hay and his team for keeping the business of the Shire running, and the handling of every other challenge throughout the Pandemic. To all of the people of our Shire who volunteered to assist those less fortunate during the lockdown a big thank you.

Despite the unique challenges due to social distancing and border closures the number of tourists who travelled to and through our Shire is testament to the marketing work of Lateral Aspect and our Tourist and Promotions Committee. We must also acknowledge and recognise the work of the committee and volunteers of our museum and the innovation of the historic walk trail.

In some respects, the Pandemic has been a boon for our Shire through the receipt of Federal Government financial assistance schemes. This has enabled us to fund the old railway station restoration, Cecil Newton Park playground expansion, the Recreation Centre water storage and reticulation upgrades and many other small but worthy community projects. Projects we would not have otherwise been able to fund.

The day care centre has also had funds made available for upgrades to its size and make-up, and at the time of writing this report, plans for the project are being drawn up.

To see our sporting clubs conduct a season, abbreviated though it was, added a little bit of normality to the year. Well done to our participants and supporters who made this possible.

During the year we continued to undertake works on the Coalseam and Mullewa Roads which was funded by our normal Regional Roads program grants. Nils and his team were able to secure an extra \$900,000 that had become available which enabled us to engage Contractors to greatly extend the work on Coalseam Road and undertake some work on the Yandanooka North East Road.

Your council has developed a plan for future roadworks. If you think that we are ignoring your road be assured, it will get its turn in the future. One of the roads we have worked on this year is the Enokurra Road; this road was re-sheeted with a great deal of help from the Spencer Family who supplied the gravel and helped to cart it. This sort of assistance only makes the rate payers dollars go further. Thank you to the Spencer Family.

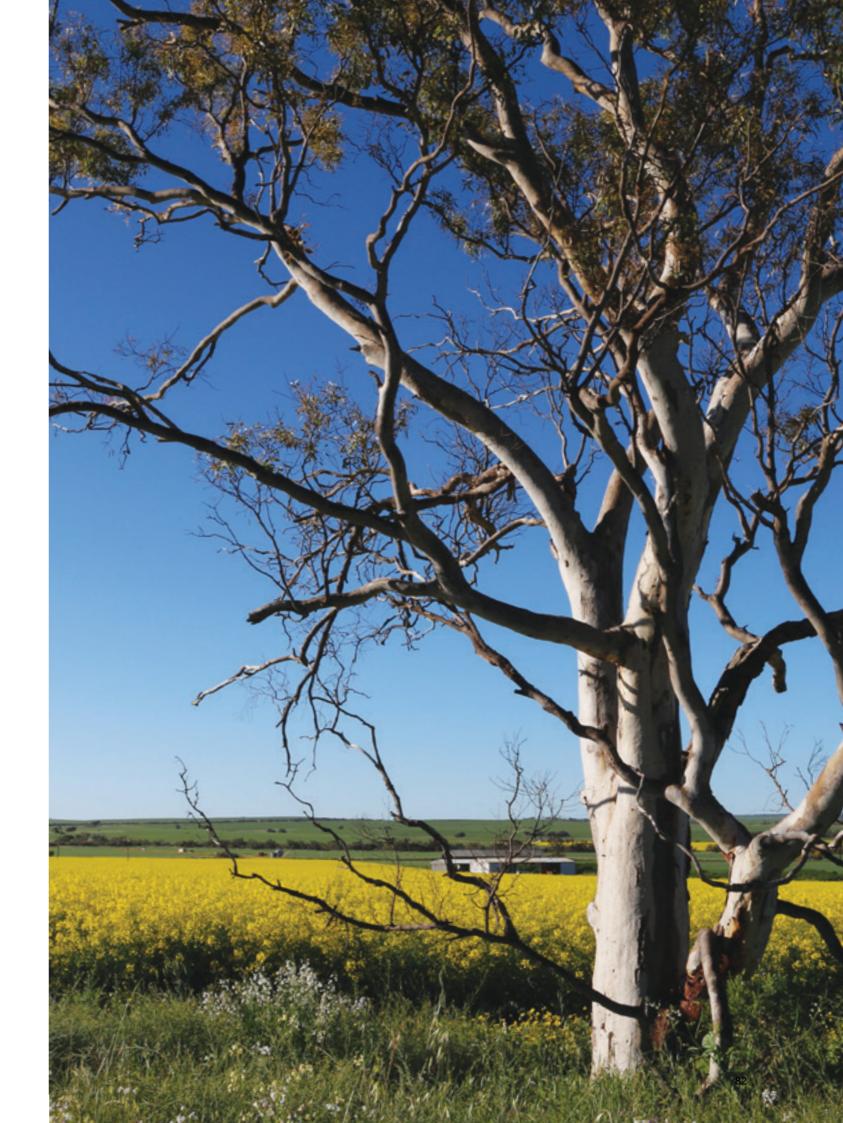
I know many of you question exactly what all the people who work within the Shire Office do. Perhaps this is a question you should raise with your Local State Politician as they continue to increase compliance requirements, generating more work for our staff. The Local Government Act is currently under review, and whilst it is claimed that it will be made simpler, I very much doubt it. This report is being delayed by the Auditor General whose department audits our organisation, through the use of a contract auditor – another layer of oversight and cost. In recent months they have also retrospectively applied new accounting standards mid-stream, further delaying the ability for our staff to have their audit signed off and this annual report completed. It's very much like "Yes Minister". At the time of writing this report I do not know of any issues that may be raised by our Auditors, as delays outside of the hands of our staff have made this impossible.

In light of this, I offer my congratulations and thanks to Nils and his team. Whilst there have been many challenges in the last year, I encourage you to carry on with the good work.

To my fellow councillors, I thank you for your due diligence and efforts throughout this trying year. Together we will strive onwards and upwards.

Gary Cosgrove

President



CEO's Report

2019-20 was not an ordinary year for anyone. Whilst we in the Mid West found ourselves largely (and thankfully) unscathed, the global COVID-19 disrupted life as we know it. For the Shire as an organisation, this meant that we needed to move quickly to adopt a cloud-based computing system that would allow staff to work remotely during lockdown, and the need to develop COVID-safe plans for our various buildings and facilities. I have to say that I am proud of my team and their ability to adapt and continue to deliver in the face of significant uncertainty.

As a local government, our responsibilities were much broader and the concerns arising from the pandemic saw Council adopt a suite of measures to try to support our ratepayers and community. This included suspending interest accrual, waiving a range of fees and charges, establishing an emergency reserve and maintaining the same cents-in-the-dollar rate for financial year 20-21 as we had in 19-20. It also fostered the We'll Help You in Mingenew campaign, in partnership with the Mingenew Community Resource Centre.

In the background of COVID-19, there has been significant review taking place of the Local Government Act 1995 – the primary piece of legislation that governs our sector. Whilst the process will be several years in the making, we have been providing regular submissions to ensure that our voice – and the voice of small, regional local governments like ours - is heard. As with much of the legislation that we are bound by, the currently Local Government Act adopts a one-size-fits-all approach – meaning that the Shire of Mingenew and City of Stirling both have the same legislative and compliance requirements. Whilst this ensures consistency across the sector, it also places a somewhat disproportionate burden on smaller local governments like ours as we seek to achieve compliance with a much lower level of resourcing whilst still delivering services to our community.

In spite of the challenges posed, the 2019-20 year has still seen the Shire built – both literally and figuratively – on some of the foundations laid in the prior year. Armed with a new Community Strategic Plan and Corporate Business Plan, we set about delivery and implementation.

There was significant effort given to further strengthening our compliance and regulatory environment, and this was reflected in several areas:

- Completion of the Shire's Local Planning Scheme No. 4
- Development and introduction of a Customer Service Charter
- Significant review and improvement of the Shire's HR policy framework
- Commencement of a major review of the Shire's local laws
- A series of clean audit reports

Whilst these things may not be particularly exciting to the outside observer, they all help to ensure that the Shire of Mingenew is soundly managed and satisfies our numerous regulators – many of whom are also significant sources of funding for the Shire.

The COVID environment has also prompted us to ensure that we can deliver information and services effectively online, which has resulted in acceleration of some planned upgrades to the Shire website. If you haven't visited it recently, I would encourage you to do so.)

As the President has noted in his report, we have had both success and a degree of good fortune in the funding arena, and this helped us to both deliver a bigger-than-expected road program, as well as funding a tranche of new projects that we will be busy delivering in the 20/21 financial year.

As always, thanks must go to my fantastic team of staff, the support of our Councillors and the warmth of the Mingenew community. Whilst not without its challenges, it has been another year of growth and development for our organisation, the Shire, and me personally.

Staff

We have seen greater stability in our workforce over the past year, particularly with regards to our inside staff. Over the course of the year Sarah Kempton and Belinda Bow have left us, and we welcome Megan Smith and Erin Greaves in their place.

Structurally, we are also seeking to bolster our works department with the addition of a Works Manager role – as a part time position – to provide some additional technical expertise and support.

Finance Statistics

The Shire of Mingenew had a Total Revenue of \$5.25m (including operating and capital grants) for the 2019/20 financial year. A total of 32% (\$1.68m) of the Shire's revenue for 2019/20 was Non-Operating Grants which helped to fund a number of key capital projects, in particular the widening of a large section of Coalseam Road. Operating Grants and Contributions account for 14% of total revenue, while Rates (36%) and Fees & Charges (5%) are also significant contributing factors to the total revenue figure. The remaining revenue comes from interest received and other miscellaneous services carried out by the Shire during the financial year. There was a total of 13% of revenue made up of Reimbursements & Other Income. This amount was predominately made up of police licensing.

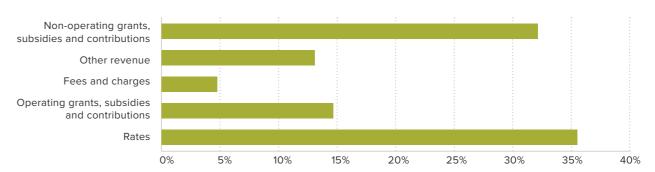
Revenue

The revenue (Operating and Capital) generated by the Shire is spent providing infrastructure and services for the community. The Shire provides many services including maintaining and improving roads, parks and gardens, leisure services and other community projects. A significant amount of the Shire's resources are spent on maintaining road infrastructure and the provision of recreation services. In this financial year there were 4 capital roadwork projects undertaken; one on Mingenew Mullewa Road, 2 on Coalseam Road and 1 on Yandanooka North East Road, totalling \$2.42m.

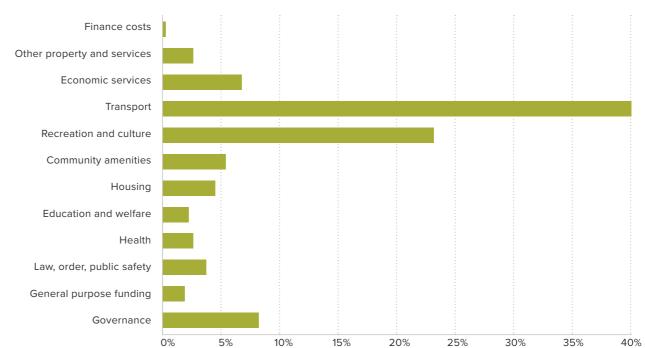
Operating Expenditure

When comparing the breakdown of these costs by nature and type a significant 33% of all operating expenditure is attributed to depreciation charges. Depreciation is a non cash item and is attributed to the Shire having in excess of \$50m worth of assets, of which 80% is attributed to the Shire's road network and other related infrastructure whilst the other 20% is attributed to Property, Plant & Equipment.

Total Revenue by Nature & Type



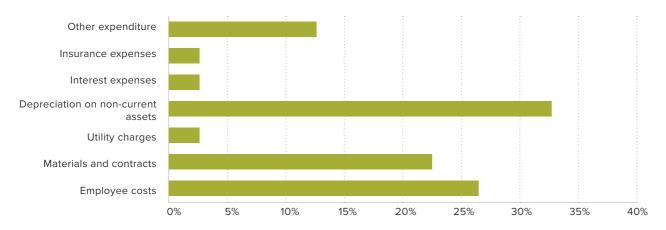
Operating Expenditure by Program



Shire of Mingenew Annual Report 2018/2019

CEO's 8³ port

Operating Expenditure by Nature & Type



Reserve Funds

As at 30 June 2020 the balance in the Reserve Accounts was \$427,011 as shown in Table 1.

Council approved the creation of a COVID-19 Emergency Reserve to cater for any potential emergency expenditure related to the COVID-19 pandemic. To date there has been no need to use this reserve. There was a transfer to the Plant Replacement Reserve of \$107k this year to replace the funds that were taken out of this reserve the previous year. Council has indicated a desire to increase the reserves going forward in order to provide for future acquisitions and proposed developments.

Capital

In addition to the normal operating activities, a number of significant capital works projects were undertaken during the 2019/20 financial year to the value of \$2.57m. Some of this year's capital works highlights are shown in Table 2.

Loan Liability

As at 30 June 2020 the outstanding principal on all loans was \$327,914 which represents a significant reduction in debt from the outstanding balance of \$486,076 at the end of the last financial year and if there is no need for any further loans, the Shire remains on track to pay off all current debts at the end of the 2022/23 financial year.

Table 1

Reserve	Balance
Land & Building Reserve	\$30,035
Plant Reserve	\$153,439
Recreation Reserve	\$3,068
Employee Entitlement Reserve	\$67,534
Aged Persons Units Reserve	\$12,670
Environmental Reserve	\$19,444
Industrial Area Development Reserve	\$5,724
RTC/PO/NAB Building Reserve	\$22,023
Insurance Reserve	\$22,842
Economic Development & Marketing Reserve	\$10,232
Covid-19 Emergency Reserve	\$80,000
Total	\$427,011

Table 2

Project	Amount
Yandanooka North East Road - reconstruct	\$206,768
Coalseam Road - widen, realign and reconstruct	\$1,811,085
Mingenew Mullewa Road - reconstruct	\$406,349
Plant & Equipment	\$74,010

Tourism

Through 2019-20 the Shire has continued with its 'We'll see you in Mingenew' and seasonal 'Making Mingenew the middle of your wildflower season' campaigns. A mixture of digital, television and billboard advertising, local businesses have continued to report the positive impact the campaign is having on visitor numbers, and recognition of the Mingenew 'brand' outside of the Shire has grown further as a result. Whilst COVID-19 certainly slowed the start of the tourist season, once the intra-state borders opened, Mingenew became a hive of visitor activity.

We have also continued our partnership with Astrotourism WA, through the delivery of a community stargazing event, as well as ongoing development of existing and potential stargazing sites and promotion of Mingenew as an attractive location for stargazing and astrophotography.

Council and Councillors

2019-20 saw a biennial election take place. Councillors Leah Eardley and Kym McGlinn vacated their seats, Councillors Justin Bagley and Gary Cosgrove we reelected and we welcomed two new elected members, Carol Farr and Hellene McTaggart.

Following the public election, Gary Cosgrove was elected Shire President and Robert Newton re-elected Deputy Shire President. We would like to acknowledge the contributions of Councillors Eardley and McGlinn, as well as those of Councillor Helen Newton during her tenure as Shire President.

Nils Hay

Chief Executive Officer



Shire of Mingenew Annual Report 2018/2019



Councillors and Staff

Councillors



Gary Cosgrove
Shire President



Robert Newton

Deputy President



Justin Bagley Councillor



Carol Farr Councillor



Hellene McTaggart Councillor



Helen Newton Councillor



Anthony Smyth Councillor

Staff Leadership Team



Nils Hay
Chief Executive Officer



Jeremy Clapham
Finance Manager



Rocky Brennan Works Supervisor



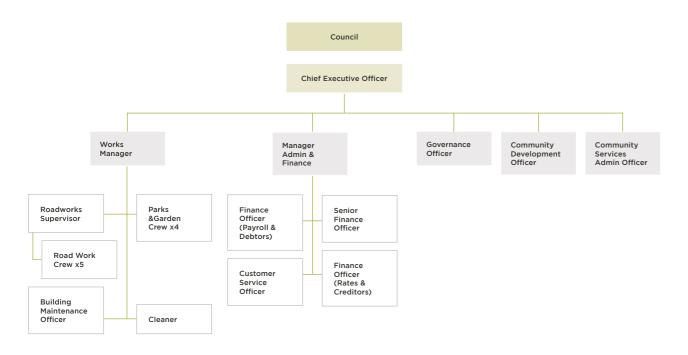
Belinda Bow Governance Officer



Erin Greaves
Governance Officer



Organisational Charts







Strategic Community Plan Outcomes

2019-20 is the first year of operation of our 2019-29 Strategic Community Plan. Despite some of the challenges the year threw at us, we were certainly able to make progress towards the Plan's goals. Much of this year's outcomes related to the planning of future projects and allocation of funding for delivery, with this year setting us up well to deliver a range of infrastructure and community projects in the 2020-21 Financial Year.

Strategy 1Leading Mingenew

Goal: Council will provide accountable and transparent leadership with the Community to deliver on the Strategic Community Plan

1.1 Infrastructure

The planning, construction and maintenance of infrastructure is the major use of Council's resources. In the 2019-20 Financial Year, in addition to the delivery of a number of large road projects, funding was secured and allocated to numerous transport and community infrastructure project for the coming two years.

Outcomes:

- 5-year road infrastructure plan updated
- Road program delivered 9+km of widening and sealing of Coalseam Road, 3km of Mingenew-Morawa Road and 1.5km of Yandanooka North East Road
- Funding allocated to add parking and reseal Phillip Street in FY20-21
- Funding for Coalseam Road bridge secured, with works to take place from FY20-21
- Partial funding for Yandanooka North East Road-Mingenew-Morawa Road intersection secured (remainder secured in FY20-21)
- Funding secured for Mingenew Railway Station redevelopment; works to be undertaken in FY20-21
- Funding secured for reseal of town carparks
- Funding allocated to installation of solar power systems at Mingenew Recreation Centre and Shire Office in FY20-21
- Funding allocated to upgrade of water infrastructure at Mingenew Recreation Centre

1.2 Capability

There is always a lot of work happening behind the scenes to improve the way that Council operates, this year COVID has taught us a lot about alternative modes of working and service delivery that previously we would not have thought possible.

Outcomes:

- Move to cloud-based ICT system to facilitate remote working during COVID-19 and improve disaster resilience of Shire IT environment
- Major HR Policy framework review completed
- · Internal Audit Plan deliverables completed
- Workforce plan review commenced; to be completed in FY20/21

1.3 Compliance:

Local Government operates in an increasingly complex compliance environment, with over 50 pieces of legislation and regulation falling within our purview. Whilst most compliance work is 'business as usual' for our team, there are some undertakings that have broader scope and, hopefully, benefits.

Outcomes:

 Completion of Road Safety Audit for Yandanooka North East Road; this process will hopefully assist with future funding applications for the widening and improvement of this road.

1.4 Resource Management:

Efficient management of resources is important, as custodians of both natural assets and public funds.

Outcomes:

 Environmental Management Plan and procurement processes for Mingenew Transfer Station completed. This will support the transition away from landfill towards a manned transfer station model in FY20/21

Strategy 2 Love living in Mingenew

Goal: Develop healthcare and recreation services for all the community to ensure the well-being and health of all age groups within the community

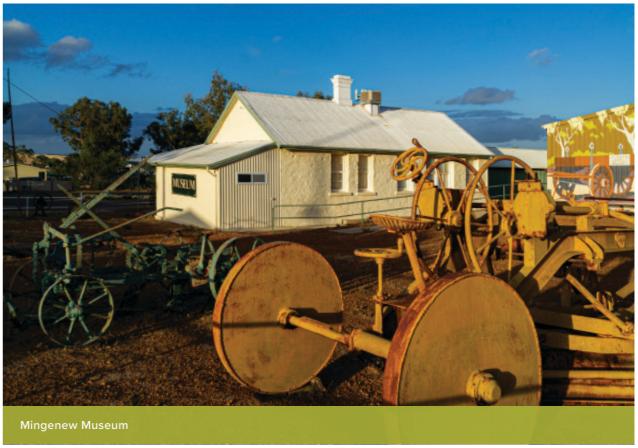
2.1 Health

Whilst health services are generally not the province of Local Government, ensuring the health of our community is a priority.

Outcomes

- In addition to subsidising bulk-billed health service in Mingenew, this year the Shire was able to arrange for Mid West Aero Medical to hold an Influenza Vaccination Day in town, to assist a large proportion of our residents to receive a vaccination
- Early 2020 also saw us managing the challenges
 of the COVID-19 pandemic, this saw the Shire
 forced to close or place restrictions on a number
 of its facilities, as well as the introduction of
 a range of measures to assist community and
 ratepayers during the pandemic.

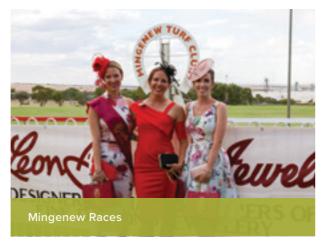




Shire of Mingenew Annual Report 2018/2019







2.2 Education

As with health, education is not typically an area that Local Government is responsible for, but Council recognises the importance of quality educational services and facilities in order to ensure a strong community.

Outcomes:

 Council allocated \$150,000 towards an upgrade of Mingenew's child care facilities, with works to be completed in FY20-21

2.3 Culture and Heritage

Through both the delivery of appropriate infrastructure and the support of arts and cultural organisations, Council seeks to both preserve Mingenew's rich heritage and make it a vibrant place to live. Unfortunately, the Arts is one sector that COVID-19 hit quite hard.

Outcomes:

 Funding provided to Mingenew Historical Society and Tourist & Promotions Committee for the Mingenew Historical Walk

- Installation of historical machinery on Victoria Road, outside the Mingenew Museum
- Leasing of the historical Bank Building to Hinterland Collective, a business and recording studio

2.4 Sense of Community

Community groups, our hard-working volunteers, and social infrastructure are a key part of who we are as a community, and integral in preserving our community. Supporting and building the capacity of our community groups is a key focus area.

Outcomes:

- Two rounds of Community Assistance Scheme funding provided to community groups
- Funding allocated to major youth precinct redevelopment at Cecil Newton Park and Mingenew Skate Park
- Funding allocated to upgrade of walking trails at Mingenew Hill

Strategy 3 Growing Mingenew

Goal: Develop key enabling and underpinning investments to grow the community to a population of 500 by 2029

3.1 Housing

Key to the long-term plans to maintain and grow Mingenew's population is ensuring an appropriate supply of housing. Whilst Local Government is generally not a housing provider, in smaller community like Mingenew, Council tends to become the agency of last resort.

Outcomes:

- Local land and housing audit processes completed to determine vacant properties and potential opportunities
- Lobbying of Department of Housing to free up vacant State-owned property for rental to address rental property shortage

3.2 Development

Council recognises a need to grow existing major industries, like agriculture, whilst also supporting the growth and development of other sectors.

Outcomes:

- Shire has been working with Oil and Gas industry proponents as part of initial survey work in the Shire and region
- Shire has been actively lobbying the State
 Government for assistance with infrastructure
 upgrades to support growth of the space sector at
 Yarragadee

Strategy 4We'll see you in Mingenew

Goal: Attract visitors to Mingenew by making it a highly desirable and dynamic place to visit and live, resulting in an increase in population

Tourism is a key pillar of Council's vision for the future economic and population growth of Mingenew, and in the several years since rebranding the Shire, the ongoing campaigns have yielded strong visitor numbers. Whilst COVID-19 dampened the sector in early 2020, once the intrastate borders were reopened we experienced strong visitation numbers.

Outcomes:

- The Shire is continuing to fund and deliver the 'We'll See You in Mingenew' campaign
- Work is being done to diversify our tourism offerings, through engagement with Astrotourism WA, to deliver stargazing events and position our Shire as an Astrotourism destination
- The Shire remains an active member, holding the Chair position of WA's Wildflower Country Incorporated, a regional tourism body made up of 9 local governments



Shire of Mingenew Annual Report 2018/2019

Strategic Community Plan Out 99 mes

Strategy 5Making business easy In Mingenew

Goal: Ensure Mingenew is supporting local businesses to grow and maintain employment within the community

Part of the Shire's role is to help to create an environment in which business can thrive; this is done through both the provision of infrastructure, but also through encouraging support services to engage with Mingenew businesses.

5.1 Digital Capacity

In the COVID-19 era, more than ever, digital capability is key to success. It allows you to reach customers, work remotely and remain competitive, whether you are in Mingenew or a major city.

Outcomes:

 Fixed wireless connection for Mingenew townsite funded for delivery in FY20-21

- Engagement with State Government and Node1 through installation of Digital Farms infrastructure through the Shire
- Ongoing lobbying of government for improved mobile phone services for rural areas continues with mobile blackspot projects approved for Milo and Arrowsmith East in FY20-21

5.2 Economic Development

Where possible, the Shire will help businesses to help themselves – seeking access to services and facilities to help them to thrive.

Outcomes:

- Funding allocated for small business incubator or shared working space in Mingenew
- Audit of light industrial land in Mingenew completed, with view to future development/ establishment of business incubator project









Governance

Elected Member Attendance

Elected Member attendance - 1 July 2019 to 30 June 2020

Council [11]: Number of meetings attended / total number meeting required to attend

N/A: Elected Member not required to attend

Elected Member	Term Commenced	Term Expires	Ward	Council (11)	Special Council (3)	Audit & Risk Committee (4)	Bushfire Advisory Committee (2)	Executive Committee (1)	Electors Meeting (1)	LEMC (1)
Cr G Cosgrove	2019	2023	Town	11 (11)	3 (3)	1 (1)			1 (1)	1
Cr R Newton	2017	2021	Rural	11 (11)	3 (3)	4 (4)	1 (1)	2 (2)	1 (1)	2 (3)
Cr J Bagley	2019	2023	Rural	10 (11)	3 (3)		1 (1)	2 (2)	1 (1)	1
Cr H McTaggart	2019	2023	Rural	7 (7)	3 (3)	3 (3)			1 (1)	1
Cr C Farr	2019	2023	Town	7 (7)	3 (3)				1 (1)	1
Cr H Newton	2017	2021	Town	11 (11)	3 (3)	1 (1)		2 (2)	1 (1)	1
Cr A Smyth	2019	2021	Town	11 (11)	3 (3)	2 (4)	1 (1)		1 (1)	2 (2)
Cr L Eardley*	2015	2019	Town	2 (4)		1 (1)				-
Cr K McGlinn*	2017	2019	Town	2 (4)						-

^{*} Councillors did not renominate in 2019 Elections – terms expired October 2019

Elected Member Training

Part 10 – Training of the Local Government (Administration) Regulations 1996 was introduced requiring all elected members whose term commenced on or after 9 August 2019 complete the Council Member Essentials training course within 12 months of their election, in accordance with s5.126(1) of the Local Government Act 1995. The status of Councillor-completed training as at 30 June 2020 is as follows:

	Council Member Essentials module completion						
Elected Member	Understanding Local Government	Serving on Council	Meeting Procedures	Conflicts of Interest	Understanding Financial Reports & Budget		
Cr G Cosgrove*	In Progress	In Progress	In Progress	In Progress	Assess only		
Cr R Newton	In Progress	In Progress	In Progress	In Progress	In Progress		
Cr J Bagley*	In Progress	In Progress	In Progress	In Progress	In Progress		
Cr H McTaggart*	Completed	In Progress	Completed	In Progress	In Progress		
Cr C Farr*	In Progress	In Progress	In Progress	In Progress	In Progress		
Cr H Newton	In Progress	Completed	Assess Only	In Progress	Assess Only		
Cr A Smyth	In Progress	In Progress	In Progress	In Progress	In Progress		

Where "Assess Only" is indicated, the Elected Member has participated in an approved equivalent course prior to the introduction of this legislation and are required to complete the applicable assessment only to be eligible for recognition as completed under the Council Member Essentials training program.

Employee Remuneration

In accordance with r19B(a) and (b) of the Local Government (Administration) Regulations 1996, the number of Shire employees entitled to an annual salary of \$130,000 or more during the 2019/20 year are shown in the table below.

Table 4

Salary Range	Number of Employees
\$130 000 to \$139 999	-
\$140 000 to \$149 999	-
\$150 000 to \$159 999	1
\$160 000 to \$169 999	-

For the purposes of r19B(e), the remuneration paid or provided to the CEO during the 2019/20 financial year was \$146.109.

Freedom of Information

The Shire aims to make information available, whenever possible, outside the freedom of information process. However, on occasion, access to documents may require an application in accordance with the Freedom of Information Act 1992. Should members of the public wish to access information and documents held by the Shire please access the annually updated Shire of Mingenew Information Statement located on the Shire website to guide you in this process.

The Shire did not receive any applications under the Freedom of Information Act 1982 in 2019/20.

Disability and Access Inclusion Plan

The Shire's Disability Access and Inclusion Plan (DAIP) 2019-2024, last reviewed in 2019, is a key strategic document that outlines the Shire's approach to working towards a more accessible and inclusive community. The DAIP ensures that services, facilities and information meet the needs of people with disability, their families and carers and supports an environment in which people with disability have the same opportunities, rights and responsibilities enjoyed by all other people in the community. Key strategies include:

- Ensuring that people with disability have the same opportunities as other people to access the services of, and any events organised by the Shire through consultation, policy development and improved services
- II. Ensuring that people with disability have the same opportunities as other people to access the buildings and other facilities of the Shire through improved planning and consultation during new and development works, including parking and access ways
- III. Ensuring people with a disability receive information in a format that will enable them to access information as readily as other people by having information available in alternative formats and continuously improving the Shire's website formatting

- IV. Ensuring people with disability receive the same level and quality of service from staff as other people through training, inductions and seeking advice from disability service providers
- V. Ensuring the Shire's grievance mechanisms are accessible for people with a disability
- VI. Ensuring people with disability have the same opportunity to participate in any public consultation through promotion of the DAIP and targeting affected community members on relevant matters
- VII. Using inclusive recruitment methods and practices to support people with disability in obtaining and maintaining employment with the Shire

The DAIP is monitored regularly and Progress Reports are provided to the Department of Communities.

Complaints Register

The Shire reports no complaints, as defined under s5.105 of the Act – 'Breaches by council members', for the period ending 30 June 2020. The complaints officer (CEO for the Shire of Mingenew) is required to maintain a register of complaints that result in a finding under s5.110(2)(a) that a minor breach has occurred. A copy of the Register is available on the Shire's website.

Public Disclosures

The Public Interest Disclosure Act 2013 (Commonwealth) aims to ensure openness and accountability in government. Disclosures are treated in confidence and persons making a disclosure are protected from detrimental action. The Chief Executive Officer is the appointed Public Interest Disclosure (PID) Officer for the Shire. During 2019/20 the Shire did not receive any disclosures.

Recordkeeping Plan

The Shire of Mingenew is committed to the reliable and systematic management of government records, in accordance with legislative requirements and best practice standards.

Council adopted the Shire's Recordkeeping Plan in 2015 and a formal review has been undertaken. A Recordkeeping Plan Review Report was submitted to the State Records Office in August 2020.

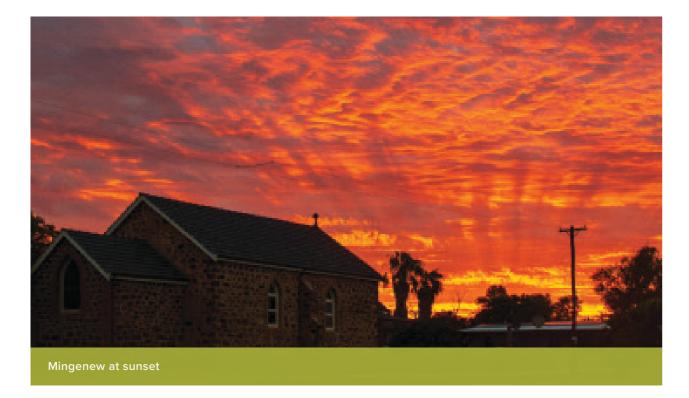
The Shire of Mingenew has commenced a review of its Recordkeeping Plan with a view to adopting a revised Plan by 20 August 2021. This review will include the development of strategies to address the appropriate capture of digital data and improve employee and elected member awareness of the Plan, associated procedures and statutory requirements. A review of employee and Councillor Induction programs are under review to ensure personnel are aware of their responsibilities with regard to recordkeeping.

National Competition Policy

The Federal and State governments have a Competition Principals Agreement in place, which is binding on local government.

Shire of Mingenew Annual Report 2018/2019

^{*} Denotes Elected Members who are required to complete the mandatory training, all other Elected Members are exempt in accordance with r.36.



The Agreement requires the Shire to carry out activities, including a report on those activities in each year's Annual Report. The three areas that affect local government are:

1. Competitive neutrality

To remove benefits (and costs) which accrue to government business as a result of their public ownership.

2. Structural reform

Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.

3. Legislation review

To review legislation that restricts competition.

Competitive Neutrality

There are several tests to apply that assist in determining if there is a 'significant business

- Does the activity receive revenue from external sources that exceeds \$200,000 per annum? (In determining this amount, Council has been advised to disregard grant income, internal charges, and statutory fees.)
- Would the benefits to be realised from the implementation of competitive neutrality exceed the costs?

From an examination of the revenue statement of the Shire for the preceding period, there is no activity that satisfies this first part of the test, and accordingly the principles of competitive neutrality do not apply to any Shire of Mingenew activities.

Structural Reform

In this area, Council has no monopoly activities.

What is basic to the function of restructuring public monopolies is the splitting or division of the regulatory role from the service provision role.

To address the question of monopoly, the following test has been applied to each activity:

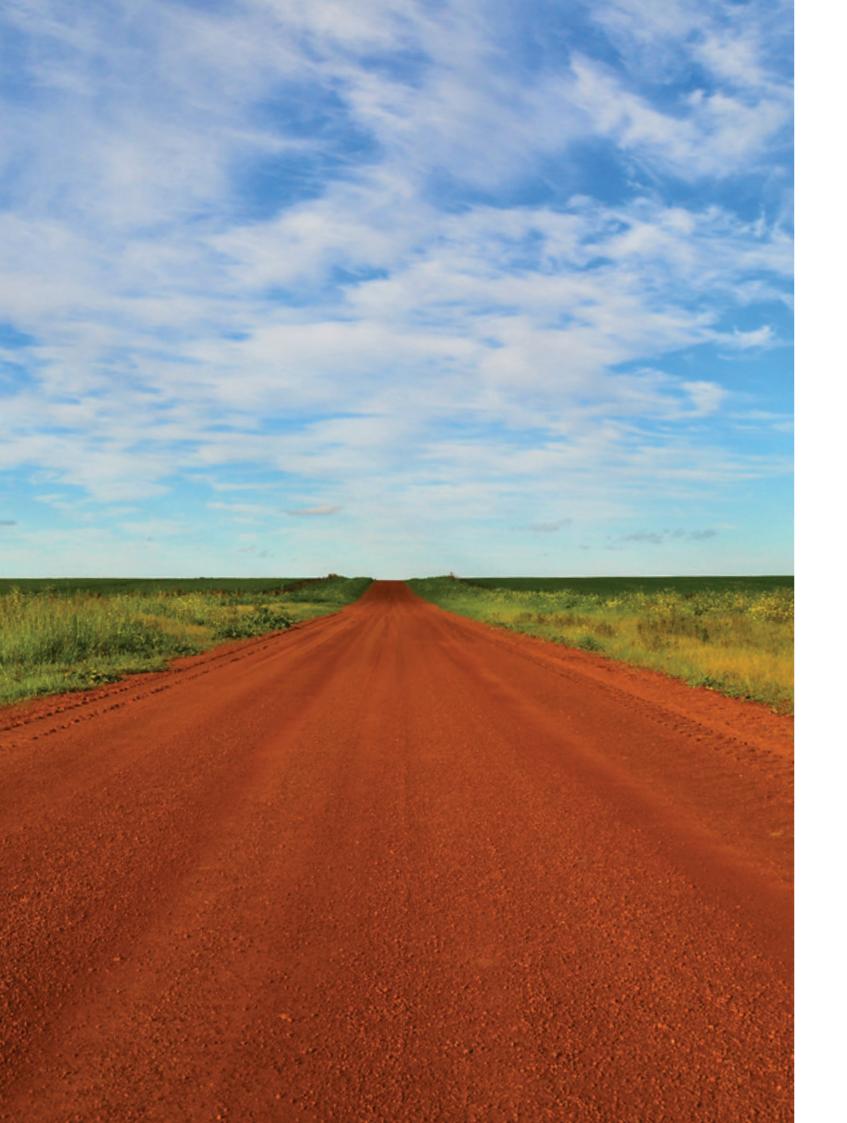
- Definition: In regard to this service, does Council have 'exclusive or near exclusive control of the market supply of this service?'
- · Dual function: Does Council have both a regulatory and supply function in this area of activity?

Legislation Review

Council has a portfolio of local laws (previously known a by-laws) which may or may not conflict with the Competition Principles Agreement. These local laws will be reviewed to ensure compliance with the reporting requirements.

The Shire last conducted a review of its Local Laws in 2017 and is continuing to implement actions from this





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SHIRE OF MINGENEW

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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COMMUNITY VISION

Mingenew Shire is a safe, inclusive and connected community with a thriving local economy that provides opportunity for all to suceed.

Principal place of business: 21 Victoria Street Mingenew WA 6522

SHIRE OF MINGENEW FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Local Government Act 1995 Local Government (Financial Management) Regulations 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Mingenew for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Mingenew at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the	9th	day of	December	2020
			NON	
			Nils Hay	
			Chief Executive C	Officer

SHIRE OF MINGENEW STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
		\$	\$	\$
Revenue				
Rates	26(a)	1,885,305	1,884,633	1,865,935
Operating grants, subsidies and contributions	2(a)	760,450	416,677	778,421
Fees and charges	2(a)	250,486	249,008	279,884
Interest earnings	2(a)	32,981	55,110	56,917
Other revenue	2(a)	635,543	603,800	598,943
		3,564,765	3,209,228	3,580,100
Expenses				
Employee costs		(1,197,569)	(1,116,088)	(1,027,186)
Materials and contracts		(1,032,941)	(1,055,756)	(824,287)
Utility charges		(110,991)	(124,697)	(113,687)
Depreciation on non-current assets	11(c)	(1,508,468)	(1,850,261)	(1,427,014)
Interest expenses	2(b)	(14,589)	(15,819)	(20,635)
Insurance expenses		(121,694)	(121,123)	(124,537)
Other expenditure		(658,012)	(637,652)	(652,741)
		(4,644,264)	(4,921,396)	(4,190,087)
		(1,079,499)	(1,712,168)	(609,987)
Non-operating grants, subsidies and contributions	2(a)	1,853,775	1,725,016	4,132,897
Profit on asset disposals	11(a)	763	12,000	48,551
Fair value adjustments to financial assets at fair value				
through profit or loss		0	0	52,543
		1,854,538	1,737,016	4,233,991
Not recult for the period		775 020	24.040	2 624 004
Net result for the period		775,039	24,848	3,624,004
Other comprehensive income				
Items that will not be reclassified subsequently to profit or				
Changes in asset revaluation surplus	13	(41,000)	0	0
Total other comprehensive income for the period		(41,000)	0	0
		(11,000)		
Total comprehensive income for the period		734,039	24,848	3,624,004

SHIRE OF MINGENEW STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
Personne	2(=)	\$	\$	\$
Revenue Governance	2(a)	14,029	15,449	38,310
General purpose funding		2,576,681	2,228,683	2,539,182
Law, order, public safety		21,041	23,618	25,420
Health		144	371	461
Education and welfare		565	1,755	801
Housing		109,289	103,035	119,163
Community amenities		72,900	78,337	87,409
Recreation and culture		37,543	38,335	30,574
Transport		593,914	646,375	641,504
Economic services		25,286	9,945	15,517
Other property and services		113,373	63,325	81,759
		3,564,765	3,209,228	3,580,100
Expenses	2(b)			
Governance	-()	(363,471)	(256,852)	(337,605)
General purpose funding		(87,997)	(90,742)	(92,654)
Law, order, public safety		(155,223)	(155,559)	(133,701)
Health		(95,069)	(113,300)	(124,942)
Education and welfare		(89,452)	(67,032)	(60,718)
Housing		(185,809)	(178,759)	(164,636)
Community amenities		(239,636)	(272,077)	(216,941)
Recreation and culture		(1,061,168)	(1,165,670)	(1,056,955)
Transport		(1,831,494)	(2,176,003)	(1,578,499)
Economic services		(393,706)	(369,934)	(322,574)
Other property and services		(126,650)	(59,649)	(80,227)
		(4,629,675)	(4,905,577)	(4,169,452)
Finance Costs	2(b)			
General purpose funding		0	0	(149)
Education and welfare		(1,631)	(2,500)	(2,809)
Housing		(4,699)	(5,469)	(8,123)
Recreation and culture		(1,565)	(2,300)	(2,696)
Transport		(3,982)	(5,550)	(6,858)
Other property and services		(2,712)	0 (45.040)	0
		(14,589)	(15,819)	(20,635)
		(1,079,499)	(1,712,168)	(609,987)
Non-operating grants, subsidies and contributions	2(a)	1,853,775	1,725,016	4,132,897
Profit on disposal of assets	2(a) 11(a)	763	12,000	48,551
Fair value adjustments to financial assets at fair value through	11(α)	700		,
profit or loss		0	0	52,543
		1,854,538	1,737,016	4,233,991
Net result for the period		775,039	24,848	3,624,004
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss	40	(44.000)	•	•
Changes in asset revaluation surplus	13	(41,000)	0	0
Total other comprehensive income for the period		(41,000)	0	0
Total comprehensive income for the period		734,039	24,848	3,624,004
rotal comprehensive income for the period		107,000	<u> </u>	5,5 <u>2</u> -7,50 -7

SHIRE OF MINGENEW STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

CURRENT ASSETS \$ \$ Cash and cash equivalents 3 1,088,447 1,508,858 Trade and other receivables 6 45,942 309,534 Inventories 7 0 40,394 Other assets 8 0 18,937 TOTAL CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 6 12,817 7,907 Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES 51,426,603 51,370,522 TOTAL ASSETS 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease li		NOTE	2020	2019
Cash and cash equivalents 3 1,088,447 1,508,658 Trade and other receivables 6 45,942 309,534 Inventories 7 0 40,394 Other assets 8 0 18,937 TOTAL CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 7 0 35,000 Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings <td></td> <td></td> <td>\$</td> <td>\$</td>			\$	\$
Trade and other receivables 6 45,942 309,534 Inventories 7 0 40,394 Other assets 8 0 18,937 TOTAL CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 7 0 35,000 Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 50,292,214 49,492,799 TOTAL ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES 15 170,866 0 Contract liabilities 15 170,866 0 Contract liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166		_		
Inventories	·			
Other assets 8 0 19,937 TOTAL CURRENT ASSETS 1,134,389 1,877,723 NON-CURRENT ASSETS 5 1,2817 7,907 Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES 51,426,603 51,370,522 CURRENT LIABILITIES 15 170,866 0 Cuase liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 NON-CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 17(a) 165,918 327,910 Employee related provisions 18 13,199 <t< td=""><td></td><td></td><td></td><td></td></t<>				
NON-CURRENT ASSETS 1,134,389 1,877,723				
NON-CURRENT ASSETS Trade and other receivables 6		8		
Trade and other receivables 6 12,817 7,907 Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 NON-CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 <t< td=""><td>TOTAL CURRENT ASSETS</td><td></td><td>1,134,389</td><td>1,877,723</td></t<>	TOTAL CURRENT ASSETS		1,134,389	1,877,723
Other financial assets 5(a) 52,551 52,551 Inventories 7 0 35,000 Property, plant and equipment 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 50,292,214 49,492,799 TOTAL ASSETS TOTAL ASSETS TOTAL ASSETS TOTAL ASSETS TOTAL ASSETS TOTAL BILITIES Lease Inabilities 14 130,575 332,784 CURRENT LIABILITIES 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 <	NON-CURRENT ASSETS			
Inventories	Trade and other receivables	6	12,817	7,907
Property, plant and equipment Infrastructure 9 9,601,039 10,586,256 Infrastructure 10 40,602,558 38,811,085 Right of use assets 12(a) 23,249 0 TOTAL NON-CURRENT ASSETS 50,292,214 49,492,799 TOTAL ASSETS CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NOTAL LIABILITI	Other financial assets	5(a)	52,551	52,551
Infrastructure	Inventories	7	0	35,000
Right of use assets		9	9,601,039	10,586,256
TOTAL NON-CURRENT ASSETS 50,292,214 49,492,799 TOTAL ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 NON-CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257				38,811,085
TOTAL ASSETS 51,426,603 51,370,522 CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,1	· ·	12(a)		
CURRENT LIABILITIES Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	TOTAL NON-CURRENT ASSETS		50,292,214	49,492,799
Trade and other payables 14 130,575 332,784 Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	TOTAL ASSETS		51,426,603	51,370,522
Contract liabilities 15 170,866 0 Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	CURRENT LIABILITIES			
Lease liabilities 16(a) 9,331 0 Borrowings 17(a) 161,996 158,166 Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Trade and other payables	14	130,575	332,784
Borrowings	Contract liabilities	15	170,866	0
Employee related provisions 18 136,130 135,960 TOTAL CURRENT LIABILITIES 608,898 626,910 NON-CURRENT LIABILITIES 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY 8 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Lease liabilities	16(a)	9,331	0
TOTAL CURRENT LIABILITIES NON-CURRENT LIABILITIES 608,898 626,910 Lease liabilities 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY 8 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Borrowings	17(a)	161,996	158,166
NON-CURRENT LIABILITIES Lease liabilities 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257		18	136,130	135,960
Lease liabilities 16(a) 11,387 0 Borrowings 17(a) 165,918 327,910 Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	TOTAL CURRENT LIABILITIES		608,898	626,910
Borrowings	NON-CURRENT LIABILITIES			
Employee related provisions 18 13,199 4,816 TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY 8 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Lease liabilities	16(a)	11,387	0
TOTAL NON-CURRENT LIABILITIES 190,504 332,726 TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY 8 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Borrowings	17(a)	165,918	327,910
TOTAL LIABILITIES 799,402 959,636 NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	Employee related provisions	18	13,199	4,816
NET ASSETS 50,627,201 50,410,886 EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	TOTAL NON-CURRENT LIABILITIES		190,504	332,726
EQUITY Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	TOTAL LIABILITIES		799,402	959,636
Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	NET ASSETS		50,627,201	50,410,886
Retained surplus 32,003,933 31,665,138 Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257	EQUITY			
Reserves - cash backed 4 427,011 308,491 Revaluation surplus 13 18,196,257 18,437,257			32.003.933	31,665,138
Revaluation surplus 13 18,196,257 18,437,257		4		
	TOTAL EQUITY		50,627,201	50,410,886

SHIRE OF MINGENEW STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

			RESERVES		
		RETAINED	CASH	REVALUATION	TOTAL
	NOTE	SURPLUS	BACKED	SURPLUS	EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2018		27,943,297	406,325	18,437,257	46,786,882
Comprehensive income					
Net result for the period		3,624,004	0	0	3,624,004
Total comprehensive income	_	3,624,004	0	0	3,624,004
Transfers from reserves	4	120,646	(120,646)	0	0
Transfers to reserves	4	(22,812)	22,812	0	0
Balance as at 30 June 2019	_	31,665,138	308,491	18,437,257	50,410,886
Change in accounting policy	31(b)	(317,724)	0	(200,000)	(517,724)
Restated total equity at 1 July 2019	` / _	31,347,414	308,491	18,237,257	49,893,162
Comprehensive income					
Net result for the period		775,039	0	0	775,039
Other comprehensive income	13	0	0	(41,000)	(41,000)
Total comprehensive income	_	775,039	0	(41,000)	734,039
Transfers from reserves	4	83,000	(83,000)	0	0
Transfers to reserves	4	(201,520)	201,520	0	0
Balance as at 30 June 2020	_	32,003,933	427,011	18,196,257	50,627,201

SHIRE OF MINGENEW STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES Receipts				
Rates		1,883,677	1,888,633	1,889,986
Operating grants, subsidies and contributions		955,344	416,677	783,692
Fees and charges		250,486	263,343	289,206
Interest received		32,981	55,110	56,917
Goods and services tax received		340,437	80,000	486,620
Other revenue		464,485	603,800	598,943
Permante		3,927,410	3,307,563	4,105,364
Payments Employee costs		(1,178,915)	(1,183,481)	(1,076,627)
Materials and contracts		(1,158,762)	(1,209,620)	(776,195)
Utility charges		(110,991)	(124,697)	(113,687)
Interest expenses		(14,589)	(16,319)	(24,015)
Insurance paid		(121,694)	(121,123)	(124,537)
Goods and services tax paid		(242,979)	0	(569,854)
Other expenditure		(658,012)	(637,652)	(652,741)
·		(3,485,942)	(3,292,892)	(3,337,656)
Net cash provided by (used in)		,	,	,
operating activities	19	441,468	14,671	767,708
CASH FLOWS FROM INVESTING ACTIVITIES	0(-)	(74.040)	(454.000)	(070 000)
Payments for purchase of property, plant & equipment	9(a)	(74,010)	(154,000)	(376,986)
Payments for construction of infrastructure	10(a)	(2,500,957)	(2,783,405)	(4,880,740)
Non-operating grants, subsidies and contributions	2(a)	1,853,775	1,904,618	3,953,295
Proceeds from sale of property, plant & equipment	11(a)	25,818	43,000	150,418
Net cash provided by (used in) investment activities		(COE 274)	(000 707)	(1,154,013)
investment activities		(695,374)	(989,787)	(1,154,013)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(158,162)	(158,164)	(154,427)
Payments for principal portion of lease liabilities	16(b)	(8,343)	` ′ 0′	` ´ o´
Net cash provided by (used In)	()	,		
financing activities		(166,505)	(158,164)	(154,427)
Not increase (decrease) is each hold		(420, 444)	(1 122 200)	(540,732)
Net increase (decrease) in cash held Cash at beginning of year		(420,411) 1,508,858	(1,133,280) 1,488,358	(540,732) 2,034,227
Reclassification of trust fund to restricted cash		1,506,656	1,400,330	15,364
Cash and cash equivalents		U	U	10,304
at the end of the year	19	1,088,447	355,078	1,508,858
	. •	.,,.	555,5.6	.,000,000

SHIRE OF MINGENEW RATE SETTING STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

NOTE Actual Budget Actual Surget Actual Act			2020	2020	2019
Net current assets at start of financial year - surplus/(deficit) 27 (b) 849,271 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,498,911 1,206,733 1,206,735 1,206,733 1,206,735 1,206,733 1,206,735 1,206,733 1,206,735 1,206,733 1,206,735 1		NOTE			
Net current assets at start of financial year - surplus/(deficit) 27 (b) 849,271 1,206,733 1,498,911 1,498,911 1,206,733 1,206,420 1,206,420 1,206,430 1					
Revenue from operating activities (excluding rates) Governance	OPERATING ACTIVITIES				
Revenue from operating activities (excluding rates)	Net current assets at start of financial year - surplus/(deficit)	27 (b)	849,271	1,206,733	1,498,911
Governance 14,029 17,449 40,301 Ceneral purpose funding 729,639 382,316 710,833 Law, order, public safety 21,041 23,618 25,420 Health 144 371 461 Education and welfare 656 5.175 801 Housing 109,289 103,035 119,163 Community amenities 72,900 78,337 87,499 Recreation and culture 38,001 38,335 30,574 Transport 525,266 9,945 15,517 Other property and services 213,678 63,325 134,302 Expenditure from operating activities (363,471) (256,862) (337,605) Governance (363,471) (256,865) 133,701 Law, order, public safety (35,287) (90,742) (92,803) Law, order, public safety (363,471) (256,865) (337,605) General purpose funding (363,471) (256,865) (337,605) Gereral purpose funding (363,471) <td< td=""><td></td><td></td><td>849,271</td><td>1,206,733</td><td>1,498,911</td></td<>			849,271	1,206,733	1,498,911
Governance 14,029 17,449 40,301 Ceneral purpose funding 729,639 382,316 710,833 Law, order, public safety 21,041 23,618 25,420 Health 144 371 461 Education and welfare 656 5.175 801 Housing 109,289 103,035 119,163 Community amenities 72,900 78,337 87,499 Recreation and culture 38,001 38,335 30,574 Transport 525,266 9,945 15,517 Other property and services 213,678 63,325 134,302 Expenditure from operating activities (363,471) (256,862) (337,605) Governance (363,471) (256,865) 133,701 Law, order, public safety (35,287) (90,742) (92,803) Law, order, public safety (363,471) (256,865) (337,605) General purpose funding (363,471) (256,865) (337,605) Gereral purpose funding (363,471) <td< td=""><td></td><td></td><td></td><td></td><td></td></td<>					
General purpose funding 729,639 382,316 710,833 Law, order, public safety 21,041 23,618 25,420 Health 144 371 461 Education and welfare 565 1,755 801 Housing 109,289 103,035 119,183 Community annities 72,900 78,337 87,409 Recreation and culture 38,001 38,335 30,574 Transport 593,914 656,375 688,064 Economic services 213,686 63,325 134,302 Other property and services 1,118,466 1,374,861 1,852,445 Expenditure from operating activities (363,471) (256,852) (337,605) Governance (37,997) (90,742) (92,803) Law, order, public safety (155,223) (155,523) (133,701) Health (90,508) (113,300) (114,942) Education and welfare (90,508) (171,077) (12,942) Education and welfare (90,508) (71,07					
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Governance	Expanditure from enerating activities		1,718,486	1,374,861	1,852,845
General purpose funding			(262 471)	(256 952)	(227 605)
Law, order, public safety			,	,	,
Health	• •		, ,	,	• •
Education and welfare			,		• • • • • • • • • • • • • • • • • • • •
Housing Community amenities Community			, ,		•
Community amenities			•	• •	• •
Recreation and culture	· ·		•	•	, ,
Transport (1,835,476) (2,181,553) (1,585,357)	·		•	•	,
Conomic services				, , ,	,
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Non-cash amounts excluded from operating activities				,	, ,
Non-cash amounts excluded from operating activities	outer property and convices				
Amount attributable to operating activities (460,709) (501,541) 398,711			(1,011,01)	(1,121,111)	(1,100,000)
Amount attributable to operating activities (460,709) (501,541) 398,711	Non-cash amounts excluded from operating activities	27(a)	1,615,798	1,838,261	1,237,041
INVESTING ACTIVITIES Non-operating grants, subsidies and contributions 2(a) 1,853,775 1,725,016 4,132,897 Proceeds from disposal of assets 11(a) 25,818 43,000 150,418 Purchase of property, plant and equipment 9(a) (74,010) (154,000) (376,986) Purchase and construction of infrastructure 10(a) (2,500,957) (2,783,405) (4,880,740) Amount attributable to investing activities 10(a) (695,374) (1,169,389) (974,411) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 0 0 0 0 0 0 0	· · · · ·	` ,	(460,709)	(501,541)	398,711
Non-operating grants, subsidies and contributions 2(a) 1,853,775 1,725,016 4,132,897 Proceeds from disposal of assets 11(a) 25,818 43,000 150,418 Purchase of property, plant and equipment 9(a) (74,010) (154,000) (376,986) Purchase and construction of infrastructure 10(a) (2,500,957) (2,783,405) (4,880,740) Amount attributable to investing activities 10(a) (2500,957) (2783,405) (4,880,740) FINANCING ACTIVITIES (695,374) (1,169,389) (974,411) Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,	·			,	
Proceeds from disposal of assets 11(a) 25,818 43,000 150,418 Purchase of property, plant and equipment 9(a) (74,010) (154,000) (376,986) Purchase and construction of infrastructure 10(a) (2,500,957) (2,783,405) (4,880,740) Amount attributable to investing activities (695,374) (1,169,389) (974,411) FINANCING ACTIVITIES Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) 1,828,349 Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	INVESTING ACTIVITIES				
Purchase of property, plant and equipment 9(a) (74,010) (154,000) (376,986) Purchase and construction of infrastructure 10(a) (2,500,957) (2,783,405) (4,880,740) Amount attributable to investing activities (695,374) (1,169,389) (974,411) FINANCING ACTIVITIES Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	Non-operating grants, subsidies and contributions	2(a)	1,853,775	1,725,016	4,132,897
Purchase and construction of infrastructure 10(a) (2,500,957) (2,783,405) (4,880,740) Amount attributable to investing activities (695,374) (1,169,389) (974,411) FINANCING ACTIVITIES Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	Proceeds from disposal of assets	11(a)	25,818	43,000	150,418
Amount attributable to investing activities (695,374) (1,169,389) (974,411) FINANCING ACTIVITIES Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349		9(a)	(74,010)	(154,000)	(376,986)
Repayment of borrowings		10(a)	(2,500,957)		
Repayment of borrowings 17(b) (158,162) (158,164) (154,427) Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	Amount attributable to investing activities		(695,374)	(1,169,389)	(974,411)
Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	FINANCING ACTIVITIES				
Payments for principal portion of lease liabilities 16(b) (8,343) 0 0 Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349					
Transfers to reserves (restricted assets) 4 (201,520) (52,273) (22,812) Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349			•	(158,164)	(154,427)
Transfers from reserves (restricted assets) 4 83,000 35,000 120,646 Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349		16(b)	, ,	_	_
Amount attributable to financing activities (285,025) (175,437) (56,593) Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	,	4	•	• •	• •
Surplus/(deficit) before imposition of general rates (1,441,108) (1,846,367) (632,293) Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	,	4			
Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	Amount attributable to financing activities		(285,025)	(175,437)	(56,593)
Total amount raised from general rates 26(a) 1,847,042 1,846,367 1,828,349	Surplus/(deficit) before imposition of general rates		(1,441,108)	(1,846,367)	(632,293)
Surplus/(deficit) after imposition of general rates 27(b) 405,934 0 1,196,056	Total amount raised from general rates	26(a)			
	Surplus/(deficit) after imposition of general rates	27(b)	405,934	0	1,196,056

SHIRE OF MINGENEW INDEX OF NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Prior to 1 July 2019, Financial Management Regulation 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.

Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

2. REVENUE AND EXPENSES

		100						
0-4	Nature of goods and	When obligations typically	D	Returns/Refunds/	Determination of	Allocating transaction	Measuring obligations for	Timing of revenue
Rates - general	Services General rates	Satisfied Over time	Payment terms Payment dates	Warranties None	Adopted by	Price When taxable	returns Not	recognition When rates notice is
·			adopted by council during the year		council annually	event occurs	applicable	issued
Grant contracts vith customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutal agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method base project milestones and/or completion d matched to perform obligations as inputs shared
Grants, ubsidies or ontributions for ne construction f non-financial ssets	Construction or acquisition of recognisable non- financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutal agreement with the funding body	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms	Output method base project milestones and/or completion d matched to perform obligations
Grants, ubsidies or ontributions vith no ontractual	General appropriations and contributions with no reciprocal commitment	No obligation s	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
ommitments fees and harges - cences, egistrations, pprovals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment of the licence, registration approval
ees and harges - pool nspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on year cycle
ees and harges - other aspections	Regulatory food, health and safety	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognise after inspection eve occurs
ees and harges - waste nanagement ollections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method bas regular weekly and fortnightly period as proportionate to collection service
ees and harges - roperty hire and ntry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction	On entry or at conc of hire
ees and harges for other oods and ervices	Cemetry services, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully on timing of provision	Not applicable	Output method bas provision of service completion of works
ees and harges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by council through local law	When taxable event occurs	Not applicable	When fine notice is issued
Other revenue - ommissions	Commissions on licencing	Over time	Payment in arrears for prior events	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
ther revenue - eimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutal agreement with the customer	When claim is agreed	Not applicable	When claim is agre

2. REVENUE AND EXPENSES

(a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

•	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Operating grants, subsidies and contributions		40.050	04.057
Governance	0	12,859	21,357
General purpose funding	655,139	295,550	625,555
Law, order, public safety	19,468	19,868	23,450
Education and welfare	0	1,000	455
Housing	0	0	153
Community amenities	0	2,000	1,000
Recreation and culture	0	3,900	(2,245)
Transport	80,843	80,500	75,829
Economic services	0	1,000	5,420
Other property and services	5,000	0	27,447
	760,450	416,677	778,421
Non-operating grants, subsidies and contributions			
Community amenities	0	0	5,000
Recreation and culture	0	0	121,458
Transport	1,853,775	1,725,016	4,006,439
	1,853,775	1,725,016	4,132,897
Total grants, subsidies and contributions	2,614,225	2,141,693	4,911,318
Fees and charges			
Governance	673	120	9,373
General purpose funding	3,404	3,500	3,085
Law, order, public safety	1,376	3,500	1,817
Health	144	370	461
Education and welfare	446	756	183
Housing	98,461	93,235	116,455
Community amenities	72,900	75,887	75,696
Recreation and culture	34,058	34,375	32,731
Transport	8,079	12,000	11,746
Economic services	25,191	17,945	8,825
Other property and services	5,754	7,320	19,512
	250,486	249,008	279,884

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

2. REVENUE AND EXPENSES (Continued)

	2020	2020	2019
(a) Revenue (Continued)	Actual	Budget	Actual
Contracts with customers and transfers for recognisable non-financial assets Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:	\$	\$	\$
Operating grants, subsidies and contributions	760,450	416,677	778,421
Fees and charges	250,486	249,008	279,884
Other revenue	79,398	36,041	13,390
Non-operating grants, subsidies and contributions	1,853,775	1,725,016	4,132,897
	2,944,109	2,426,742	5,204,592
Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:			
Contracts from transfers to enable the acquisition or construction of recognisable non financial assets at the start of the period	317,724	0	0
Contracts from transfers to enable the acquisition or construction of recognisable non financial assets during the year	1,536,051	1,725,016	4,132,897
Other revenue from performance obligations satisfied during the year	760,450	416,677	4, 132,697 778,421
Other revenue from contracts with customers recognised during the year		285,049	293,274
outer revenue nom contracte man cacternore recogniced during the ye	2,944,109	2,426,742	5,204,592
Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:			
Trade and other receivables from contracts with customers	14,970	0	0
Contract liabilities from transfers for recognisable non financial assets	(170,866)	0	0

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

2. REVENUE AND EXPENSES (Continued)

		2020	2020	2019
(a)	Revenue (Continued)	Actual	Budget	Actual
		\$	\$	\$
	Revenue from statutory requirements			
	Revenue from statutory requirements was recognised during			
	the year for the following nature or types of goods or services:			
	General rates	1,848,085	1,847,402	1,829,384
	Statutory permits and licences	4,037	9,030	13,270
	Fines	91	800	0
		1,852,213	1,857,232	1,842,654
	Other revenue			
	Reimbursements and recoveries	54,513	17,759	36,440
	Department of Transport licensing	501,632	550,000	549,113
	Other	79,398	36,041	13,390
		635,543	603,800	598,943
	Interest earnings			
	Interest on reserve funds	5,214	9,860	12,812
	Rates instalment and penalty interest (refer Note 26(b))	11,308	15,250	13,508
	Other interest earnings	16,459	30,000	30,597
		32,981	55,110	56,917
		22,000	,	,

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest earnings (continued)
Interest income is presented as finance income
earned from financial assets that are held for ca

management purposes.

(b) Expenses	Note	2020 Actual	2020 Budget	2019 Actual
		\$	\$	\$
Auditors remuneration				
- Audit of the Annual Financial Report		22,000	22,000	22,000
- Other services		3,860	0	800
		25,860	22,000	22,800
Interest expenses (finance costs)				
Borrowings	17(b)	11,878	15,819	20,487
Interest expense other		0	0	148
Lease liabilities	16(b)	2,711	0	0
		14,589	15,819	20,635
Other expenditure				
Impairment loss (gain) on trade and other receivables		(4,549)	0	3,536
Sundry expenses		662,561	637,652	649,205
		658,012	637,652	652,741

where it is

3. CASH AND CASH EQUIVALENTS	NOTE	2020	2019
		\$	\$
Cash at bank and on hand		923,834	956,913
Term deposits		164,613	551,945
Total cash and cash equivalents		1,088,447	1,508,858
Restrictions requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents		615,958	641,579
·		615,958	641,579
The restricted assets are a result of the following specific purposes to which the assets may be used:	:		
Reserves - cash backed Contract liabilities from transfers for recognisable non	4	427,011	308,491
financial assets	15	170,866	0
Bonds and deposits held		18,081	15,364
Unspent grants, subsidies and contributions		0	317,724
Total restricted assets		615,958	641,579
		0.0,000	5 , 5 / 6

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions.

Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

	2020	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing
4. RESERVES - CASH BACKED	Balance	to	(from)	Balance	Balance	to	(from)	Balance	Balance	to	(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Land & Building Reserve	62,066	10,969	(43,000)	30,035	62,066	11,500	(5,000)	68,566	60,169	1,897	0	62,066
(b) Reserves cash backed - Plant Reserve	45,978	107,461	0	153,439	45,978	36,288	0	82,266	152,728	4,815	(111,565)	45,978
(c) Reserves cash backed - Recreation Reserve	12,900	168	(10,000)	3,068	12,900	60	0	12,960	2,811	10,089	0	12,900
(d) Reserves cash backed - Employee Entitlement Reserve	66,544	990	0	67,534	66,544	1,250	0	67,794	64,509	2,035	0	66,544
(e) Reserves cash backed - Aged Persons Units Reserve	12,444	226	0	12,670	12,444	500	0	12,944	20,868	657	(9,081)	12,444
(f) Reserves cash backed - Environmental Reserve	19,155	289	0	19,444	19,155	450	(10,000)	9,605	18,569	586	0	19,155
(g) Reserves cash backed - Industrial Area Development Reserve	5,626	98	0	5,724	5,626	125	0	5,751	5,454	172	0	5,626
(h) Reserves cash backed - TRC/PO/NAB Building Reserve	21,688	335	0	22,023	21,688	500	(10,000)	12,188	21,025	663	0	21,688
(i) Reserves cash backed - Insurance Reserve	42,171	671	(20,000)	22,842	42,171	1,100	0	43,271	40,882	1,289	0	42,171
(j) Reserves cash backed - Economic Development & Marketing Reserve	19,919	313	(10,000)	10,232	19,919	500	(10,000)	10,419	19,310	609	0	19,919
(k) Reserves cash backed - Covid-19 Emergency Reserve	0	80,000	0	80,000	0	0	0	0	0	0	0	0
	308,491	201,520	(83,000)	427,011	308,491	52,273	(35,000)	325,764	406,325	22,812	(120,646)	308,491

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

	Anticipated	
Name of Reserve	date of use	Purpose of the reserve
(a) Reserves cash backed - Land & Building Reserve	Ongoing	To be used for the acquisition, construction and maintenance of land and buildings
(b) Reserves cash backed - Plant Reserve	Ongoing	To be used for the purchase of plant and equipment
(c) Reserves cash backed - Recreation Reserve	Ongoing	To be used for the improvement of the sportsground
(d) Reserves cash backed - Employee Entitlement Reserve	Ongoing	To be used to fund annual, sick and long service leave and accrued staff bonuses
(e) Reserves cash backed - Aged Persons Units Reserve	Ongoing	To be used for the funding of future operating shortfalls of the aged persons units in accordance with the Homeswest Joint Venture agreement
(f) Reserves cash backed - Environmental Reserve	Ongoing	To be used for the rehabiliation of sites such as gravel pits, refuse and contaminated sites
(g) Reserves cash backed - Industrial Area Development Reserve	Ongoing	To be used for the development of the industrial area
(h) Reserves cash backed - TRC/PO/NAB Building Reserve	Ongoing	To be used for the maintenance of the buildings
(i) Reserves cash backed - Insurance Reserve	Ongoing	To be used for the settlement of minor property expenses unders \$5,000 that would otherwise be insurance claims
(j) Reserves cash backed - Economic Development & Marketing Reserve	Ongoing	To be used for economic development and marketing of the Shire of Mingenew
(k) Reserves cash backed - Covid-19 Emergency Reserve	As needed	To be used for emergency relief to impacted staff and the hire or purchase of critical equipment

5. OTHER FINANCIAL ASSETS

(a) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

2020	2019
\$	\$
52,551	52,551
52,551	52,551
52,551	52,551
52,551	52,551

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 28.

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable
Trade and other receivables
GST receivable
Allowance for impairment of receivables

Non-current

Pensioner's rates and ESL deferred

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 28.

Movement of allowance for impairment of receivables

Opening balance Additions Write off Reversal Closing Balance

2020	2019
\$	\$
27,369	22,809
14,970	190,213
4,175	101,633
(572)	(5,121)
45,942	309,534
12,817	7,907
12,817	7,907

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement
Receivables expected to be collected within 12 months
of the end of the reporting period are classified as
current assets. All other receivables are classified as
non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

2020	2019
\$	\$
5,121	1,585
0	6,352
(905)	(1,231)
(3,644)	(1,585)
572	5,121

7. INVENTORIES

Current

Land held for resale - cost - Lot 1 and Lot 4 Eleanor Street Cost of acquisition

Non-current

Land held for resale - cost - Lot 7 Ernest Street Cost of acquisition

The following movements in inventories occurred during the year:

Carrying amount at beginning of period Inventories expensed during the year Carrying amount at end of period

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

2020	2019
\$	\$
0	40,394
0	40,394
0	35,000
0	35,000
75,394	78,459
(75,394)	(3,065)
0	75,394

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

8. OTHER ASSETS

Other assets - current

Prepayments

2020	2019
\$	\$
0	18,937
0	18,937

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets held for sale (Continued)

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value heirarchy set out in Note 32(h).

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non-specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Bushfire equipment	Total property, plant and equipment
Balance at 1 July 2018	\$ 1,101,757	\$ 200,000	\$ 1,301,757	\$ 205,018	\$ 8,017,508	\$ 8,222,526	\$ 9,524,283	\$ 13,516	\$ 1,197,630	\$ 367,697	\$ 11,103,126
Additions	0	0	0	0	0	0	0,021,200	0	376,986	0	376,986
(Disposals)	0	0	0	0	0	0	0	0	(101,867)	0	(101,867)
Depreciation (expense)	0	0	0	(45,946)	(518,414)	(564,360)	(564,360)	(4,311)	(178,218)	(45,100)	(791,989)
Carrying amount at 30 June 2019	1,101,757	200,000	1,301,757	159,072	7,499,094	7,658,166	8,959,923	9,205	1,294,531	322,597	10,586,256
		,	, ,	,			, ,	,	, ,	,	, ,
Comprises: Gross carrying amount at 30 June 2019 Accumulated depreciation at 30 June 2019 Carrying amount at 30 June 2019 Change in accounting policy - Note 31 Restated amount at 1 July 2019	1,101,757 0 1,101,757 0 1,101,757	200,000 0 200,000 (200,000) 0	1,301,757 0 1,301,757 (200,000) 1,101,757	231,303 (72,231) 159,072 0 159,072	8,523,258 (1,024,164) 7,499,094 0 7,499,094	8,754,561 (1,096,395) 7,658,166 0 7,658,166	10,056,318 (1,096,395) 8,959,923 (200,000) 8,759,923	22,138 (12,933) 9,205 0 9,205	1,663,834 (369,303) 1,294,531 0 1,294,531	457,898 (135,301) 322,597 0 322,597	12,200,188 (1,613,932) 10,586,256 (200,000) 10,386,256
Additions	0	0	0	0	0	0	0	0	74,010	0	74,010
(Disposals)	0	0	0	0	0	0	0	0	(25,055)	0	(25,055)
Revaluation increments / (decrements) transferred to revaluation surplus	(41,000)	0	(41,000)	0	0	0	(41,000)	0	0	0	(41,000)
Depreciation (expense)	0	0	0	(354,616)	(197,767)	(552,383)	(552,383)	(4,311)	(191,379)	(45,099)	(793,172)
Transfers	(328,257)	0	(328,257)	5,576,100	(5,247,843)	328,257	0	0	0	0	0
Carrying amount at 30 June 2020	732,500	0	732,500	5,380,556	2,053,484	7,434,040	8,166,540	4,894	1,152,107	277,498	9,601,039
Comprises: Gross carrying amount at 30 June 2020	732,500	0	732,500	6,436,033	2,646,784	9,082,817	9,815,317	13,637	1,690,497	457,898	11,977,349
Accumulated depreciation at 30 June 2020	700.500	0	700.500	(1,055,477)	(593,300)	(1,648,777)	(1,648,777)	(8,743)	(538,390)	(180,400)	(2,376,310)
Carrying amount at 30 June 2020	732,500	0	732,500	5,380,556	2,053,484	7,434,040	8,166,540	4,894	1,152,107	277,498	9,601,039

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2017	Price per hectare.
Land - vested in and under the control of Council	3	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2017	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs.
Furniture and equipment	2	Market approach using recent observable market data for similar properties	Management Valuation	June 2016	Market data/costs and current condition (level 2), residual values and remaining useful life assessments.
Plant and equipment	2	Market approach using recent observable market data for similar properties	Management Valuation	June 2016	Market data/costs and current condition (level 2), residual values and remaining useful life assessments.
Bushfire equipment	2	Market approach using recent observable market data for similar properties	Management Valuation	June 2016	Market data/costs and current condition (level 2), residual values and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - airfield	Infrastructure - drainage	Infrastructure - bridges	Infrastructure - recreation areas	Other infrastructure	Total Infrastructure
Balance at 1 July 2018	28,950,069	253,990	74,844	138,219	3,195,583	1,563,186	389,479	34,565,370
Additions	4,046,472	0	0	0	561,334	248,547	24,387	4,880,740
Depreciation (expense)	(406,707)	(6,436)	(9,072)	(1,728)	(64,834)	(135,823)	(10,425)	(635,025)
Carrying amount at 30 June 2019	32,589,834	247,554	65,772	136,491	3,692,083	1,675,910	403,441	38,811,085
Comprises:								
Gross carrying amount at 30 June 2019	32,996,541	253,990	147,420	138,219	3,756,917	1,944,648	424,292	39,662,027
Accumulated depreciation at 30 June 2019	(406,707)	(6,436)	(81,648)	(1,728)	(64,834)	(268,738)	(20,851)	(850,942)
Carrying amount at 30 June 2019	32,589,834	247,554	65,772	136,491	3,692,083	1,675,910	403,441	38,811,085
Additions	2,499,583	0	0	0	0	0	1,374	2,500,957
Depreciation (expense)	(445,837)	(6,437)	(9,072)	(1,727)	(75,139)	(160,846)	(10,426)	(709,484)
Carrying amount at 30 June 2020	34,643,580	241,117	56,700	134,764	3,616,944	1,515,064	394,389	40,602,558
Comprises:								
Gross carrying amount at 30 June 2020	35,496,123	253,989	147,420	138,219	3,756,917	1,944,648	425,666	42,162,982
Accumulated depreciation at 30 June 2020	(852,543)	(12,872)	(90,720)	(3,455)	(139,973)	(429,584)	(31,277)	(1,560,424)
Carrying amount at 30 June 2020	34,643,580	241,117	56,700	134,764	3,616,944	1,515,064	394,389	40,602,558

10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	3	Depreciated Cost	Independent specialist valuer	June 2018	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - footpaths	3	Depreciated Cost	Independent specialist valuer	June 2018	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - airfield	3	Depreciated Cost	Independent specialist valuer	June 2018	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - drainage	3	Depreciated Cost	Independent specialist valuer	June 2018	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - bridges	3	Depreciated Cost	Independent specialist valuer	June 2018	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - recreation areas	3	Depreciated Cost	Independent specialist valuer	June 2017	Depreciated cost value of similar assets adjusted for condition and comparability.
Other infrastructure	3	Depreciated Cost	Independent specialist valuer	June 2017	Depreciated cost value of similar assets adjusted for condition and comparability.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses

Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Items of plant and equipment are subsequently measured using the cost model.

Individual assets that are land, buildings, infrastructure and investment properties acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings,infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management)* Regulation 16(a)(ii), the Shire was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily* prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management)* Regulation 16(a)(i) prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management)
Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.
Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right of use assets).

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11. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
	\$	\$	\$	\$
auinment	25.055	25 040	762	

2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss	
\$	\$	\$	\$	\$	\$	\$	\$	
31,000	43,000	12,000	0	101,867	150,418	48,551	0	
21 000	43 000	12 000		101 967	150 /10	19 551	۸	1

Plant and equipment

The following assets were disposed of during the year.

Plant and Equipment					
Recreation and culture					
Ride on Mower					
Other property and services					
Executive Vehicle					

2020	2020		
Actual	Actual	2020	2020
Net Book	Sale	Actual	Actual
Value	Proceeds	Profit	Loss
3,542	4,000	458	0
21,513	21,818	305	0
25,055	25,818	763	0
25,055	25,818	763	0

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

Infrastructure - airfield Infrastructure - recreation areas

2020	2019
\$	\$
90,720	0
6,300	0
97,020	0

11. FIXED ASSETS

(c) Depreciation	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Buildings - non-specialised	354,616	0	45,946
Buildings - specialised	197,767	572,212	518,414
Furniture and equipment	4,311	15,000	4,311
Plant and equipment	191,379	190,923	178,218
Bushfire equipment	45,099	47,403	45,100
Infrastructure - roads	445,837	700,000	406,707
Infrastructure - footpaths	6,437	17,791	6,436
Infrastructure - airfield	9,072	9,072	9,072
Infrastructure - drainage	1,727	2,615	1,728
Infrastructure - bridges	75,139	136,245	64,834
Infrastructure - recreation areas	160,846	143,000	135,823
Other infrastructure	10,426	16,000	10,425
Right of use assets - furniture and equipment	5,812	0	0
	1,508,468	1,850,261	1,427,014

Revision of useful lives of plant and equipment

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Bushfire equipment	5 to 10 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Intangible assets - computer software licence	5 years

Airfield 10 years
Bridges 50 years
Recreation areas 6 to 50 years
Other 6 to 50 years

Right of use (furniture and equipment)

Based on the remaining lease

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

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12. RIGHT OF USE ASSETS

(a) Right of Use Assets

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

	Right of use assets - furniture and equipment	Right of use assets Total
	\$	•
Carrying amount at 30 June 2019	0	0
Recognised on initial application of AASB 16	29,061	29,061
Restated total equity at the beginning of the financial		
year	29,061	29,061
Depreciation (expense)	(5,812)	(5,812)
Carrying amount at 30 June 2020	23,249	23,249
Cash outflow from leases		
Interest expense on lease liabilities	2,711	2,711
Lease principal expense	8,343	8,343
Total cash outflow from leases	11,054	11,054

The Shire has 2 leases relating to furniture and equipment. The lease term ranges from 3 to 5 years.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

2020

13. REVALUATION SURPLUS

	Opening Balance	Change in Accounting Policy Note 31	Restated Opening Balance			Movement on Revaluation	Closing Balance	Opening Balance			Movement on Revaluation	Closing Balance
	\$			\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	963,119	0	963,119	0	(41,000)	(41,000)	922,119	963,119	0	0	0	963,119
Revaluation surplus - Land - vested in and under the control of Council	200,000	(200,000)	0	0	0	0	0	200,000	0	0	0	200,000
Revaluation surplus - Buildings - non-specialised	3,778,002	0	3,778,002	0	0	0	3,778,002	3,778,002	0	0	0	3,778,002
Revaluation surplus - Buildings - specialised	1,663,917	0	1,663,917	0	0	0	1,663,917	1,663,917	0	0	0	1,663,917
Revaluation surplus - Plant and equipment	232,384	0	232,384	0	0	0	232,384	232,384	0	0	0	232,384
Revaluation surplus - Bushfire equipment	40,733	0	40,733	0	0	0	40,733	40,733	0	0	0	40,733
Revaluation surplus - Infrastructure - roads	8,613,990	0	8,613,990	0	0	0	8,613,990	8,613,990	0	0	0	8,613,990
Revaluation surplus - Infrastructure - footpaths	169,780	0	169,780	0	0	0	169,780	169,780	0	0	0	169,780
Revaluation surplus - Infrastructure - airfield	102,060	0	102,060	0	0	0	102,060	102,060	0	0	0	102,060
Revaluation surplus - Infrastructure - drainage	768,269	0	768,269	0	0	0	768,269	768,269	0	0	0	768,269
Revaluation surplus - Infrastructure - bridges	1,487,183	0	1,487,183	0	0	0	1,487,183	1,487,183	0	0	0	1,487,183
Revaluation surplus - Infrastructure - recreation areas	344,620	0	344,620	0	0	0	344,620	344,620	0	0	0	344,620
Revaluation surplus - Other infrastructure	73,200	0	73,200	0	0	0	73,200	73,200	0	0	0	73,200
•	18,437,257	(200,000)	18,237,257	0	(41,000)	(41,000)	18,196,257	18,437,257	0	0	0	18,437,257

2020

2020

2020

2019

2019

2019

Total

2019

Total

2020

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

2020

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued salaries and wages
ATO liabilities
Bonds and deposits held
Rates received in advance
Income received in advance

2020	2019			
\$	\$			
13,771	231,780			
7,845	0			
29,923	21,789			
59,203	57,239			
18,888	15,364			
0	6,612			
945	0			
130,575	332,784			

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

Prepaid rates

2020

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

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15. CONTRACT LIABILITIES

Current

Contract liabilities from transfers for recognisable non financial assets

2020	2019
\$	\$
170,866	0
170,866	0

Performance obligations from transfers for recognisable non financial assets are expected to be recognised as revenue in accordance with the following time bands: Less than 1 year

170,866 170,866

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

Contract liabilities represent the the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

16. LEASE LIABILITIES

(a) Lease Liabilities	2020	2019	
	\$	\$	
Current	9,331	0	
Non-current	11,387	0	
	20,718	0	

h) Movement	e in Carr	vina 4	Amounte

,,	Lease	Lease Interest	Lease	Actual Lease Principal	30 June 2020 Actual Lease Principal	30 June 2020 Actual Lease Principal	30 June 2020 Actual Lease Interest	Budget Lease Principal	30 June 2020 Budget Lease Principal	Budget	30 June 2020 Budget Lease Interest	Actual Lease Principal	30 June 2019 Actual Lease Principal	30 June 2019 Actual Lease Principal	30 June 2019 Actual Lease Interest
Purpose	Number Institution	Rate	Term	1 July 2019	Repayments	Outstanding	Repayments	1 July 2019	Repayments	Outstanding	Repayments	1 July 2018	Repayments	Outstanding	Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services															
Photocopier	De Lage Landon	8.20%	60 months	13,279	2,879	10,400	1,013	0	(0	0	0	0	0	0
IT equipment	Finrent	12.80%	36 months	15,782	5,464	10,318	1,698	0	(0 0	0	0	0	0	0
				29.061	8.343	20.718	2.711	0	() 0	0	0	0	0	0

17. INFORMATION ON BORROWINGS

(a) Borrowings

Current Non-current

2020	2019
\$	\$
161,996	158,166
165,918	327,910
327,914	486,076

(b) Repayments - Borrowings

					30 June 2020	30 June 2020	30 June 2020		30 June 2020	30 June 2020	30 June 2020		30 June 2019	30 June 2019	30 June 2019
				Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Loan		Interest	Principal	Principal	Interest	Principal	Principal	Principal	Interest	Principal	Principal	Principal	Interest	Principal
	Number	Institution	Rate	1 July 2019	repayments	repayments	outstanding	1 July 2019	repayments	repayments	outstanding	1 July 2018	repayments	repayments	outstanding
Particulars				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Education and welfare															
Senior Citizen Building	137	WATC *	2.40%	60,896	21,685	1,631	39,211	66,645	21,685	2,500	44,960	82,065	21,169	2,809	60,896
Housing															
Triplex	133	WATC *	2.40%	42,190	13,817	1,039	28,373	42,464	13,817	1,157	28,647	55,678	13,488	1,790	42,190
Phillip Street	134	WATC *	2.40%	31,804	10,525	792	21,279	32,348	10,525	1,100	21,823	42,079	10,275	1,363	31,804
Moore Street	136	WATC *	2.40%	71,307	26,248	1,974	45,059	80,671	26,248	2,198	54,423	96,930	25,623	3,400	71,307
15 Field Street	142	WATC *	2.40%	39,543	12,121	895	27,422	37,228	12,121	1,014	25,107	51,401	11,858	1,570	39,543
Recreation and culture															
Pavilion Fitout	138	WATC *	2.40%	61,059	20,817	1,565	40,242	63,979	20,817	2,300	43,162	81,381	20,322	2,696	61,059
Transport															
Roller	139	WATC *	2.40%	17,347	5,103	384	12,244	15,683	5,103	550	10,580	22,329	4,982	661	17,347
Grader	141	WATC *	2.40%	58,019	17,719	1,332	40,300	54,457	17,719	1,800	36,738	75,316	17,297	2,295	58,019
Side Tipper	144	WATC *	2.40%	39,568	12,121	912	27,447	37,253	12,121	1,200	25,132	51,401	11,833	1,570	39,568
Drum Roller	145	WATC *	2.40%	64,343	18,006	1,354	46,337	55,346	18,008	2,000	37,338	81,923	17,580	2,333	64,343
				486,076	158,162	11,878	327,914	486,074	158,164	15,819	327,910	640,503	154,427	20,487	486,076
				486,076	158,162	11,878	327,914	486,074	158,164	15,819	327,910	640,503	154,427	20,487	486,076

^{*} WA Treasury Corporation

17. INFORMATION ON BORROWINGS (Continued)

2020	2019
\$	\$
500,000	500,000
0	0
14,500	14,500
(2,608)	(1,131)
511,892	513,369
161,996	158,166
165,918	327,910
9,331	0
11,387	0
348,632	486,076
0	0
	\$ 500,000 0 14,500 (2,608) 511,892 161,996 165,918 9,331 11,387

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 28.

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2019

Current provisions
Non-current provisions

Additional provision
Amounts used
Balance at 30 June 2020

Comprises

Current Non-current

Amounts are	expected to	be settled	on the	following	basis:
--------------------	-------------	------------	--------	-----------	--------

Less than 12 months after the reporting date
More than 12 months from reporting date
Expected reimbursements from other WA local governments

Provision for Annual	Provision for Long Service	
Leave	Leave	Total
\$	\$	\$
74,656	61,304	135,960
0	4,816	4,816
74,656	66,120	140,776
17,111	8,071	25,182
0	(16,629)	(16,629)
91,767	57,562	149,329
91,767	44,363	136,130
0	13,199	13,199
91,767	57,562	149,329

2020	2019
\$	\$
108,662	135,960
40,667	4,816
0	0
149,329	140,776

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	1,088,447	355,078	1,508,858
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	775,039	24,848	3,624,004
Non-cash flows in Net result: Adjustments to fair value of financial assets at fair			
value through profit and loss	0	0	(52,543)
Depreciation on non-current assets	1,508,468	1,850,261	1,427,014
(Profit)/loss on sale of asset	(763)	(12,000)	(48,551)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	258,682	277,937	(224,192)
(Increase)/decrease in other assets	18,937	0	(18,937)
(Increase)/decrease in inventories	75,394	0	3,065
Increase/(decrease) in payables	(202,209)	(154,364)	100,183
Increase/(decrease) in provisions	8,553	(67,393)	(89,040)
Increase/(decrease) in contract liabilities	(146,858)	0	0
Non-operating grants, subsidies and contributions	(1,853,775)	(1,904,618)	(3,953,295)
Net cash from operating activities	441,468	14,671	767,708

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	52,551	897,882
General purpose funding	644,083	1,202,920
Law, order, public safety	326,628	373,684
Health	72	0
Education and welfare	694,708	716,152
Housing	2,821,643	2,926,716
Community amenities	465,207	495,196
Recreation and culture	4,079,372	4,809,481
Transport	40,357,487	38,712,604
Economic services	1,141,084	975,369
Other property and services	843,768	260,518
	51,426,603	51,370,522

21. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

2020	2019
\$	\$
0	142,798
0	142,798
0	142,798
0	142,730

The capital expenditure project outstanding at the end of 2018/19 financial year represents the bitumen expenditure on Mingenew-Mullewa Road.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year
- later than one year but not later than five years

2020	2019
\$	\$
0	8,343
0	20,718
0	29,061

22. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

	2020	2020	2019
The following fees, expenses and allowances were	Actual	Budget	Actual
paid/payable to council members and/or the President.	\$	\$	\$
Meeting fees	28,967	28,968	27,760
President's allowance	7,348	7,348	7,285
Deputy President's allowance	1,836	1,836	1,824
Travelling expenses	0	1,500	0
	38,151	39,652	36,869

Key Management Personnel (KMP) Compensation Disclosure

	2020	2019
The total remuneration paid/payable to KMP of the	Actual	Actual
Shire during the year are as follows:	\$	\$
Short-term employee benefits	405,522	462,960
Post-employment benefits	45,034	53,593
Other long-term benefits	24,192	2,452
Termination benefits	1,174	1,721_
	475,922	520,726

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

22. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

The following transactions occurred with related parties:

Purchase of goods and services

Amounts outstanding from related parties:

Trade and other receivables

Amounts payable to related parties:

Trade and other payables

2020	2019
Actual	Actual
\$ 14,340	\$ 20,226
1,625	1,268
0	110

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel (KMP).

The associate person of KMP was employed by the Shire under normal employement terms and conditions.

ii. Other Related Parties

Any entity that is controlled by or over which KMP, or close family members of KMP have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly are considered related parties in relation to the Shire.

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

23. JOINT ARRANGEMENTS

1	a	Share of	joint operations
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In 1997/98, Council, in conjunction with Homeswest, constructed 3 x 2 bedroom and 1 x 1 bedroom Aged Persons' Units in Mingenew townsite. The terms of the joint agreement provided for Council to contribute \$54,777 which equates to an equity of 15.34%. Council has subsequently capitalised expenditure on the units. The recalculate equity for Council is 18.58%. The agreement with Housing Authority (previously Homeswest) requires as well as the Shires' share of all expenses and revenue relating to the arrangement. Fair Value assessment of the property was undertaken in 2016/17 along with all other Council Land and Buildings assets. The amount shown below is 18.58% of the fair value of \$470,000 and is included in Note 9

The initial term of the agreement is 25 years, expiring on 20 August 2022.

Property, Plant & Equipment (Asset # 0254) Total assets

Statement of Comprehensive income Housing revenue Housing expenditure Net result for the period

Total comprehensive income for the period

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

79,126 81,859 79,126 81,859 31,019 28,561 (39,973) (22,565) (8,954) 5,996 (8,954) 5,996

2019

2020

Interests in joint arrangements (Continued)

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

24. MAJOR LAND TRANSACTIONS

No Major Land Transactions were undertaken in the 2019/20 Financial Year.

25. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

No Trading Undertakings and Major Trading Undertakings were undertaken in the 2019/20 Financial Year.

26. RATING INFORMATION

(a) Rates

			2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20	2018/19
		Number	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual
RATE TYPE	Rate in	of	Rateable	Rate	Interim	Back	Total	Rate	Interim	Back	Total	Total
Differential general rate / general rate	\$	Properties	Value	Revenue	Rates	Rates	Revenue	Revenue	Rate	Rate	Revenue	Revenue
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross rental valuations												
GRV - Mingenew	0.15028	127	1,120,756	168,424	1,150	(65)	169,509	168,423	0	0	168,423	167,618
GRV - Yandanooka	0.15028	2	13,884	2,086	0	0	2,086	2,086	0	0	2,086	2,069
GRV - Commercial	0.15028	14	346,632	52,090	0	0	52,090	52,090	0	0	52,090	52,467
GRV - Industrial	0.15028	1	12,480	1,875	0	0	1,875	1,875	0	0	1,875	2,058
Unimproved valuations												
UV - Rural & Mining	0.01292	114	118,792,000	1,534,199	0	0	1,534,199	1,534,199	0	0	1,534,199	1,517,500
Sub-Total		258	120,285,752	1,758,674	1,150	(65)	1,759,759	1,758,673	0	0	1,758,673	1,741,712
	Minimum											
Minimum payment	\$											
Gross rental valuations												
GRV - Mingenew	707	67	27,780	47,369	0	0	47,369	47,369	0	0	47,369	45,965
GRV - Yandanooka	707	0	0	0	0	0	0	0	0	0	0	0
GRV - Commercial	707	9	620	6,363	0	0	6,363	6,363	0	0	6,363	6,300
GRV - Industrial	707	3	2,786	2,121	0	0	2,121	2,121	0	0	2,121	1,400
Unimproved valuations												
UV - Rural & Mining	1060.50	31	702,148	32,876	(403)	0	32,473	32,876	0	0	32,876	34,007
Sub-Total		110	733,334	88,729	(403)	0	88,326	88,729	0	0	88,729	87,672
		368	121,019,086	1,847,403	747	(65)	1,848,085	1,847,402	0	0	1,847,402	1,829,384
Total amount raised from general rate		230	,,.,	.,,		(00)_	1,848,085	.,,	· ·	_	1,847,402	1,829,384
Concessions (Note 26(b))							(1,043)				(1,035)	(1,035)
Ex-gratia rates							38,263				38,266	37,586
Totals						-	1,885,305			_	1,884,633	1,865,935
							.,555,555				.,551,550	.,550,000

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

26. RATING INFORMATION (Continued)

(b) Discounts, Incentives, Concessions, & Write-offs

Waivers or Concessions

Rate or Fee and	
Charge to which	
the Waiver or	

the Waiver or Concession is Granted	Type	Discount	Discount	2020 Actual	2020 Budget	2019 Actual
		%	\$	\$	\$	\$
Yandanookda Townsite	Concession	50.00%	1,035	1,043	1,035	1,035
				1,043	1,035	1,035
Total discounts/concessions	s (Note 26(a))			1,043	1,035	1,035

Yandanookda Townsite	GRV properties in Yandanooka townsite	Assist Yandanooka property owners	Recognise the reduced level of services provided to these ratepayers
Concession is Granted	available	or Concession	or Concession
the Waiver or	Granted and to whom it was	Objects of the Waiver	Reasons for the Waiver
Charge to which	the Waiver or Concession is		
Rate or ree and	Circumstances in which		

26. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One		•		
Single full payment	30/08/2019	0.00	0.00%	11.00%
Option Two				
First instalment	30/08/2019	0.00	5.50%	11.00%
Second instalment	29/10/2019	15.00	5.50%	11.00%
Option Three				
First instalment	30/08/2019	0.00	5.50%	11.00%
Second instalment	29/10/2019	15.00	5.50%	11.00%
Third instalment	17/01/2020	15.00	5.50%	11.00%
Fourth instalment	16/03/2020	15.00	5.50%	11.00%
		2020	2020	2019
		Actual	Budget	Actual
		\$	\$	\$
Interest on unpaid rates		11,308	15,250	13,508
Charges on instalment plan		2,748	3,000	2,625
		14,056	18,250	16,133

As a result of the state of emergency which has arisen due to the COVID-19 pandemic, the Shire froze penalty interest on rates from 1 April 2020 until 30 June 2020.

27. RATE SETTING STATEMENT INFORMATION

21. RATE SETTING STATEMENT INFORMATION					
			2019/20		
		2019/20	Budget	2019/20	2018/19
		(30 June 2020	(30 June 2020	(1 July 2019	(30 June 2019
		Carried	Carried	Brought	Carried
	Note	Forward)	Forward)	Forward)	Forward
		\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
Adjustments to operating activities					
Less: Profit on asset disposals	11(a)	(763)	(12,000)	(48,551)	(48,551)
Less: Non-cash grants and contributions for assets		29,226	0	, O	, O
Less: Fair value adjustments to financial assets at fair value through profit					
and loss		0	0	(52,543)	(52,543)
Movement in pensioner deferred rates (non-current)		(4,910)	0	161	161
Movement in employee benefit provisions (non-current)		8,383	0	(89,040)	(89,040)
Movement of inventory (current and non-current)	447.	75,394	0	0	0
Add: Depreciation on non-current assets	11(c)	1,508,468	1,850,261	1,427,014	1,427,014
Non cash amounts excluded from operating activities		1,615,798	1,838,261	1,237,041	1,237,041
(b) Surplus/(deficit) after imposition of general rates					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
Less: Reserves - cash backed	4	(427,011)	(325,763)	(308,491)	(308,491)
Less: Current assets not expected to be received at end of year					
- Land held for resale	7	0	(40,394)	(40,394)	(40,394)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	17(a)	161,996	161,997	158,166	158,166
- Current portion of lease liabilities	16(a)	9,331	0	0	0
- Employee benefit provisions	18	136,130 (119,554)	135,959 (68,201)	135,961 (54,758)	135,961
Total adjustments to net current assets		(119,554)	(00,201)	(34,736)	(54,758)
Net current assets used in the Rate Setting Statement					
Total current assets		1,134,389	452,571	1,877,723	1,877,723
Less: Total current liabilities		(608,901)	(384,370)	(973,694)	(626,909)
Less: Total adjustments to net current assets		(119,554)	(68,201)	(54,758)	(54,758)
Net current assets used in the Rate Setting Statement		405,934	0	849,271	1,196,056
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards					
Total current assets at 30 June 2019					1,877,723
- Contract assets	30(a)				0
Total current assets at 1 July 2019					1,877,723
Total current liabilities at 30 June 2019					(626,909)
- Contract liabilities from contracts with customers	30(a)				(317,724)
- Lease liabilities	30(c)				(29,061)
Total current liabilities at 1 July 2019					(973,694)

28. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	0 0 ,	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
2020	%	\$	•	•	3
Cash and cash equivalents	0.76%	1,088,447	591,625	496,822	0
2019 Cash and cash equivalents	1.68%	1,508,858	860,436	648,422	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

2020
2019

Impact of a 1% movement in interest rates on profit and loss and equity*

* Holding all other variables constant

\$ 4,967 6,484

- - -

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

28. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Whilst the Shire was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment, the effect of COVID-19 needs to be considered. Financial assistance provided to ratepayers is expected to affect the Shire's cash flows.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. Re-negotiation of repayment terms is expected due to the COVID-19 pandemic.

The loss allowance as at 30 June 2020 for rates receivable was determined as follows and takes into account the waiver of penalty interest due to the impact of COVID-19.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					
Rates receivable					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	19,112	3,497	10,306	7,270	40,185
Loss allowance	0	0	0	0	0
30 June 2019					
Rates receivable					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	3,676	10,896	8,067	8,076	30,715
Loss allowance	0	0	0	0	0

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020					
Trade and other receivables					
Expected credit loss	5.01%	0.00%	0.00%	0.00%	
Gross carrying amount	11,418	0	0	3,552	14,970
Loss allowance	572	0	0	0	572
30 June 2019					
Trade and other receivables					
Expected credit loss	0.52%	0.56%	91.91%	50.95%	
Gross carrying amount	182,521	1,076	1,941	4,675	190,213
Loss allowance	949	6	1,784	2,382	5,121

28. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk - that is the risk that insufficent funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

2020	Due within 1 year \$	Due between 1 & 5 years	Due after 5 years \$	Total contractual cash flows	Carrying values
Payables	71,372	0	0	71,372	71,372
Borrowings	168,414	168,414	0	336,828	327,914
Lease liabilities	9,331	11,387	0	20,718	20,718
	249,117	179,801	0	428,918	420,004
2019					
Payables	275,545	0	0	275,545	275,545
Borrowings	168,414	336,828	0	505,242	486,076
	443,959	336,828	0	780,787	761,621

29. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 and are required to be applied retrospectively with cumulative effect from 1 July 2019.

30. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. The adoption of AASB 15 does not have a material impact on the financial statements of the Shire.

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

	AASB 118 and AASB 1004 carrying amount			AASB 1058 carrying amount
	Note	30 June 2019	Adjustment	01 July 2019
		\$	\$	\$
Contract liabilities - current Contract liabilities from transfers for recognisable non financial assets	2(a)	0	(317,724)	(317,724)
Adjustment to retained surplus from adoption of AASB 1058	31(b)		(317,724)	

30. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

		2020 \$		2020 \$
Statement of Comprehensive Income	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
Revenue				
Rates	26(a)	1,885,305	7,845	1,893,150
Operating grants, subsidies and contributions	2(a)	760,450	170,866	931,316
Fees and charges	2(a)	250,486	0	250,486
Non-operating grants, subsidies and contributions	2(a)	1,853,775	0	1,853,775
Net result		775,039	178,711	953,750
Statement of Financial Position				
Trade and other payables	14	130,575	(7,845)	122,730
Contract liabilities	15	170,866	(170,866)	0
Net assets		50,627,201	178,711	50,805,912
Statement of Changes in Equity				
Net result		775,039	178,711	953,750
Retained surplus		32,003,933	178,711	32,182,644

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has appplied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the Shire recognised lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117 (excluding short term and low value leases). These lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 2.4%.

	Note	2020
		\$
Operating lease commitments at 30 June 2019 applying AAS 117		35,643
Discount applied using incremental borrowing rate		(6,582)
Lease liability recognised as 1 July 2019 discounted using the Shire's incremental borrowing rate of 2.4%	16(b)	29,061
Lease liability - current		9,105
Lease liability - non-current		19,956
Right-of-use assets recognised at 1 July 2019	_	29,061

On adoption of AASB 16, the Shire recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is deemed to be equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

Property, plant and equipment and lease liabilities increased by \$29,061 on 1 July 2019 resulting in no impact on retained surplus.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

30. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(d) Impact of New Accounting Standards on Retained Surplus

The impact on the Shire's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			31,665,138
Adjustment to retained surplus from adoption of AASB 1058	30(b)	(317,724)	(317,724)
Retained surplus - 1 July 2019			31 347 414

31. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 11.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Carrying amount		Carrying amount	
	Note	30 June 2019	Adjustment	01 July 2019
		\$	\$	\$
Property, plant and equipment	9	10,586,256	(200,000)	10,386,256
Revaluation surplus	13	18,437,257	(200,000)	18,237,257

Also, following changes to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

The impact on the Shire's opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			31,665,138
Adjustment to retained surplus from adoption of AASB 1058	30(b)	(317,724)	(317,724)
Retained surplus - 1 July 2019			31,347,414

The impact on the Shire's opening revaluation surplus resulting from Local Government (Financial Management) Regulation 16 being deleted and the amendments to Local Government (Financial Management) Regulation 17A as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Revaluation surplus - 30 June 2019			18,437,257
Adjustment to revaluation surplus from deletion of FM Reg 16	31(a)	(200,000)	
Adjustment to revaluation surplus from deletion of FM Reg 17	31(a) _	0	(200,000)
Revaluation surplus - 1 July 2019			18,237,257

32. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use

h) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

l ovol 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model ,such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

33. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES GOVERNANCE

To provide a decision making process for the efficient allocation of scarce resources.

ACTIVITIES

Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer community.

Fire prevention, animal control and inspections.

HEALTH

To provide services to help ensure a safer community.

Food quality, pest control and inpections.

EDUCATION AND WELFARE

To meet the needs of the community in these areas.

Includes education programs, youth based activities, care of families, the aged and disabled.

HOUSING

Provide housing services required by the community and for staff.

Maintenance of staff, aged and rental housing.

COMMUNITY AMENITIES

Provide services required by the community.

Rubbish collection services, landfill maintenance, townsite storm water drainage control and maintenance, administration of the Town Planning Scheme and maintenance of cemeteries.

RECREATION AND CULTURE

To establish and manage efficiently, infrastructure and resources which will help the social wellbeing of the community. Maintenance of halls, recreation centres and various reserves, operation of library, support of community events and matters relating to heritage.

TRANSPORT

To provide effective and efficient transport services to the community.

Construction and maintenance of streets, roads and footpaths, traffic signs and depot maintenance.

ECONOMIC SERVICES

To help promote the Shire and improve its economic wellbeing.

The regulation and provision of tourism, area promotion, building control and noxious weeds.

OTHER PROPERTY AND SERVICES

To provide effective and efficient administration, works operations and plant and fleet services.

Private works operations, plant repairs and operational costs. Administrration overheads.

34. FINANCIAL RATIOS	202 Act			
Current ratio	1.4	7 2.21	2.13	
Asset consumption ratio	0.9			
Asset renewal funding ratio	0.7			
Asset sustainability ratio	1.6			
Debt service cover ratio	2.6			
Operating surplus ratio	(0.3			
Own source revenue coverage ratio	0.6			
The above ratios are calculated as follows:				
Current ratio			restricted assets	
	current I	iabilities minus li	iabilities associated	
		with restricted	d assets	
Asset consumption ratio			ts of depreciable asse	ts
	current re	olacement cost o	of depreciable assets	
Asset renewal funding ratio			newal over 10 years	
	NPV of requ	uired capital exp	enditure over 10 years	3
Asset sustainability ratio	capital re	newal and repla	cement expenditure	
,		deprecia	·	
Debt service cover ratio	annual operatir	na surnlus hefore	e interest and deprecia	ation
Debt service cover ratio	ariridai operatii	principal and		ation
		principal and		
Operating surplus ratio	operating	revenue minus	operating expenses	
	0)	wn source opera	ting revenue	
Own source revenue coverage ratio	O	wn source opera	ting revenue	
, and the second		operating ex	<u> </u>	



INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Mingenew

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Mingenew which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Mingenew:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Notes 1 and 11 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 Leases which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

Responsibilities of the Chief Executive Officer and Council for the Financial Report
The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair
presentation of the annual financial report in accordance with the requirements of the Act, the
Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting
Standards. The CEO is also responsible for such internal control as the CEO determines is
necessary to enable the preparation of the annual financial report that is free from material
misstatement, whether due to fraud or error.

In preparing the annual financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the annual financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial report.

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates significant adverse trend in the financial position of the Shire:
 - The Operating Surplus Ratio has been below the Department of Local Government,
 Sport and Cultural Industries standard for the past three years.
 The financial ratios are reported in Note 34 of the financial report.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The financial ratios for 2018 in Note 34 of the annual financial report were audited by another auditor when performing their audit of the Shire for the year ending 30 June 2018. The auditor expressed an unmodified opinion on the annual financial report for that year.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Mingenew for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.

SUBHA GUNALAN ACTING SENIOR DIRECTOR FINANCIAL AUDIT Delegate of the Auditor General for Western Australia Perth, Western Australia 11 December 2020





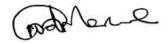


Introduction

From our Partner

The Shire of Mingenew for the year ending 30 June 2020.

We would like to take this opportunity to thank the management team for their assistance during the audit process. If you have any queries on the report, please feel free to contact Robert Hall or myself.





MARIUS VAN DER MERWE

Partner

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ROBERT HALL

Manager

B.Com (Hons) CA rhall@butlersettineri.com.au

LIANG WONG

Assistant Director Financial Audit

(OAG Representative) Liang.wong@audit.wa.gov.au

EXECUTIVE SUMMARY

- ▶ Butler Settineri (Audit) Pty Ltd was appointed as the contract auditor by the Office of the Auditor General for the year ended 30 June 2020.
- ▶ Butler Settineri (Audit) Pty Ltd has completed the external statutory audit for the year ended 30 June 2020 as contract auditor on behalf of the Office of the Auditor General.
- No unresolved issues from the prior year.
- Our findings are included in this report.
- We intend to recommend to the Auditor General to issue an unqualified audit opinion in relation to the financial statements.
- There are no outstanding matters.



INDEPENDENCE

We are independent of the Shire in accordance with the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants.

Threats to independence include the following:

- (i) SELF INTEREST THREATS
- SELF REVIEW THREATS
- ADVOCACY THREATS
- **(i)** FAMILIARITY THREATS
- intimidation threats

What we do to remain independent:

- All team members sign an independence declaration at the commencement of the audit;
- We monitor our individual independence throughout the audit;
- All team members sign off an independence declaration at the completion of the audit.

COMPLIANCE WITH LAWS & REGULATIONS & FRAUD

Laws and Regulations applicable to the Shire include the following:

- Local Government Act 1995;
- Local Government (Financial Management) Regulations 1996;
- Local Government (Audit) Regulations 1996;
- Australian Tax Office (GST / FBT / PAYG) Compliance;
- Compliance with conditions of program funding arrangements.

During the audit process there have been:

- No issues found in relation to the above Laws and Regulations or
- Non-compliance issues have been reported in the audit report where applicable and are detailed on page 11 of this document.
- No findings or indications of suspected fraud.

As far as the external audit relates to the matters noted above.

Key Audit
Matters and
Audit
Outcomes



During the planning phase of the audit, we identified the following issues and key areas of audit risk.

Details of Risk / Issue	Audit Approach
Audit findings reported in the previous audit	We followed up on last year's audit issues during the audit.
	All issues were resolved.
Changes to accounting standards:	We reviewed management's assessment of the impact of these accounting standards on the
AASB 15 Revenue from Contracts with Customers	financial statements.
AASB 16 Leases	
AASB 1058 Income of Not-for Profit Entities	The Shire has correctly adopted the new accounting standards at the effective date 1 July 2019.
	The modified retrospective approach has been correctly applied whereby comparative figures in
	the financial statements have not been restated.
Changes to Local Government (Financial Management) Regulations that have been signalled by the Department of	We assessed management's implementation of the changes to regulations and the effect on the financial report.
Local Government, Sport and Cultural Industries (DLGSCI):	
Regulation 16 deleted	The Shire has correctly applied the change in regulations as a change in accounting policy at the
Regulation 17A amended	effective date 1 July 2019.
	The modified retrospective approach has been applied correctly whereby comparative figures in the financial statements have not been restated.
We have identified the following areas that we consider	We reviewed the related audit evidence as part of our audit testing and confirmed that
require additional focus during our 2019-20 local	appropriate disclosures have been made in the financial statements.
government audits:	
Related party disclosures	
Revenue recognition	
 Revaluation of Plant & Equipment 	
 Unauthorised expenditure 	
 Unrecorded liabilities and expenses 	
Fictitious employees	
The following annual financial report items are derived from	We reviewed the methodology and underlying data that management used when determining
accounting estimates and hence will receive specific audit	critical accounting estimates. We confirmed the reasonableness of the assumptions and
attention:	corroborating representations.
Provision for annual and long service leave	
Impairment of assets	

Important changes in management or the control There were no changes in management or the control environment during the year under review. environment

SIGNIFICANT AUDIT FOCUS

New AASB 15 & 1058 Revenue from Contracts with Customers and Income for Not-For-Profit Entities

Policy updated and implemented

New AASB 16 Leases

Policy updated and implemented

Amended Local Government (Financial Management) Regulations 1996

Policies updated and implemented in the 2019-20 year to comply with:

- Regulation 17A plant & equipment measured under the cost model
- Regulation 16 deleted as covered by AASB 16 Leases

AUDIT MISSTATEMENTS

The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report taken as a whole. A summary of these uncorrected misstatements is listed below:

Account	Reported balance	Actual balance	Variance
Other expenditure	658,012	582,618	75,394
Opening Retained Surplus (restated)	31,347,414	31,272,020	75,394

Adjustment for the removal of available for sale land inventory from the accounting records not previously recorded at date of disposal in 2017 financial year.

Account	Reported balance	Actual balance	Variance
Opening Land -	1,101,757	1,060,757	41,000
freehold			
Opening	18,237,257	18,196,257	41,000
Revaluation			
Surplus (restated)			

Adjustment for the removal of the revaluation portion of available-for-sale land from the accounting records not previously recorded at date of disposal in 2017 financial year.

AUDIT FINDINGS

- Per the Interim Management Letter:
 - 1. None noted
- Per the Final Management Letter:
 - 1. Employee details were set up in the Supplier Masterfile as well as the Employee Masterfile and re-imbursements to employees were paid through the supplier payment process and not the payroll process.
 - 2. 1 instance (out of a sample of 60) where the required number of quotes was not obtained prior to engaging a supplier for goods/services

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS IN THE AUDITOR'S REPORT

Matters indicating significant adverse trends in the financial position

1. The Shire's Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries basic standard for the past three years. The financial ratios are reported in Note 34 of the financial report.

Matters indicating non-compliance with Part 6 of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law

None

Key Changes for next year

Changes in regulations

None anticipated.

Accounting Issues for 2021

AASB 1059 Minimal impact anticipated

THANK YOU

We would like to take this opportunity to once again thank the management team for their assistance during the audit process, in particular we would like to thank Nils Hay, Jeremy Clapham, Helen Sternick and the finance team for their support.





SHIRE OF MINGENEW

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2020 FINDING IDENTIFIED DURING THE FINAL AUDIT

INDEX OF FINDING	RATING		
	Significant	Moderate	Minor
Lack of sufficient quotes for purchases		√	

KEY TO RATINGS

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

Significant	-	Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.

Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF MINGENEW

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2020 FINDING IDENTIFIED DURING THE FINAL AUDIT

1. Lack of sufficient quotes for purchases

Finding

During our sample testing of payments made throughout the year, we noted 1 instance where the required number of quotes was not obtained prior to engaging a supplier for goods/services.

Rating: Moderate Implication

The Shire has not adhered to the purchasing policy and the Local Government (Financial Management) Regulations. There is an increased risk of favouritism of suppliers, not obtaining value for money and unauthorised goods/services may be purchased and increases the likelihood of financial loss to the Shire.

Recommendation

We recommend that for purchases below the tender threshold, quotes should be obtained, in accordance with the Shire's purchasing policy.

If instances arise where it is impractical to obtain the requisite number of quotations, the reasons should be recorded and attached to the purchase order at the time of the purchase being made.

Management's comments

This breach of the procurement policy was reported in Council's 2020 Compliance Audit Return. It also prompted a change, at the time, to Council's Purchase Order documentation to prompt the authorising officer to confirm that the requisite number of quotes had been obtained before signing off on the Order.

This new requirement, along with a general reminder to ensure the procurement policy is followed, was communicated to all staff by the Finance and Administration Manager on 10 January 2020.

It is noted that, of the transactions sampled, the remainder had seen the policy observed.

Responsible person: CEO Completion date: CEO

Response to Management Letter and Other Legal and Regulatory Items:

8 December 2020

Management Letter:

1. Lack of sufficient quotes for purchases

Finding

During our sample testing of payments made throughout the year we noted 1 instance where the required number of quotes was not obtained prior to engaging a supplier for goods/services.

Management's comments

This breach of the procurement policy was reported in Council's 2020 Compliance Audit Return. It also prompted a change, at the time, to Council's Purchase Order documentation to prompt the authorising officer to confirm that the requisite number of quotes had been obtained before signing off on the Order.

This new requirement, along with a general reminder to ensure the procurement policy is followed, was communicated to all staff by the Finance and Administration Manager on 10 January 2020.

It is noted that, of the transactions sampled, the remainder had seen the policy observed.

Responsible person: CEO

Completion date: Completed

Matters indicating significant adverse trends in the financial position

1. Operating Surplus Ratio

Finding

The Shire's Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries basic standard for the past three years. The financial ratios are reported in Note 34 of the financial report.

Management's comments

The Shire realises that this ratio shows a negative value albeit an improving one, however, Local Governments such as the Shire of Mingenew rely on capital grant funding to sustain them, as such it is it incredibly difficult to achieve an operating surplus in any given year. In comparing the Shire's Operating Surplus Ratio with other nearby Shires, it can clearly be seen that the other similar, nearby Shires face the same issue (please see comparison table below).

Operating Surplus Ratio	2019	2018	2017
Shire of Mingenew	-0.18	-0.31	-0.39
Shire of Morawa	-0.32	-0.54	0.19
Shire of Coorow	-0.98	-1.02	-0.87
Shire of Carnamah	-0.63	-0.14	0.31
Standard as per DLG	0.01 to 0.15	0.01 to 0.15	0.01 to 0.15

In order to try to address this adverse ratio, the Shire will continue to review its operating income and expenditure and attempt to try to reduce the difference between operating income and operating expenditure. To achieve this, the Shire will review its depreciation charge (which makes up 32% of operating expenditure on its own for the 2019/20 Financial Year), review its annual rates increases and review its Fees & Charges. It will also investigate other potential revenue streams and the reliance on capital grant funding.

For a Shire the size of Mingenew, increasing revenue through raising rates, fees and charges is not a realistic or sustainable way to address this ratio due to the relatively small amounts involved. It requires fundamental changes to the way that local government is funded (increasing operational grants rather than capital grants) for us to be practicably able to meet the DLG Standard for this ratio. This is something that we will continue to lobby for, as part of sector-wide efforts to lift Financial Assistance Grants to 1% of Commonwealth Taxation Revenue.

Alternatively, it requires a change to the ratios that are applied to local governments to ensure that practical benchmarks are being utilised to gauge performance. To assist with this process, our Finance and Administration Manager is part of a working group to review the Local Government financial ratios, and the Shire of Mingenew continues to advocate for sensible legislative reform which considers the diversity of the sector and the needs of small, regional local governments.

Shire of Mingenew – Part 3 Council Delegations to the Chief Executive Officer

Title:	CD02 Debts, Waivers, Concessions, Write Offs and Recovery		
Delegation No:	CD02		
Delegation	Council	Delegation to:	Chief Executive Officer
from:		·	
Date Adopted:	15 April 2020	Last	20/05/2020 (no
·		Reviewed:	change) 16/12/2020

This detail is provided as a reference only. Delegates shall only act in full understanding of the delegated legislative power, inclusive of conditions [refer below].

power, inclusive of conditions [refer below].			
Statutory	Local Government Act 1995		
Power to	Section 5.42 - Delegation of some powers or duties to the CEO		
Delegate:			
Statutory	Local Government Act 1995		
Power	Section 6.12(1)(b) and (c) and (3) - Power to defer, grant discounts, waive or		
Delegated:	write off debts.		
	Section 6.56- Rate or service charges recoverable in court		
Function	Authority to:		
Delegated:	1. Waive a debt which is owed to the Shire of Mingenew [s6.12(1)(b)].		
	2. Grant a concession in relation to money which is owed to the Shire of		
	Mingenew [s6.12(3)].		
	3. Write off an amount of money which is owed to the Shire of Mingenew		
	[s6.12(1)(c)]		
	4. Recover debts		
Conditions	1. Debts for rates and service charges may be written off up to the value of \$30		
	in accordance with s6.12(1)(c) and applicable Council Policies and		
	procedures.		
	1.2. The power to waive a debt or write off debt and grant a concession does not		
	apply to debts which are prescribed as debts, that are taken to be a rate or		
	service charge.		
	2.3. A debt may only be waived where:		
	a) in accordance with the Supporting the Community Policy, a local club		
	and/or not for profit organisation submit in writing, an application to		
	conduct activities that support the Shire's Community Strategic Plan;		
	and		
	b) Does not exceed the value of \$1,000 per application and is subject to		
	the confinements of the budgetary allocation as set by Council.		
	3.4. A concession may only be granted where:		
	a) In accordance with the Supporting the Community Policy a local club		
	and/or not for profit organisation submit in writing, an application to		
	conduct activities that support the Shire's Community Strategic Plan; and		
	b) Does not exceed the value of \$1,000 per application and is subject to		
	the confinements of the budgetary allocation as set by Council.		
	4.5. A debt may only be written off where all necessary measures have been		
	taken to locate / contact the debtor and where costs associated with		
	continued action to recover the debt will outweigh the net value of the debt if		
	recovered by the Shire of Mingenew.		
	5.6. Limited to individual debts valued below \$100 or cumulative debts of a debtor		
	valued below \$100. Write off of debts greater than these values must be		
	referred for Council decision.		
	referred for Council decision.		

Formatted Table

Shire of Mingenew – Part 3 Council Delegations to the Chief Executive Officer		
J. J.	 6-7. Debt recovery is to be in accordance with the Shire's Internal Debt Recovery Policy and Procedures and subject to the provisions of the Local Government Act 1995. 7-8. Subject to the reporting of the exercise of this delegation to the Concept Forum each month. 8-9. * During a State-declared emergency, the CEO may waive, grant a concession or write off individual debts valued below \$500 or cumulative debts of a debtor valued below \$500 (excluding rates and rate interest), and, in the case of outstanding rates, waive or write off up to the value of the total interest on rates incurred in the current year, provided the applicant satisfies the definition of financial hardship in accordance with Council's Financial Hardship Policy. Debts greater than these values must be referred for Council decision. 	
Cross References (if any)		
Policy:	1.3.9 Debt Collection Policy	
Procedure:	Nil.	
Other Statutory:	Local Government Act 1995 Section 6.12 - Power to defer, grant discounts, waive or write off debts Local Government (Financial Management) Regulations 1996 Regulation 26 - Discount, incentive, concession, waiver	

Findings and Recommendations of Select Committee into Local Government – Shire of Mingenew Responses

Page No (Report)	Select Committee Recommendation	Shire of Mingenew Response
35	Recommendation 1 – the Government consider implementing a compliance regime that differentiates between local governments based on their size and scale where appropriate	SUPPORT – This is a critically important component that other reviews of the legislation have omitted
44	Recommendation 2 – the Government consider including a non-exhaustive statement of local government functions in any new local government Act.	SUPPORT
72	 Recommendation 3 – The regulatory impact assessment process for any regulatory proposal giving new responsibilities to local governments should explicitly address: Why local government is the appropriate level of government to assume those responsibilities The estimated cost to the local government sector of discharging those responsibilities The resources the State Government will provide to local governments to meet that estimated cost. 	support – Devolution of responsibility without associated resourcing is a significant challenge, particularly for smaller local governments where those functions require specialist expertise and can only be addressed through the hiring of (often costly) consultants.
75	Recommendation 4 – Explanatory memoranda accompanying a Bill should be required to address the potential impact of the Bill on local governments, including any costs of complying with and administering the proposed legislation.	SUPPORT
78	Recommendation 5 – The Legislative Council amend the Standing Orders of the Legislative Council to expand the terms of reference of an existing parliamentary committee, or establish a new parliamentary committee, to address issues relating to the system of local government.	SUPPORT
79	Recommendation 6 – The Legislative Council and the Government consider establishing a Joint Select Committee to inquire into structural reform of the system of local government in Western Australia.	SUPPORT – as mentioned in the report, this should be conditional on local government communities forming a significant part of any deliberations on structural reform.
96	Recommendation 7 – The Government consider returning to local governments at least 27 percent of motor vehicle licence fee collections.	SUPPORT – The Local Government sector has been seeking this reinstatement for some time to assist with our significant road network responsibility
108	Recommendation 8 – Recognising that the current charitable purposes rate exemption produces perverse outcomes and may inadvertently shield commercial operations from paying rates, the Government clarify the charitable purposes rate exemption in any new local government Act.	SUPPORT

108	Recommendation 9 – The Government conduct a broad review of the rate exemptions to be included in any new local government Act.	SUPPORT – Some exempt organisations (e.g. CBH) contribute significantly to the economy, but their activities also have a large impact on Local Government infrastructure that is not met by ex gratia payments.
126	Recommendation 10 – The Government continue to support the Office of the Auditor General in its examination of adverse trends in local government financial indicators.	SUPPORT
140	Recommendation 11 – The Government give active consideration to facilitating, through the Department of Local Government, Sport and Cultural Industries, a shared internal audit service for the local government sector, particularly to assist small and medium councils.	SUPPORT – Supported on the grounds that Local Governments retain the option to constitute their Audit Committee as they see best fit
140	Recommendation 12 – The Government give active consideration to providing, through the Department of Local Government, Sport and Cultural Industries, an accounting advice helpdesk service to the local government sector similar to the service provided by the Department of Treasury to the State Government sector.	SUPPORT – Local Government accounting is quite different to the commercial sector, and – at present – there are only private sector providers for services like this; which come at a cost
143	 Recommendation 13 – The Government: Consider reducing the financial reporting requirements on local governments In doing so, take into account the information provided by the Office of the Auditor General, set out in Appendix 3 and Appendix 4 of this report. 	SUPPORT – in line with Recommendation 1
144	Recommendation 14- The Department of Local Government, Sport and Cultural Industries and the Government consider the introduction of tiered financial reporting for local governments.	SUPPORT – State Government agencies currently operating under a two-tiered system provided for under the Australian Accounting Standards.
145	Recommendation 15 – The Government give active consideration to allowing smaller local government entities to report some asset classes using the cost model, rather than periodically re-valuing those assets.	SUPPORT – in line with Recommendation 1
150	Recommendation 16 – The Government and Department of Local Government, Sport and Cultural Industries consider changing the asset valuation and reporting requirements for local government infrastructure assets.	SUPPORT- in line with Recommendation 1
171	Recommendation 17 – The Department of Local Government, Sport and Cultural Industries review and update the local government accounting manual as soon as possible.	SUPPORT
171	Recommendation 18 – Where appropriate, the Department of Local Government, Sport and Cultural Industries review and update its published guidance to the local government sector.	SUPPORT

180	Recommendation 19 – The Government ensure that the Department of Local Government, Sport and Cultural Industries is sufficiently resourced to be a strong source of advice and support for the local government sector.	SUPPORT – This will likely require additional resourcing and expertise to be brought into the Department, as it is not believed that this would be possible in the Department's current form with current resourcing (which is why WALGA and LG Professionals have become the de facto providers of this advice)
180	Recommendation 20 – The Government ensure that the Department of Local Government, Sport and Cultural Industries is sufficiently resourced to be a source of independent advice and support for individual council members.	SUPPORT – As per recommendation 19
188	Recommendation 21 – The Department of Local Government, Sport and Cultural Industries coordinate the preparation of a publicly available single source of information clearly setting out the avenues of complaint available regarding local government decisions, and conduct issues within local governments.	SUPPORT
190	Recommendation 22 – The Government consider formally establishing the Department of Local Government, Sport and Cultural Industries as a 'one-stop-shop' for complaints related to the local government sector.	SUPPORT – This would both streamline and provide greater clarity to the process, whilst also removing a level of pressure for Local Government CEOs/Administrative staff
195	Recommendation 23 – The Government ensures that the Department of Local Government, Sport and Cultural Industries is appropriately resourced to conduct authorised inquiries in a timely manner.	SUPPORT – As per recommendation 19
197	Recommendation 24 – The Government ensure that the Department of Local Government, Sport and Cultural Industries is sufficiently resourced to deal with complaints of serious breach under the <i>Local Government Act 1995</i> .	SUPPORT – As per recommendation 19
206	Recommendation 25 – The Government give active consideration, as part of the review of the Local Government Act 1995, to establishing a new independent statutory body to regulate and support the local government sector.	SUPPORT
231	Recommendation 26 – The Government clarify the roles of council and the chief executive officer, and the distinction between governance and operational matters, in any new local government Act.	SUPPORT
241	Recommendation 27 – The Government and the Department of Local Government, Sport and Cultural Industries publish guidance that: • Sets out the circumstances, if any, in which the Local Government Act 1995 authorises a council to seek external advice, in particular legal advice, without the involvement of the chief executive officer or staff	SUPPORT – need to consider the practicalities of procurement for seeking legal advice without the assistance from administration (CEO or other staff)

	 Provide practical instruction as to how, in circumstances where a council considers any involvement by the chief executive officer to be inappropriate, the council should go about obtaining external advice (whether with the involvement of local government staff or otherwise). 	
256	Recommendation 28 – The Government give consideration to expanding council member training to address: • The distinction between council's governance role and the operational functions of the chief executive officer and staff • Conducting chief executive officer recruitment and performance reviews, and terminating a chief executive officer's employment.	SUPPORT
273	Recommendation 29 – The Department of Local Government, Sport and Cultural Industries review the minor breach complaint form in consultation with members of the Local Government Standards Panel.	SUPPORT
274	Recommendation 30 – The Government consider requiring local governments to provide the Local Government Standards Panel with any audio or video recordings of council meetings that relate to a complaint of minor breach.	SUPPORT – noting that this will require Council meetings to be recorded. This will represent a cost to those local governments (particularly smaller, regional local governments) who do not currently have such systems in place
276	Recommendation 31 – The complaints officer role be removed, and all minor breach complaints be made directly to the Department of Local Government, Sport and Cultural Industries or any independent boy established to deal with complaints against council members.	SUPPORT – As per recommendation 22
291	Recommendation 32 – The Government consider redrafting the <i>Local Government</i> (<i>Rules of Conduct</i>) Regulations 2007, or any future regulations describing the content of a minor breach, in a way that appropriately guides council member behavior without impending council members from performing their role.	SUPPORT
295	Recommendation 33 – The Government consider amending s5.123 of the <i>Local Government Act 1995</i> to allow a person to publicly discuss a minor breach complaint that has been dismissed by the Local Government Standards Panel.	OPPOSE – this reintroduces the risk that a person with a legitimate complaint may be deterred from making a complaint if confidentiality is removed.
307	Recommendation 34 – The Government ensure that local governments are provided with appropriate support and resources to implement any local level complaint process prescribed pursuant to s5.103 of the Local Government Act 1995.	SUPPORT
307	Recommendation 35 – The model code of conduct to be prescribed pursuant to s5.103 of the Local Government Act 1995 require a complainant to engage with any local level	SUPPORT

	complaint process before making a minor breach complaint to the Local Government Standards Panel.	
321	Recommendation 36 – The Western Australian Local Government Association need not and should not be constituted under the Local Government Act 1995, or any new local government Act.	SUPPORT

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

- LG Employee Code of Conduct Explanatory Notes

Section in Amendment Act	Section in LG Act	Topic
Section 25	 5.51A – Code of Conduct for employees (1) The CEO must prepare and implement a code of conduct to be observed by employees of the local government. (2) The CEO may amend the code of conduct. (3) The CEO must publish an up-to-date version of the code of conduct on the local government's official website. (4) Regulations may prescribe the content of, and other matters in relation to, codes of conduct under this section. (5) A code of conduct under this section is of no effect to the extent that it is 	Code of Conduct – Employees Section 25 of the Local Government Legislation Amendment Act 2019 inserts section 5.51A into the Local Government Act 1995, requiring the CEO of a local government to prepare and implement a Code of Conduct for employees. 5.51A also provides the head of power for a CEO to amend the code of conduct. Regulations may prescribe the content of, and other matters in relation to, codes of conduct under this section. A local government CEO is required to publish an up-to-date version of the code of conduct on the local government's website. Section 25 will be proclaimed at the same time as the Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020.

	inconsistent with regulations made for the purposes of subsection (4).	
Regulation	Amends	Explanation
Part 2 Regulation 3 – Regulations amended	Part 2 amends the Local Government (Administration) Regulations 1996.	Part 2 amends the Local Government (Administration) Regulations 1996 (Administration Regs). These new regulations are based on the existing requirements at Part 9 - 34B & 34C, they also include the additional requirement for a CEO to address the following topics in a code of conduct: • Personal behaviour • Handling of information, records keeping and communications • Fraudulent, corrupt and improper behaviour • Use of local government resources; and • Reporting of suspected wrongdoing. These matters are in addition to requirements relating to gifts and conflicts of interests.

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Part 4A inserted	Part 4A replaces Part 9 of the	Regulation 4 deals with the content of codes of conduct for local
Regulation 4 – After regulation	Local Government	government employees.
19A insert:	(Administration) Regulations	
	1996.	These regulations amend the current provisions regarding gifts
Part 4A – Content of codes		and conflicts of interest, while requiring at a minimum, that
of conduct for employees		additional matters are included in the Code based on the Public
(Act s.5.51A (4))		Sector Commission's guidelines: 'Developing a code of conduct
		guide for local government'.
		New provisions have been included in the regulations that
		enable a CEO to set a prohibited gift threshold lower than \$300
		if they choose. In effect, a prohibited gift can have a limit of
		anywhere between nil and \$300.
		Amendments to the gift provisions are based on feedback from
		the Public Sector Commission (PSC). The intent of these
		changes is to provide a local government CEO with the ability to
		set a value for gifts lower than what is already prescribed in
		regulations. If a CEO does not determine a lower gift threshold,
		the amounts prescribed in regulations remain unchanged.
Part 4A – Content of codes	Part 4A replaces Part 9 of the	The definition of a gift at 5.57 of the Local Government Act still
of conduct for employees	Local Government	applies. Gift exemptions also remain unchanged. The definition
	(Administration) Regulations	of an interest at 34C(1) of the Local Government
19AA. Terms used	1996.	(Administration) Regulations 1996 also applies.
In this Part —		, in the same of t
activity involving a local	Regulation 19AA replaces	
government discretion	34B(1) and 34C(1).	The current threshold amount for a gift that requires notification
means		is set between \$50 and \$300. The amendments at 19AA and
an activity —		19AB give a local government CEO the ability to determine

(a) that cannot be undertaken without an authorisation from the local government; or(b) by way of a commercial dealing with the local government;

associated person means a person who —

- (a) is undertaking or seeking to undertake an activity involving a local government discretion; or
- (b) it is reasonable to believe is intending to undertake an activity involving a local government discretion;

code of conduct means a code of conduct under section 5.51A;

gift has the meaning given in section 5.57 except that it does not include —

(a) a gift from a relative as defined in section 5.74(1); or

(b) a gift that must be disclosed under the Local Government (Elections)

lower thresholds for gifts, or ban gifts altogether, by determining a threshold amount of nil.

The value of a prohibited gift (or two or more gifts received within a period of 12 months) is still set at \$300 or more and is linked with local government discretion. However, a CEO may decide to set a lower value threshold for a prohibited gift or gifts (which may be nil). The time period for multiple gifts has been increased from 6 months to 12 months to align with gift requirements for CEOs and elected members.

The reference to notifiable gifts has been removed. However, 19AD deals with gifts that require notification in the same way. The requirement to disclose receipt of a gift valued at over \$50 still applies. Additionally, amendments have been incorporated to account for gift thresholds lower than \$300.

If a CEO decides to set a prohibited gift threshold of less than \$50, there is no requirement to provide notice of acceptance of such a gift (or gifts, if the value of multiple gifts received from the same person over a 12 month period is less than \$50). This is consistent with the current requirement.

The definition linking local government discretion with a prohibited gift has been applied to an *associated person*. An associated person refers to a person who –

- (a) Is undertaking or seeking to undertake an activity involving a local government discretion; or
- (b) It is reasonable to believe is intending to undertake an activity involving a local government discretion.

Regulations 1997 regulation 30B; or (c) a gift from a statutory authority, government instrumentality or non-profit association for professional training; or (d) a gift from WALGA, the Australian Local Government Association Limited (ABN 31 008 613 876) or the Local Government Professionals Australia WA (ABN 91 208 607 072);		
 interest – (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and (b) includes an interest arising from kinship, friendship or membership of an association; 		
 prohibited gift, in relation to an employee, means — (a) a gift worth the threshold amount for a prohibited gift or more than the threshold amount; or 		

(b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 1 year that are in total worth the threshold amount for a prohibited gift or more than the threshold amount; threshold amount, for a prohibited gift, means \$300 or a lesser amount (which may be nil) determined by the CEO.		
19AB. Determinations (1) The CEO may determine an amount for the purposes of the definition of <i>threshold amount</i> in regulation 19AA. (2) A determination made under subregulation (1) must be published on the local government's official website.	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. Regulation 19AB is a new provision.	19AB(1) provides a local government CEO with the ability to set a prohibited gift threshold lower than \$300. 19AB(2) requires any change made to threshold amounts to be published on the local government's website. Publication of the threshold in the gift register (if the threshold is not less than \$50) would satisfy this requirement.

19AC. Prohibited gifts (1) In this regulation — employee does not include the CEO. (2) A code of conduct must contain a requirement that an employee not accept a prohibited gift from an associated person.	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. 19AC replaces 34B(2).	There is no change from the current prohibited gift requirements set out at 34B of the Local Government (Administration) Regulations 1996. A local government's code of conduct must contain a requirement that employees do not accept a prohibited gift (as defined at 19AA) from anyone in relation to a matter that involves (or it is reasonable to believe will involve) local government discretion. 19AC has been updated to reflect the reference to an associated person at 19AA. 19AC(1) clarifies that the requirement for prohibited gifts does not apply to the local government CEO. Gift provisions for CEO's are dealt with separately in the Local Government Act.
19AD. Notification of acceptance of gifts. (1) In this regulation — employee does not include the CEO. (2) This regulation applies if the threshold amount for a prohibited gift is \$50 or more. (3) A code of conduct must contain a requirement that an	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. 19AD replaces 34B(3) and (4).	The requirements for notifiable gifts at 19AD are based on the requirements at 34B of the Local Government (Administration) Regulations 1996. However, 19AD links the threshold for a gift that requires notification with the threshold for a prohibited gift. If no change is made to the threshold amount for a prohibited gift, the threshold remains at \$300. In effect, any gift (other than a prohibited gift) received by an employee with a value between \$50 and \$300 must be disclosed to the local government CEO unless a determination is made at 19AB to set a lower threshold.

employee notify the CEO within 10 days after accepting from an associated person any of the following gifts -(a) a gift worth more than \$50 and less than the threshold amount for a prohibited gift; (b) a gift that is 1 of 2 or more gifts given to the employee by the same associated person within a period of 1 year that are in total worth between \$50 and the threshold amount for a prohibited gift. (4) A code of conduct must contain a requirement that the notification be in writing and include — (a) the name of the associated person who gave the gift; and (b) the date on which the gift was accepted; and (c) a description, and the estimated value, of the gift; and (d) the nature of the relationship between the employee and the associated person; and (e) if the gift is 1 of 2 or more gifts given to the employee by

There is no legislative requirement for local government employees to disclose gifts valued at less than \$50, unless multiple gifts are received from the same person within a 12 month period.

19AD also details the information that needs to be recorded including:

- The name of the associated person who gave the gift;
- The date on which the gift was received;
- A description of the gift and its estimated value;
- The nature of the relationship between the employee and the associated person; and
- If the gift is one of 2 or more gifts given to the employee by the same person within a 12 month period
 - A description of each gift;
 - o The estimated value; and
 - o The date of acceptance.

the same associated person within a period of 1 year, each of the following in respect of each of the gifts accepted within the 1-year period — (i) a description; (ii) the estimated value; (iii) the date of acceptance.		
19AE. Register of gifts A code of conduct must contain a requirement that the CEO — (a) keep a register of gifts; and (b) record in the register details of notifications given to comply with a requirement made under regulation 19AD(2); and (c) publish an up-to-date version of the register on the local government's official website.	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. Regulation 19AE replaces 34B(5).	The requirements pertaining to notifiable gift registers as outlined at 34B(5) of the Local Government (Administration) Regulations 1996 still apply. The reference to notifiable gifts has been amended. 19AE instead refers to a register of gifts. The requirements set out at 19AE otherwise remain unchanged from 34B(5).
19AF. Conflicts of interest (1) A code of conduct must contain a requirement that an employee who has an interest in any matter to be discussed at a council or committee	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996.	The requirements pertaining to conflicts of interest as outlined at 34C of the Local Government (Administration) Regulations 1996 still apply. There are no new requirements outlined at 19AF.

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meeting attended by the	Regulation 19AF replaces	The terminology in reference to a local government employee
employee disclose the nature	34C.	has been simplified.
of the interest —		
(a) in a written notice given to		
the CEO before the meeting;		
or		
(b) at the meeting immediately		
before the matter is discussed.		
(2) A code of conduct must		
contain a requirement that an		
employee who has given, or		
will give, advice in respect of		
any matter to be discussed at		
a council or committee		
meeting not attended by the		
employee disclose the nature		
of any interest the employee		
has in the matter —		
(a) in a written notice given to		
the CEO before the meeting;		
or		
(b) at the time the advice is		
given.		
(3) A code of conduct must		
exclude from a requirement		
made under subregulation (1)		
or (2) an interest referred to in		
section 5.60.		
(4) A code of conduct must		
excuse an employee from a		
requirement made under		
subregulation (1) or (2) to		

disclose the nature of an		
interest if —		
(a) the employee's failure to		
disclose occurs because the		
employee did not know that		
the employee had an interest		
in the matter; or		
(b) the employee's failure to		
disclose occurs because the		
employee did not know that		
the matter in which the		
employee had an interest		
would be discussed at the		
meeting and the employee		
discloses the nature of the		
interest as soon as possible		
after becoming aware of the		
discussion of a matter of that		
kind.		
(5) A code of conduct must		
require that if, to comply with a		
requirement made under		
subregulation (1) or (2), an		
employee makes a disclosure		
in a written notice given to the		
CEO before a meeting then —		
(a) before the meeting the		
CEO must cause the notice to		
be given to the person who is		
to preside at the meeting; and		
(b) immediately before a		
matter to which the disclosure		

relates is discussed at the meeting the person presiding must bring the notice and its contents to the attention of the persons present. (6) Subregulation (7) applies if— (a) to comply with a requirement made under subregulation (1), the nature of an employee's interest in a matter is disclosed at a meeting; or (b) a disclosure is made as described in subregulation (4)(b) at a meeting; or (c) to comply with a requirement made under subregulation (5)(b), a notice disclosing the nature of an employee's interest in a matter is brought to the attention of the persons present at a meeting. (7) The nature of the interest must be recorded in the minutes of the meeting.		
19AG. Other matters		

A code of conduct must contain requirements relating to —

- (a) the behaviour expected of an employee in relation to each of the following—
- (i) the performance of the employee's duties;
- (ii) the employee's dealings with other employees and the broader community:
- (iii) the use and disclosure of information acquired by the employee in the performance of the employee's duties;
- (iv) the use by the employee of the local government's finances and resources; and
- (b) the way in which the records of the local government are to be kept by an employee; and
- (c) matters relating to —
- (i) the reporting by an employee of suspected breaches of codes of conduct and unethical.

19AG Introduces new provisions relating to employee:

Behaviour;
Record keeping;
Reporting of suspected breaches; and
How suspected breaches of the code are managed.

19AG deals with matters that are based on the Public Sector Commission's guidelines. An employee code of conduct must contain requirements relating to the expectation of behaviour in respect of:

- an employee's work related duties;
- dealings with other employees and the community;
- use and disclosure of information and use of local government finances and resources.

A code of conduct must also deal with:

- the way in which records of the local government are to be kept by an employee; and matters relating to reporting of suspected breaches of the code and unethical, fraudulent, dishonest, illegal and corrupt behaviour; and
- the way in which suspected breaches of the code by an employee and unethical, fraudulent, dishonest, illegal and corrupt behaviour is managed.

fraudulent, dishonest, illegal and corrupt behaviour; and (ii) the way in which suspected breaches of the code of conduct by an employee and unethical, fraudulent, dishonest, illegal and corrupt behaviour of an employee is to be managed.		
Regulation 5 – deletes Part 9.	Regulation 5 repeals Part 9 of the Local Government (Administration) Regulations 1996.	Regulation 5 repeals Part 9 of the Administration Regulations. Requirements at Part 9, 34B and 34C of the Local Government (Administration) Regulations 1996 have been incorporated into the Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020.
Part 3 — Local Government (Audit) Regulations 1996 amended Regulation 6 - Regulations amended	Regulation 6 amends the Local Government (Audit) Regulations 1996.	Regulation 6 amends the Local Government (Audit) Regulations 1996.
Regulation 7. Regulation 13 amended	Regulation 7 Amends Regulation 13 of the Local Government (Audit) Regulations 1996.	Regulation 7 amends the Table of prescribed statutory requirements for compliance audits at Regulation 13 of the Local Government (Audit) Regulations 1996 by including the head of power at section 5.51A.

the item for s.5.46 insert: s. 5.51A	the item for s.5.46 insert: s.
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Western Australia

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

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Local Government Act 1995

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

Made by the Governor in Executive Council.

Part 1 — Preliminary

1. Citation

These regulations are the *Local Government Regulations Amendment (Employee Code of Conduct) Regulations* 2020.

2. Commencement

These regulations come into operation as follows —

- (a) Part 1 on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations on the day on which the Local Government Legislation Amendment Act 2019 sections 25 and 48 to 51 come into operation.

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

Part 2

Local Government (Administration) Regulations 1996 amended

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Part 2 — Local Government (Administration) Regulations 1996 amended

3. Regulations amended

This Part amends the *Local Government (Administration) Regulations 1996.*

4. Part 4A inserted

After regulation 19A insert:

Part 4A — Content of codes of conduct for employees (Act s. 5.51A(4))

19AA. Terms used

In this Part —

activity involving a local government discretion means an activity —

- (a) that cannot be undertaken without an authorisation from the local government; or
- (b) by way of a commercial dealing with the local government;

associated person means a person who —

- (a) is undertaking or seeking to undertake an activity involving a local government discretion; or
- (b) it is reasonable to believe is intending to undertake an activity involving a local government discretion;

code of conduct means a code of conduct under section 5.51A;

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gift —

- (a) has the meaning given in section 5.57; but
- (b) does not include
 - (i) a gift from a relative as defined in section 5.74(1); or
 - (ii) a gift that must be disclosed under the Local Government (Elections) Regulations 1997 regulation 30B; or
 - (iii) a gift from a statutory authority, government instrumentality or non-profit association for professional training; or
 - (iv) a gift from WALGA, the Australian Local Government Association Limited (ABN 31 008 613 876) or the Local Government Professionals Australia WA (ABN 91 208 607 072);

interest —

- (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
- (b) includes an interest arising from kinship, friendship or membership of an association;

prohibited gift, in relation to an employee, means —

- (a) a gift worth the threshold amount for a prohibited gift or more than the threshold amount; or
- (b) a gift that is 1 of 2 or more gifts given to the employee by the same person within a period of 1 year that are in total worth the threshold amount for a prohibited gift or more than the threshold amount;

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Part 2 Local Government (Administration) Regulations 1996 amended

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threshold amount, for a prohibited gift, means \$300 or a lesser amount (which may be nil) determined by the CEO.

19AB. Determinations

- (1) The CEO may determine an amount for the purposes of the definition of *threshold amount* in regulation 19AA.
- (2) A determination made under subregulation (1) must be published on the local government's official website.

19AC. Prohibited gifts

- (1) In this regulation *employee* does not include the CEO.
- (2) A code of conduct must contain a requirement that an employee not accept a prohibited gift from an associated person.

19AD. Notification of acceptance of gifts

- (1) In this regulation—

 employee does not include the CEO.
- (2) This regulation applies if the threshold amount for a prohibited gift is \$50 or more.
- (3) A code of conduct must contain a requirement that an employee notify the CEO within 10 days after accepting from an associated person any of the following gifts
 - (a) a gift worth more than \$50 and less than the threshold amount for a prohibited gift;
 - (b) a gift that is 1 of 2 or more gifts given to the employee by the same associated person within a period of 1 year that are in total worth

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between \$50 and the threshold amount for a prohibited gift.

- (4) A code of conduct must contain a requirement that the notification be in writing and include
 - (a) the name of the associated person who gave the gift; and
 - (b) the date on which the gift was accepted; and
 - (c) a description, and the estimated value, of the gift; and
 - (d) the nature of the relationship between the employee and the associated person; and
 - (e) if the gift is 1 of 2 or more gifts given to the employee by the same associated person within a period of 1 year, each of the following in respect of each of the gifts accepted within the 1-year period—
 - (i) a description;
 - (ii) the estimated value;
 - (iii) the date of acceptance.

19AE. Register of gifts

A code of conduct must contain a requirement that the CEO —

- (a) keep a register of gifts; and
- (b) record in the register details of notifications given to comply with a requirement made under regulation 19AD(2); and
- (c) publish an up-to-date version of the register on the local government's official website.

Local Government (Administration) Regulations 1996 amended

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19AF. Conflicts of interest

- (1) A code of conduct must contain a requirement that an employee who has an interest in any matter to be discussed at a council or committee meeting attended by the employee disclose the nature of the interest
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (2) A code of conduct must contain a requirement that an employee who has given, or will give, advice in respect of any matter to be discussed at a council or committee meeting not attended by the employee disclose the nature of any interest the employee has in the matter—
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the time the advice is given.
- (3) A code of conduct must exclude from a requirement made under subregulation (1) or (2) an interest referred to in section 5.60.
- (4) A code of conduct must excuse an employee from a requirement made under subregulation (1) or (2) to disclose the nature of an interest if
 - (a) the employee's failure to disclose occurs because the employee did not know that the employee had an interest in the matter; or
 - (b) the employee's failure to disclose occurs because the employee did not know that the matter in which the employee had an interest would be discussed at the meeting and the employee discloses the nature of the interest as soon as possible after becoming aware of the discussion of a matter of that kind.

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- (5) A code of conduct must require that if, to comply with a requirement made under subregulation (1) or (2), an employee makes a disclosure in a written notice given to the CEO before a meeting then
 - (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) immediately before a matter to which the disclosure relates is discussed at the meeting the person presiding must bring the notice and its contents to the attention of the persons present.
- (6) Subregulation (7) applies if
 - (a) to comply with a requirement made under subregulation (1), the nature of an employee's interest in a matter is disclosed at a meeting; or
 - (b) a disclosure is made as described in subregulation (4)(b) at a meeting; or
 - (c) to comply with a requirement made under subregulation (5)(b), a notice disclosing the nature of an employee's interest in a matter is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest must be recorded in the minutes of the meeting.

19AG. Other matters

A code of conduct must contain requirements relating to—

- (a) the behaviour expected of an employee in relation to each of the following
 - (i) the performance of the employee's duties;

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

Part 2 Local Government (Administration) Regulations 1996 amended

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- (ii) the employee's dealings with other employees and the broader community;
- (iii) the use and disclosure of information acquired by the employee in the performance of the employee's duties;
- (iv) the use by the employee of the local government's finances and resources;

and

- (b) the way in which the records of the local government are to be kept by an employee; and
- (c) matters relating to
 - (i) the reporting by an employee of suspected breaches of codes of conduct and unethical, fraudulent, dishonest, illegal and corrupt behaviour; and
 - (ii) the way in which suspected breaches of the code of conduct by an employee and unethical, fraudulent, dishonest, illegal and corrupt behaviour of an employee are to be managed.

5. Part 9 deleted

Delete Part 9.

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Part 3 — Local Government (Audit) Regulations 1996 amended

6. Regulations amended

This Part amends the *Local Government (Audit)* Regulations 1996.

7. Regulation 13 amended

In regulation 13 in the Table under the heading "Local Government Act 1995" after the item for s. 5.46 insert:

s. 5.51A

Clerk of the Executive Council

Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020

- Shire of Mingenew Response

Section in Amendment	Section in LG Act	Topic	Shire of Mingenew Comment
Act			
Section 25	5.51A –	Code of Conduct – Employees	NOTED
	Code of Conduct for employees	Section 25 of the Local Government Legislation Amendment Act 2019	
		inserts section 5.51A into the <i>Local Government Act 1995</i> , requiring the	
	(1) The CEO must prepare and implement a code of conduct to	CEO of a local government to prepare and implement a Code of Conduct	
	be observed by employees of the local government.	for employees.	
	(2) The CEO may amend the code of conduct.		
	(3) The CEO must publish an up-to-date version of the code of	5.51A also provides the head of power for a CEO to amend the code of	
	conduct on the local government's official website.	conduct. Regulations may prescribe the content of, and other matters in	
	(4) Regulations may prescribe the content of, and other matters	relation to, codes of conduct under this section.	
	in relation to, codes of conduct under this section.		
	(5) A code of conduct under this section is of no effect to the	A local government CEO is required to publish an up-to-date version of the	
	extent that it is inconsistent with regulations made for the	code of conduct on the local government's website.	
	purposes of subsection (4).		
		Section 25 will be proclaimed at the same time as the Local Government	
		Regulations Amendment (Employee Code of Conduct) Regulations 2020.	

Regulation	Amends	Explanation	Shire of Mingenew Comment
Part 2 Regulation 3 – Regulations amended	Part 2 amends the Local Government (Administration) Regulations 1996.	Part 2 amends the Local Government (Administration) Regulations 1996 (Administration Regs). These new regulations are based on the existing requirements at Part 9 - 34B & 34C, they also include the additional requirement for a CEO to address the following topics in a code of conduct: Personal behaviour Handling of information, records keeping and communications Fraudulent, corrupt and improper behaviour Use of local government resources; and Reporting of suspected wrongdoing. These matters are in addition to requirements relating to gifts and conflicts of interests.	It is noted that, unlike the proposed Elected Member Code of Conduct – which proscribed specific content – the employee code of conduct only provides several topics that must be included, but not the manner in which they must be addressed. The reasons for this difference in treatment is not clear. It queried whether a Model Code will be provided to Local Governments to create a degree of uniformity in this area.
Part 4A inserted Regulation 4 – After regulation 19A insert: Part 4A – Content of codes of conduct for employees (Act s.5.51A (4))	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996.	Regulation 4 deals with the content of codes of conduct for local government employees. These regulations amend the current provisions regarding gifts and conflicts of interest, while requiring at a minimum, that additional matters are included in the Code based on the Public Sector Commission's guidelines: 'Developing a code of conduct guide for local government'. New provisions have been included in the regulations that enable a CEO to set a prohibited gift threshold lower than \$300 if they choose. In effect, a prohibited gift can have a limit of anywhere between nil and \$300. Amendments to the gift provisions are based on feedback from the Public Sector Commission (PSC). The intent of these changes is to provide a local government CEO with the ability to set a value for gifts lower than what is already prescribed in regulations. If a CEO does not determine a lower gift threshold, the amounts prescribed in regulations remain unchanged.	NOTED

Part 4A - Content of codes of conduct for employees

19AA. Terms used

In this Part —

activity involving a local government discretion means an activity —

- (a) that cannot be undertaken without an authorisation from the local government; or
- (b) by way of a commercial dealing with the local government; associated person means a person who
 - (a) is undertaking or seeking to undertake an activity involving a local government discretion; or
 - (b) it is reasonable to believe is intending to undertake an activity involving a local government discretion;

code of conduct means a code of conduct under section 5.51A; **gift** has the meaning given in section 5.57 except that it does not include —

- (a) a gift from a relative as defined in section 5.74(1); or
- (b) a gift that must be disclosed under the Local Government (Elections) Regulations 1997 regulation 30B; or
- (c) a gift from a statutory authority, government instrumentality or non-profit association for professional training; or
- (d) a gift from WALGA, the Australian Local Government Association Limited (ABN 31 008 613 876) or the Local Government Professionals Australia WA (ABN 91 208 607 072);

interest -

- (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
- (b) includes an interest arising from kinship, friendship or membership of an association;

prohibited gift, in relation to an employee, means —

- (a) a gift worth the threshold amount for a prohibited gift or more than the threshold amount; or
- (b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 1 year that are in total worth the threshold amount for a prohibited gift or more than the threshold amount;

threshold amount, for a prohibited gift, means \$300 or a lesser amount (which may be nil) determined by the CEO.

Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996.

Regulation 19AA replaces 34B(1) and 34C(1).

The definition of a gift at 5.57 of the Local Government Act still applies. Gift exemptions also remain unchanged. The definition of an interest at 34C(1) of the Local Government (Administration) Regulations 1996 also applies.

The current threshold amount for a gift that requires notification is set between \$50 and \$300. The amendments at 19AA and 19AB give a local government CEO the ability to determine lower thresholds for gifts, or ban gifts altogether, by determining a threshold amount of nil.

The value of a prohibited gift (or two or more gifts received within a period of 12 months) is still set at \$300 or more and is linked with local government discretion. However, a CEO may decide to set a lower value threshold for a prohibited gift or gifts (which may be nil). The time period for multiple gifts has been increased from 6 months to 12 months to align with gift requirements for CEOs and elected members.

The reference to notifiable gifts has been removed. However, 19AD deals with gifts that require notification in the same way. The requirement to disclose receipt of a gift valued at over \$50 still applies. Additionally, amendments have been incorporated to account for gift thresholds lower than \$300.

If a CEO decides to set a prohibited gift threshold of less than \$50, there is no requirement to provide notice of acceptance of such a gift (or gifts, if the value of multiple gifts received from the same person over a 12 month period is less than \$50). This is consistent with the current requirement.

The definition linking local government discretion with a prohibited gift has been applied to an associated person. An associated person refers to a person who –

- (a) Is undertaking or seeking to undertake an activity involving a local government discretion; or
- (b) It is reasonable to believe is intending to undertake an activity involving a local government discretion.

UNSURE

The proposed regulations drop the existing definition of a notifiable gift, but then includes clause 19AD which provides for notification of the acceptance of gifts. Effectively, this achieves the same outcome but in a more opaque way. It is suggested that the definition of a notifiable gift remain as part of 19AA.

The one change in this area appears to reflect a desire to provide a legislative basis for a CEO to implement a lower threshold for a prohibited gift. It is unclear why this is necessary as, through Codes and policies. CEOs can currently set 'higher' standards in this area without the need for legislation. Promoting this option in a guidance note would eliminate what is viewed as an unnecessary legislative burden in the proposed regulations which will just become red tape.

This runs counter to the stated intent of the legislation, which is, in part, simplification.

Regulation	Amends	Explanation	Shire of Mingenew Comment
 19AB. Determinations (1) The CEO may determine an amount for the purposes of the definition of <i>threshold amount</i> in regulation 19AA. (2) A determination made under subregulation (1) must be published on the local government's official website. 	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. Regulation 19AB is a new provision.	19AB(1) provides a local government CEO with the ability to set a prohibited gift threshold lower than \$300. 19AB(2) requires any change made to threshold amounts to be published on the local government's website. Publication of the threshold in the gift register (if the threshold is not less than \$50) would satisfy this requirement.	OPPOSED As above, capacity exists already for CEOs to set standards for reporting below the legislated threshold. It is queried if a simpler method couldn't be used to achieve the desired outcome. It is also suggested that publication of this amount in the Code of Conduct also be considered satisfactory.
19AC. Prohibited gifts (1) In this regulation — employee does not include the CEO. (2) A code of conduct must contain a requirement that an employee not accept a prohibited gift from an associated person.	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. 19AC replaces 34B(2).	There is no change from the current prohibited gift requirements set out at 34B of the Local Government (Administration) Regulations 1996. A local government's code of conduct must contain a requirement that employees do not accept a prohibited gift (as defined at 19AA) from anyone in relation to a matter that involves (or it is reasonable to believe will involve) local government discretion. 19AC has been updated to reflect the reference to an associated person at 19AA. 19AC(1) clarifies that the requirement for prohibited gifts does not apply to the local government CEO. Gift provisions for CEOs are dealt with separately in the Local Government Act.	SUPPORTED

Regulation	Amends	Explanation	Shire of Mingenew Comment
19AD. Notification of acceptance of gifts. (1) In this regulation — employee does not include the CEO. (2) This regulation applies if the threshold amount for a prohibited gift is \$50 or more. (3) A code of conduct must contain a requirement that an employee notify the CEO within 10 days after accepting from an associated person any of the following gifts (a) a gift worth more than \$50 and less than the threshold amount for a prohibited gift; (b) a gift that is 1 of 2 or more gifts given to the employee by the same associated person within a period of 1 year that are in total worth between \$50 and the threshold amount for a prohibited gift. (4) A code of conduct must contain a requirement that the notification be in writing and include — (a) the name of the associated person who gave the gift; and (b) the date on which the gift was accepted; and (c) a description, and the estimated value, of the gift; and (d) the nature of the relationship between the employee and the associated person; and (e) if the gift is 1 of 2 or more gifts given to the employee by the same associated person within a period of 1 year, each of the following in respect of each of the gifts accepted within the 1-year period — (i) a description; (ii) the estimated value; (iii) the date of acceptance.	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. 19AD replaces 34B(3) and (4).	The requirements for notifiable gifts at 19AD are based on the requirements at 34B of the Local Government (Administration) Regulations 1996. However, 19AD links the threshold for a gift that requires notification with the threshold for a prohibited gift. If no change is made to the threshold amount for a prohibited gift, the threshold remains at \$300. In effect, any gift (other than a prohibited gift) received by an employee with a value between \$50 and \$300 must be disclosed to the local government CEO unless a determination is made at 19AB to set a lower threshold. There is no legislative requirement for local government employees to disclose gifts valued at less than \$50, unless multiple gifts are received from the same person within a 12 month period. 19AD also details the information that needs to be recorded including: • The name of the associated person who gave the gift; • The date on which the gift was received; • A description of the gift and its estimated value; • The nature of the relationship between the employee and the associated person; and • If the gift is one of 2 or more gifts given to the employee by the same person within a 12 month period – • A description of each gift; • The estimated value; and • The date of acceptance.	It is not clear why 19AD(4) is different to the notification requirements under 5.87C(3) of the Local Government Act. In the interest of simplifying the legislation and notification requirements, it would be logical to hold the same requirements around provision of details for all gifts. This will also reduce confusion for those requirement to develop and maintain registers.
 19AE. Register of gifts A code of conduct must contain a requirement that the CEO — (a) keep a register of gifts; and (b) record in the register details of notifications given to comply with a requirement made under regulation 19AD(2); and (c) publish an up-to-date version of the register on the local government's official website. 	Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996. Regulation 19AE replaces 34B(5).	The requirements pertaining to notifiable gift registers as outlined at 34B(5) of the Local Government (Administration) Regulations 1996 still apply. The reference to notifiable gifts has been amended. 19AE instead refers to a register of gifts. The requirements set out at 19AE otherwise remain unchanged from 34B(5).	OPPOSED Whilst requiring the CEO to maintain a register and make it publicly available through the website is SUPPORTED, this should be legislatively enshrined, not captured in an employee code of conduct.

19AF. Conflicts of interest

- (1) A code of conduct must contain a requirement that an employee who has an interest in any matter to be discussed at a council or committee meeting attended by the employee disclose the nature of the interest
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (2) A code of conduct must contain a requirement that an employee who has given, or will give, advice in respect of any matter to be discussed at a council or committee meeting not attended by the employee disclose the nature of any interest the employee has in the matter —
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the time the advice is given.
- (3) A code of conduct must exclude from a requirement made under subregulation (1) or (2) an interest referred to in section 5.60.
- (4) A code of conduct must excuse an employee from a requirement made under subregulation (1) or (2) to disclose the nature of an interest if
 - (a) the employee's failure to disclose occurs because the employee did not know that the employee had an interest in the matter; or
 - (b) the employee's failure to disclose occurs because the employee did not know that the matter in which the employee had an interest would be discussed at the meeting and the employee discloses the nature of the interest as soon as possible after becoming aware of the discussion of a matter of that kind.
- (5) A code of conduct must require that if, to comply with a requirement made under subregulation (1) or (2), an employee makes a disclosure in a written notice given to the CEO before a meeting then —
 - (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) immediately before a matter to which the disclosure relates is discussed at the meeting the person presiding must bring the notice and its contents to the attention of the persons present.
- (6) Subregulation (7) applies if —

Part 4A replaces Part 9 of the Local Government (Administration) Regulations 1996.

Regulation 19AF replaces 34C.

The requirements pertaining to conflicts of interest as outlined at 34C of the Local Government (Administration) Regulations 1996 still apply.

There are no new requirements outlined at 19AF.

The terminology in reference to a local government employee has been simplified.

SUPPORTED

The conflict of interest provisions broadly appear to reflect current provisions relating to impartiality interests at current Clause 34C of the Act. However, they are made more difficult as the definition of an interest is no longer embedded in the Clause itself but moved to the definitions clause in the proposed regulations.

It is also noted that provisions around officers disclosing interests are included in Section 5.70 of the Act and it may be worth considering whether the legislation can be streamlined here

Regulation	Amends	Explanation	Shire of Mingenew Comment
 (a) to comply with a requirement made under subregulation (1), the nature of an employee's interest in a matter is disclosed at a meeting; or (b) a disclosure is made as described in subregulation (4)(b) at a meeting; or (c) to comply with a requirement made under subregulation (5)(b), a notice disclosing the nature of an employee's interest in a matter is brought to the attention of the persons present at a meeting. (7) The nature of the interest must be recorded in the minutes of the meeting. 19AG. Other matters A code of conduct must contain requirements relating to — (a) the behaviour expected of an employee in relation to each of the following— (i) the performance of the employee's duties; (ii) the employee's dealings with other employees and the broader community; (iii) the use and disclosure of information acquired by the employee in the performance of the employee's duties; (iv) the use by the employee of the local government's finances and resources; and (b) the way in which the records of the local government are to be kept by an employee; and (c) matters relating to — (i) the reporting by an employee of suspected breaches of codes of conduct and unethical, fraudulent, dishonest, illegal and corrupt behaviour; and (ii) the way in which suspected breaches of the code of conduct by an employee and unethical, fraudulent, dishonest, illegal and corrupt behaviour of an employee is to be managed. 	19AG Introduces new provisions relating to employee: Behaviour; Record keeping; Reporting of suspected breaches; and How suspected breaches of the code are managed.	19AG deals with matters that are based on the Public Sector Commission's guidelines. An employee code of conduct must contain requirements relating to the expectation of behaviour in respect of: • an employee's work related duties; • dealings with other employees and the community; • use and disclosure of information and use of local government finances and resources. A code of conduct must also deal with: • the way in which records of the local government are to be kept by an employee; and matters relating to reporting of suspected breaches of the code and unethical, fraudulent, dishonest, illegal and corrupt behaviour; and • the way in which suspected breaches of the code by an employee and unethical, fraudulent, dishonest, illegal and corrupt behaviour is managed.	UNSURE As noted above, unlike the Elected Member Code of Conduct proposed, this Code is far less proscriptive. It is unclear why there is such a difference in approach between the two. Whilst the provisions in 19AG allow for individual local governments to address these matters individually, it is queried whether a Model Code will be provided to give guidance.
Regulation 5 – deletes Part 9.	Regulation 5 repeals Part 9 of the Local Government (Administration) Regulations 1996.	Regulation 5 repeals Part 9 of the Administration Regulations. Requirements at Part 9, 34B and 34C of the Local Government (Administration) Regulations 1996 have been incorporated into the Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020.	NOTED

Regulation	Amends	Explanation	Shire of Mingenew Comment
Part 3 — Local Government (Audit) Regulations 1996 amended	Regulation 6 amends the Local Government (Audit) Regulations 1996.	Regulation 6 amends the Local Government (Audit) Regulations 1996.	NOTED
Regulation 6 - Regulations amended	J		
Regulation 7.	Regulation 7 Amends Regulation 13 of the Local Government (Audit)	Regulation 7 amends the Table of prescribed statutory requirements for compliance audits at Regulation 13 of the Local Government (Audit) Regulations 1996 by including the head of power at section 5.51A.	NOTED
Regulation 13 amended	Regulations 1996.		
In regulation 13 in the Table under the heading "Local Government Act 1995" after the item for s.5.46 insert: s. 5.51A			

Project Name	Rationale	Scoped	Quotes	Value	LRCIE	SCP	СВР	Comments	Recommended for LRCIE
Public WiFi	Provide WiFi coverage, primarily for visitors who don't have access to the Tesltra network	Partially	Partially	\$10-\$20k	100%	4.3.2			Yes - unlikely to be funded through other source
Administration Building Upgrades	Upgrade of Shire building reception area/library space	Partially	No	\$10-\$20k	100%	1.1.2			Yes - for publicly accessible areas
Road Project: Yandanooka North-East Road Culvert Structure (Guardrail Install)	Support ongoing widening of Yandanooka NE Road by applying widening (guardrail) treatment to major culvert structure	Yes	Partially	\$150,000	Remainder	1.1.1			Yes - likely to only be partially funded through LRCIE
Road Project: Resheeting Works (Enokurra Rd / Burma Rd / Yandanooka West Rd / Yarragadee Rd / Scroops Rd / Morawa- Yandanooka Rd)	Support Shire's resheeting program	Partially	No	Up to \$275,000	Remainder	1.1.1		resheeting work on roads not eligible for RRG funds	Yes - unlikely to be funded elsewhere and can be done by Shire staff
Electric Vehicle Charging Station	Encourage visitation	Partially	Estimate only	\$25,000		2.3.2		Cecil Newton Park (on	No - wait for State EV Strategy
Mingenew Airstrip Upgrade	Improve disaster resilience; add new source of water there; RFDS serviceability	Yes	Rough	\$200,000		1.3.2		Currently looking at application into Regional Airports Program which could 100% fund this	No - wait for RAP program
Mingenew Spring	Enhance Mingenew Spring	No	No	?		1.1.2			No - requires planning and scoping
Recreation Centre Expansion	Replace hall a large public venue in town	Partially	Requested	?		1.1.2		Lack of scoping will make this project difficult to support for funding	No - requires planning and scoping
Housing Upgrades	Upgrades of Shire-owned (publicly rentable) housing	No	No	?		3.1.2		Raised at Audit & Risk	No - requires planning and scoping
Mingenew Light Industrial Incubator	Attract jobs to Mingenew	Partially	Partially	\$500,000		3.2.2	3.2.2a	serviced blocks (such as those currently for sale) to do this on. LRCI won't fund land purchase.	No - requires more planning and scoping, and potentially a site
Mingenew Town Hall	Will be dependent on outcome of community survey	Some options	No	?		1.1.2	1.1.2b	1	No - requires more planning and scoping
Tennis Clubhouse Replacement	Replace aging tennis clubhouse and fencing	Partially	No	?		1.1.2		Tennis Club who have indicated a willingness to co-	No - requires additional detail around scope
Mingenew Shire Weather Station Network	Improve monitoring of weather conditions (esp. during fire season)	Yes	Yes	\$15,000		1.3.2		Whilst spoken about briefly	No - push back on State
Monitoring Bores	Improve environmental compliance at landfill site	Yes	Yes	\$44,000		1.4.2		monitoring requirements with DWER following	No - waiting to hear back from DWER on scope requirements
Futher Council Chambers Upgrades	New boardroom table for public meetings	No	No	?		1.1.2		Council previously, as second stage to Chambers improvements. Unlikely to be funded elsewhere	No - marginal as to whether furniture purchase would be covered

Project on a Page

Project Title:	20-20 Public V	0 Public WiFi Executive S		Executive Sponsor:		Nils Hay, CEO Shire of Mingenew		
Funding Source:	LRCIE			Project Sponsor:		Shire of Mingenew		
Project Start:	1 Jan 2021	Project End:	31 Mar 2021	Project Officer:		Nils Hay		
Detailed project description and key activities (5000 chars)	Installation of WiFi equipment to allow public access in the following areas: - Cecil Newton Park - Around the Mingenew Tourist Centre - Around the CRC/Bank Area							
Project Outcomes	2. The project		yment of locals: economic activity of comr tention of businesses, se		2.	Yes Yes Yes		
Outcome Details	 Public WiFi hotspots Better service for visitors and local alike Ability to capture improved visitor data 							
Milestones	Scope works				September 2021			
	Procurement				October 2021			
	Install				November 2021			
Project Address	Midlands Road	d, Mingenew		,				
Value of Project to be undertaken on site	\$10-\$20,000							
Key Risks & Mitigation Strategies	System inadequate				Ensure project is scoped in consultation with qualified experts; look at what other local governments in the area have done (e.g. Irwin)			
	Safety of work areas during construction					Ensure contracted workers have a detailed plan for managing site safety		
	Value for money is not achieved Undertake quotation process to test the market before awarding contracts							
Alternative funding	There is limited other funding available for these kinds of works; it would typically be borne by the Shire's own source funding.					by the Shire's own source funding.		
Out of Scope Works	Operating cost	s of system; will ne	ed to form part of annual	I IT/telecoms budget				

Project on a Page

Project Budget	Cost Type	Cost \$(ex GST)
Due to the specialist nature of the work, the assumption is that it would be fully contracted.	Suppliers, consultants & contracted labour	\$10-\$20,000
a si cana de lany de la langua	Materials	\$0
	Equipment	\$0
	Shire labour and plant	\$0
	TOTAL	\$10-\$20,000

Other Funding Sources	Contribution \$ (ex GST)
Shire of Mingenew	0
Other Government funding	0
Other non-government funding	0
TOTAL	0

Key Activities (Critical Path)	Planned Start Date	Planned Finish Date	Comments
Location/Project Scoping	1/9/21	30/9/21	
RFQ Processes	1/10/21	31/10/21	
Install	1/11/21	30/11/21	
Acquittal	1/12/21	31/12/21	

Key Stakeholders	Communication Required	Comments
Council	Project updates through monthly CBP report from CEO	
Suppliers	RFQs/Purchase orders/OSH inductions	
LRCIE	Funding documentation and updates	
Visitors	Promotion of service once installed	

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Project Title:	20-19 Shire Administration Building Upgrades		Executive Sponsor:		Nils Hay, CEO Shire of Mingenew		
Funding Source:	LRCIE			Project Sponsor:		Shire of Mingenew	
Project Start:	1 Oct 2020	Project End:	30 Oct 2020	Project Officer:		Nils Hay	
Detailed project description and key activities (5000 chars)	- Painti - Upda - Wall a	ing ted furniture for wa	n area of the Shire Admir iting customers/library vis nting local images and art	sitors	g a moi	re welcoming space for customers, visitors and staff; including:	
Project Outcomes	2. The project		yment of locals: economic activity of comn tention of businesses, ser		2.	Yes Yes Yes	
Outcome Details	- Lighti - New t		I and installed (waiting are	ea chairs, computer desk as an area to showcase lo			
Milestones	Scope works				July	/ 2021	
	Procurement				Aug	gust 2021	
	Construction				October 2021		
Project Address	21 Victoria Str	eet, Mingenew		L			
Value of Project to be undertaken on site	\$10-\$20,000						
Key Risks & Mitigation Strategies	Disruption to o	perations				t at end of tourist season; seek to schedule some works outside of s hours	
	Safety of visito	ors during construct	ion	E	nsure c	contracted workers have a detailed plan for managing site safety	
	Value for money is not achieved Undertake quotation process to test the market before awarding contracts						
Alternative funding	There is limited other funding available for these kinds of works; it would typically be borne by the Shire's own source funding.						
Out of Scope Works	Upgrades to no	on-public areas of t	he building				

Project on a Page

Project Budget	Cost Type	Cost \$(ex GST)
The assumption would be that some works could be completed by Shire of Mingenew building maintenance staff, but other	Suppliers, consultants & contracted labour	\$5-\$15,000
items (electricals etc.) will require qualified tradespeople.	Materials	\$0
	Equipment	\$0
	Shire labour and plant	\$5,000
	TOTAL	\$10-\$20,000

Other Funding Sources	Contribution \$ (ex GST)
Shire of Mingenew	0
Other Government funding	0
Other non-government funding	0
TOTAL	0

Key Activities (Critical Path)	Planned Start Date	Planned Finish Date	Comments
Building upgrade scoping	1/7/21	15/7/21	
RFQ Processes	1/8/21	30/8/21	
Construction	1/10/21	31/10/20	
Installation of artwork	1/11/21	7/11/21	
Acquittal	1/12/21	31/12/21	

Key Stakeholders	Communication Required	Comments
Council	Project updates through monthly CBP report from CEO	
Suppliers	RFQs/Purchase orders/OSH inductions	
LRCIE	Funding documentation and updates	
Staff who use work-space	Input into building scope; updates regarding any work disruption	

SHIRE OF MINGENEW

MONTHLY FINANCIAL REPORT

(Containing the Statement of Financial Activity) For the Period Ended 30 November 2020

LOCAL GOVERNMENT ACT 1995 LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2020

INFORMATION

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 30 November 2020 Prepared by: Helen Sternick, Senior Finance Officer Reviewed by: Jeremy Clapham, Finance & Administration Manager

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of *Local* Government (Financial Management) Regulations 1996, Regulation 34. Note: The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the Local Government Act 1995 and accompanying regulations), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 14.

SIGNIFICANT ACCOUNTING POLICES

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is

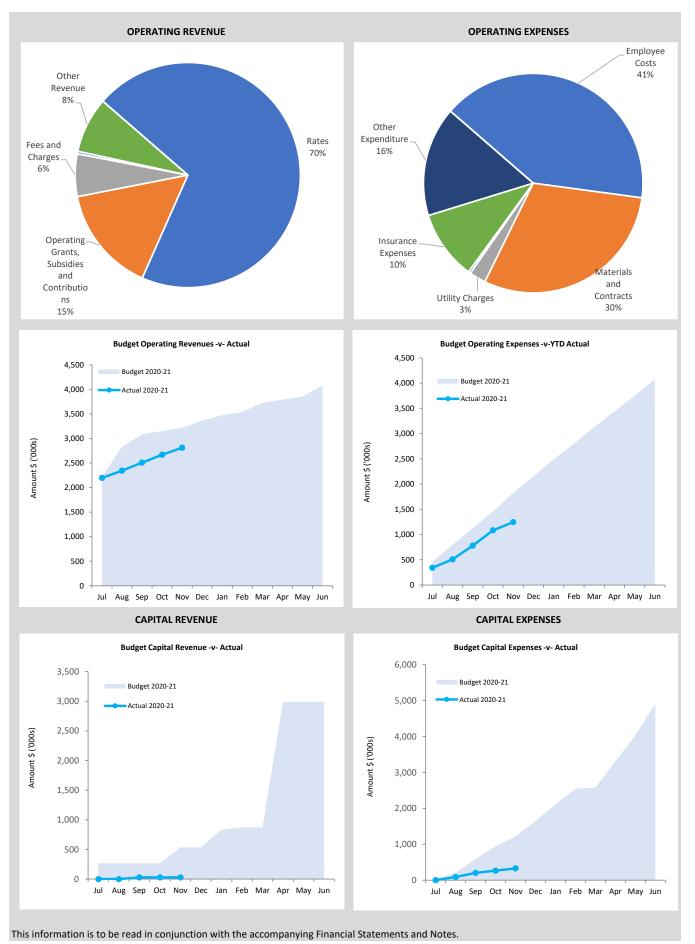
not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.



KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 NOVEMBER 2020

STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

ACTIVITIES

GOVERNANCE

To provide a decision making process for the efficient allocation of scarce resources.

Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer community.

Fire prevention, animal control and safety.

HEALTH

To provide services to help ensure a safer community.

Food quality, pest control and inspections.

EDUCATION AND WELFARE

To meet the needs of the community in these areas.

Includes education programs, youth based activities, care of families, the aged and disabled.

HOUSING

Provide housing services required by the community and for staff.

Maintenance of staff, aged and rental housing.

COMMUNITY AMENITIES

Provide services required by the community.

Rubbish collection services, landfill maintenance, townsite storm water drainage control and maintenance, administration of the Town Planning Scheme and maintenance of cemeteries.

RECREATION AND CULTURE

To establish and manage efficiently, infrastructure and resources which will help the social well being of the community.

Maintenance of halls, recreation centres and various reserves, operation of library, support of community events and matters relating to heritage.

TRANSPORT

To provide effective and efficient transport services to the community.

Construction and maintenance of streets, roads and footpaths, cleaning and lighting of streets, roads and footpaths, traffic signs and depot maintenance.

ECONOMIC SERVICES

To help promote the Shire and improve its economic wellbeing.

The regulation and provision of tourism, area promotion, building control and noxious weeds.

OTHER PROPERTY AND SERVICES

To provide effective and efficient administration, works operations and plant and fleet services.

 $\label{lem:private works operations, plant repairs and operational costs. Administration overheads.$

STATUTORY REPORTING PROGRAMS

				YTD	YTD	Var. \$	Var. %	
	Ref	Adopted	Amended	Budget	Actual	(b)-(a)	(b)-(a)/(a)	Var.
	Note	Budget	Budget	(a)	(b)	(- / (- /	(-7 (-7) (-7	
		\$	\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	1(c)	568,521	568,521	568,521	405,934	(162,587)	(28.60%)	•
Revenue from operating activities								
Governance		13,399	13,399	5,575	16,786	11,211	201.09%	
General Purpose Funding - Rates	6	1,975,991	1,975,991	1,975,991	1,975,727	(264)	(0.01%)	
General Purpose Funding - Other		1,182,941	1,182,941	754,630	337,100	(417,530)	(55.33%)	\blacksquare
Law, Order and Public Safety		23,750	23,750	10,010	10,704	694	6.93%	
Health		150	150	65	727	662	1018.46%	A
Education and Welfare		400	400	165	428	263	159.39%	A
Housing		90,440	90,440	37,680	47,313	9,633	25.57%	
Community Amenities		89,650	89,650	78,470	72,634	(5,836)	(7.44%)	\blacksquare
Recreation and Culture		28,780	28,780	28,080	29,369	1,289	4.59%	
Transport		594,400	594,400	293,330	272,717	(20,613)	(7.03%)	\blacksquare
Economic Services		18,582	18,582	8,545	15,037	6,492	75.97%	A
Other Property and Services		60,500	60,500	25,200	33,926	8,726	34.63%	A
. ,	-	4,078,983	4,078,983	3,217,741	2,812,468	(405,273)		
Expenditure from operating activities								
Governance		(343,694)	(346,694)	(153,219)	(119,391)	33,828	22.08%	▼
General Purpose Funding		(76,332)	(76,332)	(29,715)	(32,949)	(3,234)	(10.88%)	A
Law, Order and Public Safety		(66,912)	(66,912)	(28,363)	(32,601)	(4,238)	(14.94%)	A
Health		(80,167)	(80,167)	(33,375)	(28,264)	5,111	15.31%	•
Education and Welfare		(111,669)	(111,669)	(47,317)	(31,644)	15,673	33.12%	•
Housing		(159,522)	(161,522)	(86,703)	(50,291)	36,412	42.00%	•
Community Amenities		(249,083)	(249,083)	(104,398)	(88,267)	16,131	15.45%	•
Recreation and Culture		(992,925)	(992,925)	(422,724)	(271,250)	151,474	35.83%	•
Transport		(1,615,122)	(1,600,122)	(672,231)	(497,317)	174,914	26.02%	•
Economic Services		(302,628)	(302,628)	(131,094)	(134,320)	(3,226)	(2.46%)	
Other Property and Services		(80,817)	(80,817)	(103,048)	44,608	147,656	143.29%	•
	-	(4,078,871)	(4,068,871)	(1,812,187)	(1,241,686)	570,501		
		() / - /	()===,=	()=	() , , , , , , , , , , , , , , , , , ,	,		
Non-cash amounts excluded from operating activities	1(a)	1,527,770	1,512,770	633,810	(865)	(634,675)	(100.14%)	•
Amount attributable to operating activities	• • •	1,527,882	1,522,882	2,039,364	1,569,917	(469,447)		
Investing Activities								
Proceeds from non-operating grants, subsidies and								
contributions	13(b)	2,990,490	2,990,490	532,000	28,176	(503,824)	(94.70%)	\blacksquare
Proceeds from disposal of assets	7	35,000	50,000	50,000	5,091	(44,909)	(89.82%)	\blacksquare
Purchase of property, plant and equipment	8	(4,915,678)	(4,925,678)	(1,233,181)	(334,106)	899,075	(72.91%)	\blacksquare
Amount attributable to investing activities	-	(1,890,188)	(1,885,188)	(651,181)	(300,839)	350,342		
Financing Activities								
Repayment of Debentures	9	(161,995)	(161,995)	(40,493)	(40,137)	356	(0.88%)	
Principal element of finance lease payments	10	0	0	0	(3,761)	(3,761)	0.00%	
Transfer to Reserves	11	(44,221)	(44,221)	(1,825)	0	1,825	(100.00%)	\blacksquare
Amount attributable to financing activities		(206,216)	(206,216)	(42,318)	(43,898)	(1,580)		
	_							
Closing Funding Surplus / (Deficit)	1(c)	0	0	1,914,386	1,631,114	(283,272)		

🔻 Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an threshold. Refer to Note 16 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020-21 year is \$10,000 or 10.00% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 30 NOVEMBER 2020

REVENUE

RATES

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995 . Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

NATURE OR TYPE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

BY NATURE OR TYPE

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Opening Funding Surplus / (Deficit)	1(c)	\$ 568,521	\$ 568,521	\$ 568,521	\$ 405,934	\$ (162,587)	% (28.60%)	•
Revenue from operating activities								
Rates	6	1,975,991	1,975,991	1,975,991	1,975,727	(264)	(0.01%)	
Operating grants, subsidies and								
contributions	13(a)	1,306,100	1,306,100	849,755	430,001	(419,754)	(49.40%)	•
Fees and charges		239,292	239,292	158,525	171,669	13,144	8.29%	A
Interest earnings		24,381	24,381	10,155	10,443	288	2.84%	
Other revenue		531,219	531,219	221,315	224,628	3,313	1.50%	
Profit on disposal of assets	7	2,000	2,000	2,000	0	(2,000)	(100.00%)	\blacksquare
		4,078,983	4,078,983	3,217,741	2,812,468	(405,273)		
Expenditure from operating activities								
Employee costs		(1,031,488)	(1,031,488)	(437,455)	(506,001)	(68,546)	(15.67%)	A
Materials and contracts		(708,353)	(713,353)	(337,412)	(374,023)	(36,611)	(10.85%)	A
Utility charges		(93,002)	(93,002)	(38,790)	(30,412)	8,378	21.60%	•
Depreciation on non-current assets		(1,506,670)	(1,506,670)	(627,710)	0	627,710	100.00%	•
Interest expenses		(10,686)	(10,686)	(3,242)	(4,163)	(921)	(28.41%)	A
Insurance expenses		(120,997)	(120,997)	(116,669)	(126,609)	(9,940)	(8.52%)	
Other expenditure		(584,575)	(584,575)	(242,809)	(200,478)	42,331	17.43%	•
Loss on disposal of assets	7	(23,100)	(8,100)	(8,100)	0	8,100	100.00%	•
		(4,078,871)	(4,068,871)	(1,812,187)	(1,241,686)	570,501		
Non-cash amounts excluded from operating								
activities	1(a)	1,527,770	1,512,770	633,810	(865)	(634,675)	(100.14%)	•
Amount attributable to operating activities	•	1,527,882	1,522,882	2,039,364	1,569,917	(469,447)		
Investing activities								
Proceeds from non-operating grants, subsidies and								
contributions	13(b)	2,990,490	2,990,490	532,000	28,176	(503,824)	(94.70%)	\blacksquare
Proceeds from disposal of assets	7	35,000	50,000	50,000	5,091	(44,909)	(89.82%)	\blacksquare
Payments for property, plant and equipment	8	(4,915,678)	(4,925,678)	(1,233,181)	(334,106)	899,075	(72.91%)	\blacksquare
Amount attributable to investing activities		(1,890,188)	(1,885,188)	(651,181)	(300,839)	350,342		
Financing Activities								
Repayment of debentures	9	(161,995)	(161,995)	(40,493)	(40,137)	356	(0.88%)	
Principal element of finance lease payments	10	0	0	0	(3,761)	(3,761)	0.00%	
Transfer to reserves	11	(44,221)	(44,221)	(1,825)	0	1,825	(100.00%)	\blacksquare
Amount attributable to financing activities		(206,216)	(206,216)	(42,318)	(43,898)	(1,580)		
Closing Funding Surplus / (Deficit)	1(c)	0	0	1,914,386	1,631,114	(283,272)		

KEY INFORMATION

Refer to Note 16 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

[►] Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities		buuget	Buuget	(a)	(6)
		\$		\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals		(2,000)	(2,000)	(2,000)	0
Less: Fair value adjustments to financial assets		0	0	0	(865)
Add: Loss on asset disposals		23,100	8,100	8,100	0
Add: Depreciation on assets		1,506,670	1,506,670	627,710	0
Total non-cash items excluded from operating activities	-	1,527,770	1,512,770	633,810	(865)
(b) Adjustments to net current assets in the Statement of Financial	Activity				
The following current assets and liabilities have been excluded		Last	This	This Time	Year
from the net current assets used in the Statement of Financial		Year	Year	Last	to
Activity in accordance with Financial Management Regulation		Closing	Opening	Year	Date
32 to agree to the surplus/(deficit) after imposition of general rates.		30 Jun 2020	01 Jul 2020	30 Nov 2019	30 Nov 2020
Adjustments to net current assets					
Less: Reserves - restricted cash	11	(427,011)	(427,011)	(310,035)	(427,011)
Add: Borrowings	9	161,995	161,995	118,979	121,858
Add: Lease liabilities		9,331	9,331	5,742	5,570
Add: Provisions - employee	12	136,130	136,130	125,163	136,130
Add: Change in accounting policies - AASB16 Leases	_	0	0	29,060	0
Total adjustments to net current assets		(119,555)	(119,555)	(31,091)	(163,453)
(c) Net current assets used in the Statement of Financial Activity					
Current assets					
Cash and cash equivalents	2	1,088,447	1,088,447	2,519,703	2,635,173
Rates receivables	6	27,369	27,369	348,715	216,473
Receivables	3	18,573	18,573	89,453	25,822
Other current assets	4	0	0	52,551	1,517
Less: Current liabilities					
Payables	5	(130,578)	(130,578)	(157,398)	(39,848)
Borrowings	9	(161,995)	(161,995)	(118,979)	(121,858)
Lease liabilities	10	(9,331)	(9,331)	(5,742)	(5,570)
Contract liabilities	12	(170,866)	(170,866)	(654,910)	(781,012)
Provisions	12	(136,130)	(136,130)	(125,163)	(136,130)
Less: Total adjustments to net current assets	1(b)	(119,555)	(119,555)	(31,091)	(163,453)
Closing Funding Surplus / (Deficit)		405,934	405,934	1,917,140	1,631,114
CURRENT AND NON-CURRENT CLASSIFICATION					

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

OPERATING ACTIVITIES NOTE 2 **CASH AND FINANCIAL ASSETS**

				Total			Interest	Maturity
Description	Classification	Unrestricted	Restricted	Cash	Trust	Institution	Rate	Date
		\$	\$	\$	\$			
Cash on hand								
Cash on hand	Cash and cash equivalents	100		100				On Hand
At call deposits								
Municipal Funds	Cash and cash equivalents	141,230		141,230		NAB	0.25%	Cheque A/C
Municipal Funds	Cash and cash equivalents	1,262,898	639,320	1,902,218		NAB	0.85%	On Call
Term Deposits		0						
Municipal Funds	Cash and cash equivalents	0	164,613	164,613		NAB	0.90%	23/12/2020
Reserve Funds	Cash and cash equivalents	0	427,012	427,012		NAB	0.90%	23/12/2020
Total		1,404,228	1,230,944	2,635,173	0			
Comprising								
Cash and cash equivalents		1,404,228	1,230,944	2,635,173	0			
Financial assets at amortised cost		0	0	0	0			
	-	1,404,228	1,230,944	2,635,173	0			

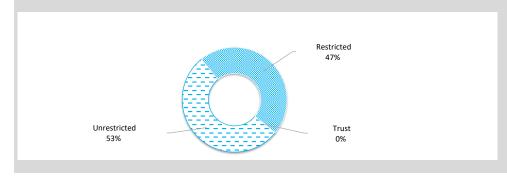
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments highly liquid investments. with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- $\hbox{- the contractual terms give rise to cash flows that are solely payments of principal and interest.}\\$

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Total Cash	Unrestricted
\$2.64 M	\$1.4 M

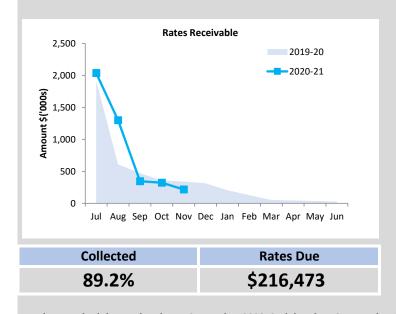
OPERATING ACTIVITIES NOTE 3 **RECEIVABLES**

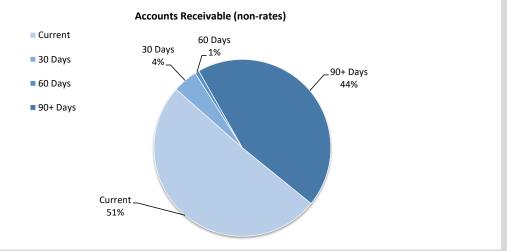
Rates Receivable	30 Jun 2020	30 Nov 20
	\$	\$
Opening Arrears Previous Years	21,379	27,369
Levied this year	1,885,305	1,975,728
Less - Collections to date	(1,879,315)	(1,786,624)
Equals Current Outstanding	27,369	216,473
Net Rates Collectable	27,369	216,473
% Collected	98.6%	89.2%

Receivables - General	Credit	Current	30 Days	60 Days	60 Days 90+ Days	
	\$	\$	\$	\$	\$	\$
Receivables - General	(53	39) 7,988	711	120	6,941	15,220
Percentage	-3.	5% 52.5%	4.7%	0.8%	45.6%	
Balance per Trial Balance						
Sundry receivable	(Include Sundry	f \$904)	15,220			
GST receivable						11,174
Allowance for impairment of receivables						(572)
Total Receivables General Outstanding						25,822
Amounts shown above include GST (where	e applicable)					

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.





Debtors Due \$25,822 Over 30 Days 6% Over 90 Days 45.6%

Instalment schedule: 1st due date 4 September 2020; 2nd due date 6 November 2020; 3rd due date 15 January 2021; 4th due date 19 March 2021.

OPERATING ACTIVITIES NOTE 4 **OTHER CURRENT ASSETS**

Other Current Assets	Opening Balance 1 July 2020	Asset Increase	Asset Reduction	Closing Balance 30 November 2020
	\$	\$	\$	\$
Inventory				
Fuel	0	1,517	0	1,517
Total Other Current assets				1,517
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of

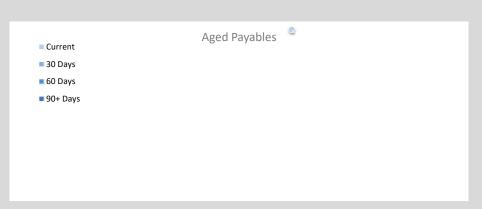
completion and the estimated costs necessary to make the sale.

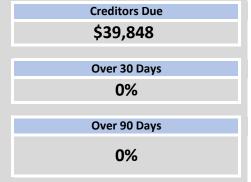
Payables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - General	0	469	0	0	0	469
Percentage	0%	100%	0%	0%	0%	
Balance per Trial Balance						
Sundry creditors						469
ATO liabilities						19,310
Receipts in Advance						3,225
Other payables - Bonds Held						19,696
* Other payables						(2,852)
Total Payables General Outstanding						39,848
Amounts shown above include GST (where appl	icable)					

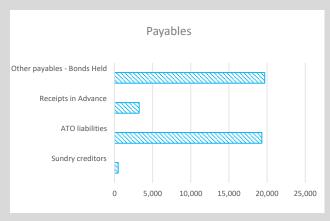
KEY INFORMATION

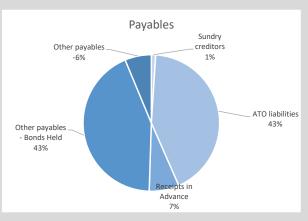
Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

Other payables are the adjustments made to ESL through property amalgations as provided by Landgate and will be recouped from DFES as part of the end of year process.







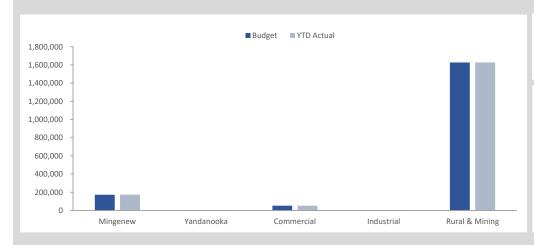


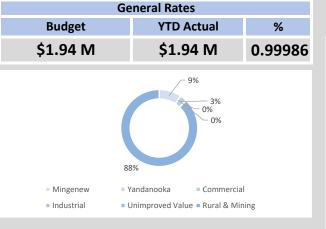
OPERATING ACTIVITIES NOTE 6 **RATE REVENUE**

General Rate Revenue					Budg	et			YTD	Actual	
	Rate in	Number of	Rateable	Rate	Interim	Back	Total	Rate	Interim	Back	Total
	\$ (cents)	Properties	Value	Revenue	Rate	Rate	Revenue	Revenue	Rates	Rates	Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
Differential General Rate											
Gross Rental Value											
Mingenew	0.150280	129	1,144,624	172,014	750	0	172,764	172,010	1,486	0	173,496
Yandanooka	0.150280	2	13,884	2,086	0	0	2,086	2,086	0	0	2,086
Commercial	0.150280	14	346,632	52,092	0	0	52,092	52,091	0	0	52,091
Industrial	0.150280	3	12,480	1,875	0	0	1,875	1,875	0	0	1,875
Unimproved Value											
Rural & Mining	0.012920	112	125,918,500	1,626,867	0	0	1,626,867	1,626,238	801	309	1,627,348
Sub-Total		260	127,436,120	1,854,934	750	0	1,855,684	0 1,854,300	2,287	309	1,856,896
Minimum Payment	Minimum \$										
Gross Rental Value											
Mingenew	707	59	24,721	41,713	0	0	41,713	41,713	0	0	41,713
Yandanooka	707	0	0	0	0	0	0	0	0	0	0
Commercial	707	9	6,209	6,363	0	0	6,363	6,363	0	0	6,363
Industrial	707	3	2,786	2,121	0	0	2,121	2,121	0	0	2,121
Unimproved Value			,	,			•	,			,
Rural & Mining	1,061	31	773,297	32,891	0	0	32,891	31,815	(224)	(177)	31,414
Sub-Total		102	807,013	83,088	0	0	83,088	82,012	(224)	(177)	81,611
Concession			•	•			(1,045)	•		` ′	(1,043
Amount from General Rates							1,937,727				1,937,464
Ex-Gratia Rates							38,264				38,264
Total General Rates							1,975,991				1,975,728
							,,		Difference to	RSS	1

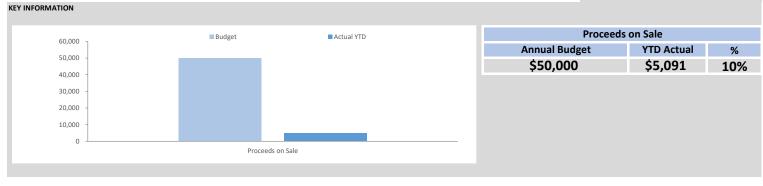
KEY INFORMATION

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.





		Adopted Budget Amended Budget						YTD Actual				
	Net Book								Net Book			
set Description	Value	Proceeds	Profit	(Loss)	Value	Proceeds	Profit	(Loss)	Value	Proceeds	Profit	(Loss)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
nt and equipment												
nsport												
ew cab - MI029	8,000	10,000	2,000	0	8,000	10,000	2,000	0	0	0	0	0
ater truck*	16,500	10,000	0	(6,500)	16,500	10,000	0	(6,500)	0	0	0	0
B backhoe	31,600	15,000	0	(16,600)	31,600	30,000	0	(1,600)	0	0	0	0
ater tanker trailer	0	0	0	0	0	0	0	0		5,091	0	0
	56,100	35,000	2,000	(23,100)	56,100	50,000	2,000	(8,100)	0	5,091	0	0
r e a	it and equipment isport w cab - MI029 ter truck* backhoe	tet Description Value \$ st and equipment sport w cab - MI029 8,000 ter truck* 16,500 backhoe 31,600 ter tanker trailer 0	Net Book Value Proceeds	Net Book Value Proceeds Profit	Net Book Value Proceeds Profit (Loss)	Net Book Value Proceeds Profit (Loss) Value	Net Book Value Proceeds Profit (Loss) Value Proceeds	Net Book Proceeds Profit (Loss) Net Book Proceeds Profit	Net Book Proceeds Profit (Loss) Value Proceeds Profit (Loss) Profit Prof	Net Book Proceeds Profit (Loss) Value Proceeds Profit (Loss) Profit Proceeds Profit Pr	Net Book Value Proceeds Profit (Loss) Value Proceeds	Net Book Value Proceeds Profit (Loss) Profit Proceeds Profit (Loss) Profit (Loss) Profit Proceeds P



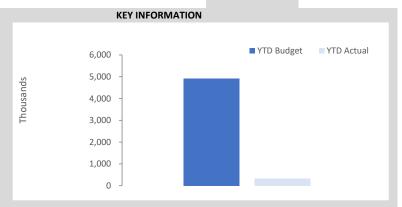
^{*} Note: Incorrect asset used, should have been the Water Tanker (not the Water Truck), will be corrected in the Budget Review in early 2021.

INVESTING ACTIVITIES NOTE 8 **CAPITAL ACQUISITIONS**

					YTD Actual
Capital Acquisitions	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance
	\$	\$	\$	\$	\$
Land	0	0	0	5,000	5,000
Buildings - non-specialised	300,500	310,500	140,000	44,401	(95,599)
Buildings - specialised	299,500	299,500	126,500	24,495	(102,005)
Plant and equipment	340,000	340,000	340,000	4,545	(335,455)
Infrastructure - Roads	1,406,774	1,406,774	463,681	92,596	(371,085)
Infrastructure - bridges	2,266,404	2,266,404	0	0	0
Infrastructure - parks & ovals	200,000	200,000	100,000	142,988	42,988
Infrastructure - other	102,500	102,500	63,000	20,080	(42,920)
Capital Expenditure Totals	4,915,678	4,925,678	1,233,181	334,106	(899,075)
Capital Acquisitions Funded By:					
	\$	\$	\$	\$	\$
Capital grants and contributions	2,990,490	2,990,490	532,000	204,183	(327,817)
Other (Disposals & C/Fwd)	35,000	50,000	50,000	5,091	(44,909)
Contribution - operations	1,890,188	1,885,188	651,181	124,832	(526,349)
Capital Funding Total	4,915,678	4,925,678	1,233,181	334,106	(899,075)

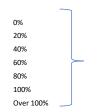
SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$4.92 M	\$.33 M	7 %
Capital Grant	Annual Budget	YTD Actual	% Received
	\$2.99 M	\$.2 M	7%

Capital Expenditure Total Level of Completion Indicators



ď

Percentage Year to Date Actual to Annual Budget expenditure where the

expenditure over budget highlighted in red.

Level of completion indicator,	please see table at the end of	of this note for further detail.

	Account Description	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance (Under)/Over
Land						
LC085	25 Victoria Road (Lot 85) - Land	0	0	0	5,000	5,000
Land Total		0	0	0	5,000	5,000
Buildings - non-specialised						
BC083	21 Victoria Road (Lot 83) - Chambers - Building (Capital)	13,000	13,000	0	0	0
BC076	76 Phillip Street (Lot 106) - Daycare Centre - Building (Capital)	150,000	150,000	30,000	0	(30,000)
BC033	33 Victoria Road (Lot 89) - Residence - Building (Capital)	40,000	40,000	40,000	19,243	(20,758)
BC120	12 Victoria Road (Lot 66) - (APU) - Building (Capital)	0	0	0	9,880	9,880
BC121	12 Victoria Road (Lot 66) - Unit 1 (APU) - Building (Capital)	3,125	3,125	0	0	0
BC122	12 Victoria Road (Lot 66) - Unit 2 (APU) - Building (Capital)	3,125	3,125	0	0	0
BC123	12 Victoria Road (Lot 66) - Unit 3 (APU) - Building (Capital)	3,125	3,125	0	0	0
BC124	12 Victoria Road (Lot 66) - Unit 4 (APU) - Building (Capital)	3,125	3,125	0	0	0
BC047	47 Linthorne Street (Lot 114) - Depot - Building (Capital)	25,000	25,000	0	0	0
BC054	54 Midlands Road (Lot 71) - MIG Office - Building (Capital)	20,000	30,000	30,000	0	(30,000)
BC050	50 Midlands Road (Lot 73) - Post Office - Building (Capital)	20,000	20,000	20,000	2,994	(17,006)
BC021	21 Victoria Road (Lot 83) - Administration Office - Building (Capital)	20,000	20,000	20,000	12,285	(7,715)
Buildings - non-specialised Total		300,500	310,500	140,000	44,401	(95,599)
Buildings - specialised						
BC023	23 Victoria Road (Lot 84) - Toy Library - Building (Capital)	7,000	7,000	0	0	0
BC098	Recreation Centre - Building (Capital)	25,500	25,500	25,500	24,495	(1,005)
BC598	Recreation Centre - Water infrastructure upgrade (capital)	51,000	51,000	51,000	0	(51,000)
BC016	16 Midlands Road - Railway Station - Building (Capital)	216,000	216,000	50,000	0	(50,000)
Buildings - specialised Total	20 mais not not name, station salam, (capital)	299,500	299,500	126,500	24,495	(102,005)
Plant and equipment						
PE029	Crew Cab Truck - MI029 - Capital	80,000	80,000	80,000	0	(80,000)
PE255	Water Truck - MI255 - Capital	90,000	90,000	90,000	4,545	(85,455)
PE262	Backhoe - MI262 - Capital	170,000	170,000	170,000	0	(170,000)
Plant and equipment Total		340,000	340,000	340,000	4,545	(335,455)
Infrastructure - Roads						
RC045	Phillip Street (Capital)	100,000	100,000	59,995	4,550	(55,445)
RC087	Parking Bay South of Midland Road (Capital)	30,000	30,000	0	0	0
RC000	Road Construction General (Budgeting Only)	283,273	283,273	118,020	4,300	(58,150)
RC013	Enokurra Road (Capital)		,	-,-	50,514	(,,
RC011	Mooriary Road (Capital)				5,056	
RRG080	Mingenew - Mullewa Road (RRG)	439,500	439,500	285,666	364	(285,302)
RRG024	Milo Road (RRG)	258,000	258,000	0	15,000	15,000
BS002	Yandanooka North East Road (BS)	296,000	296,000	0	12,813	12,813
Infrastructure - roads Total	(,	1,406,774	1,406,774	463,681	92,596	(371,085)
Infrastructure - bridges						
BR0833	Yarragadee - Mingenew - Mullewa Road - Bridge (Capital)	47,000	47,000	0	0	0
BR3019	Lockier River - Coalseam Road - Bridge (Capital)	2,219,404	2,219,404	0	0	0
Infrastructure - bridges Total	250Mer Miles Courseau Mode Shage (capital)	2,266,404	2,266,404	0	0	0
Infrastructure - parks & ovals						
PC011	Skate Park - (Capital)	200,000	200,000	100,000	142,015	42,015
PC023	Rec Centre - Bowling Green Infrastructure - (Capital)	0	0	0	972	972
Infrastructure - parks & ovals Total	(200,000	200,000	100,000	142,988	42,988
					233	

INVESTING ACTIVITIES NOTE 8 CAPITAL ACQUISITIONS (CONTINUED)

Capital Expenditure Total Level of Completion Indicators

0%
1 20%
1 40%
1 60%
2 100%
2 0 Ver 100%

Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

 $Level\ of\ completion\ indicator,\ please\ see\ table\ at\ the\ end\ of\ this\ note\ for\ further\ detail.$

		Adopted	Amended			Variance
	Account Description	Budget	Budget	YTD Budget	YTD Actual	(Under)/Over
Infrastructure - other						
OC006	Transfer Station - Infrastructure - Capital	30,000	30,000	30,000	5,678	(24,322)
OC002	Mingenew Hill Walk Trail - Capital	32,000	32,000	0	0	0
OC007	Astrotourism Project	18,000	18,000	18,000	0	(18,000)
OC008	Remote Tourism Cameras	7,500	7,500	0	0	0
OC009	Communications tower upgrade	15,000	15,000	15,000	14,402	(598)
Infrastructure - other Total		102,500	102,500	63,000	20,080	(42,920)
Grand Total		4,915,678	4,925,678	1,233,181	334,106	(899,075)

FINANCING ACTIVITIES NOTE 9 **BORROWINGS**

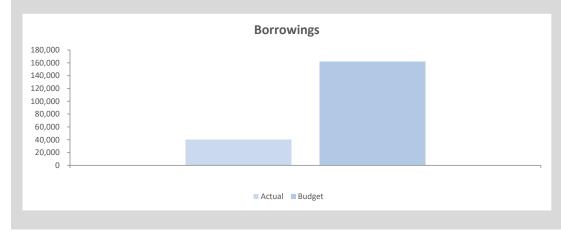
Repayments - Borrowings

Repayments - Borrowings				Princ	ipal	Pri	ncipal	Interest		
Information on Borrowings	_	New	Loans	Repayı	ments	Outs	tanding	Repayments		
Particulars	1 July 2020	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare										
Loan 137 - Senior Citizens Building	44,961	0	0	5,503	22,210	39,458	22,751	455	1,136	
Housing										
Loan 133 - Triplex	28,647	0	0	3,506	14,151	25,141	14,496	290	724	
Loan 134 - Phillip Street	21,823	0	0	2,671	10,780	19,152	11,043	221	551	
Loan 136 - Moore Street	54,423	0	0	6,661	26,884	47,762	27,539	551	1,375	
Loan 142 - Field Street	25,107	0	0	3,076	12,415	22,031	12,692	254	635	
Recreation and culture										
Loan 138 - Pavilion Fitout	43,163	0	0	5,283	21,321	37,880	21,842	437	1,091	
Transport										
Loan 139 - Roller	10,580	0	0	1,295	5,227	9,285	5,353	107	267	
Loan 141 - Grader	36,738	0	0	4,496	18,148	32,242	18,590	372	928	
Loan 144 - Side Tipper	25,132	0	0	3,076	12,415	22,056	12,717	254	635	
Loan 145 - Drum Roller	37,338	0	0	4,570	18,444	32,768	18,894	378	943	
	327,912	0	0	40,137	161,995	287,775	165,917	3,319	8,286	
Total	327,912	0	0	40,137	161,995	287,775	165,917	3,319	8,286	
Current borrowings	161,995					121,859				
Non-current borrowings	165,917					165,916				
- -	327,912					287,775				

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.





FINANCING ACTIVITIES NOTE 10 **LEASES**

Repayments - Lease

Information on Borrowings			New	Loaco		Lease Principal Repayments		Lease Principal Outstanding		nterest
S S								Ū	Repayments	
Particulars	Institution	1 July 2020	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services										
Photocopier	De Lage Landon	10,400	0	0	1,270	3,732	9,130	6,668	351	960
IT equipment	Finrent	10,318	0	0	2,491	5,599	7,827	4,719	494	1,440
Total		20,718	0	0	3,761	9,331	16,957	11,387	845	2,400
Current lease		9,331					5,570			
Non-current lease		11,387					11,387			
		20,718					16,957			

Cash Backed Reserve

Reserve Name	Opening Balance	Budget Interest E Earned	Amended Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Amended Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Building and Land Reserve - Accumulation	30,035	286	286	0	0	0	0	0	0	0	30,321	30,035
Plant Reserve - Accumulation	153,439	1,425	1,425	0	39,840	39,840	0	0	0	0	194,704	153,439
Recreation Reserve - Accumulation	3,068	38	38	0	0	0	0	0	0	0	3,106	3,068
Employee Entitlement Reserve - Accumulati	67,534	844	844	0	0	0	0	0	0	0	68,378	67,534
Aged Persons Units Reserve - Accumulation	12,670	158	158	0	0	0	0	0	0	0	12,828	12,670
Environmental Reserve - Accumulation	19,444	118	118	0	0	0	0	0	0	0	19,562	19,444
Land Development Reserve - Accumulation	5,724	72	72	0	0	0	0	0	0	0	5,796	5,724
TRC/PO/NAB Building Reserve - Accumulation	22,023	150	150	0	0	0	0	0	0	0	22,173	22,023
Insurance Reserve - Accumulation	22,842	285	285	0	0	0	0	0	0	0	23,127	22,842
Economic Development & Marketing Reserv	10,232	2	2	0	0	0	0	0	0	0	10,234	10,232
Covid-19 Emergency Reserve - Accumulation	80,000	1,003	1,003	0	0	0	0	0	0	0	81,003	80,000
	427,011	4,381	4,381	0	39,840	39,840	0	0	0	0	471,232	427,011



OPERATING ACTIVITIES NOTE 12 OTHER CURRENT LIABILITIES

Other Current Liabilities	Note	Opening Balance 1 July 2020	Liability Increase	Liability Reduction	Closing Balance 30 November 2020
		\$	\$	\$	\$
Contract Liabilities					
Unspent grants, contributions and reimbursements		170,866	814,329	(204,183)	781,012
Lease liability		9,331	0	(3,761)	5,570
Provisions					
Annual leave		91,767	0	0	91,767
Long service leave		44,363	0	0	44,363
Total Provisions					136,130
Total Other Current assets Amounts shown above include GST (where applicable)					922,712

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13(a) and 13(b)

KEY INFORMATION

PROVISIONS

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

EMPLOYEE BENEFITS

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

NOTE 13(a) OPERATING GRANTS AND CONTRIBUTIONS

	Unspent (Operating Gra	nt, Subsidies and	Contributions Li	iability	Operating Grants, Subsidies and Contributions Revenue					
Provider	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 30-Nov	Current Liability 30-Nov	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Grants and Subsidies											
General purpose funding											
Grants Commission - General	0	0	0	0	0	154,000	38,500	154,000	0	154,000	74,629
Grants Commission - Roads	0	0	0	0	0	150,000	37,500	150,000	0	150,000	73,268
DCP, BBRF, LRCI	0	371,452	(176,007)	195,445	195,445	851,000	667,000	851,000	0	851,000	176,007
Law, order, public safety											
DFES - LGGS Operating Grant	0	0	0	0	0	18,200	4,550	18,200	0	18,200	6,086
Transport											
MRWA - Direct Grant	0	0	0	0	0	78,000	78,000	78,000	0	78,000	79,640
	0	371,452	(176,007)	195,445	195,445	1,251,200	825,550	1,251,200	0	1,251,200	409,629
Operating Contributions											
Law, order, public safety											
DFES - Administration contribution	0	0	0	0	0	4,000	4,000	4,000	0	4,000	4,000
Transport											
Street Lighting Subsidy	0	0	0	0	0	2,400	0	2,400	0	2,400	0
Other property and services											
Reimbursements - PWO	0	0	0	0	0	3,500	1,455	3,500	0	3,500	3,943
Fuel Tax Credit Scheme	0	0	0	0	0	45,000	18,750	45,000	0	45,000	12,429
	0	0	0	0	0	54,900	24,205	54,900	0	54,900	20,372
TOTALS	0	371,452	(176,007)	195,445	195,445	1,306,100	849,755	1,306,100	0	1,306,100	430,001

NOTE 13(b) NON-OPERATING GRANTS AND CONTRIBUTIONS

	Unspent No	n Operating Gr	ants, Subsidies a	nd Contributions	s Liability		Non Operating Grants, Subsidies and Contributions Revenue				
•		Increase	Liability		Current						
	Liability	in	Reduction	Liability	Liability	Adopted Budget	YTD	Annual	Budget		YTD Revenue
Provider	1-Jul	Liability	(As revenue)	30-Nov	30-Nov	Revenue	Budget	Budget	Variations	Expected	Actual
											(b)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Non-Operating Grants and Subsidies											
General purpose funding											
Grants Commission - Special Purpose Grant	46,666	0	0	46,666	46,666	0	0	0	0	0	C
Grants Commission - Special Purpose Grant	100,000	0	0	100,000	100,000	0	0	0	0	0	C
Recreation and culture											
DLGSCI - North Midlands Trail Masterplan	24,200	0	0	24,200	24,200	0	0	0	0	0	0
Transport											
Regional Road Group	0	186,000	(15,364)	170,636	170,636	465,000	372,000	465,000	0	465,000	15,364
Roads to Recovery	0	42,041	0	42,041	42,041	2,325,490	0	2,325,490	0	2,325,490	0
Black Spot	0	80,000	(12,813)	67,188	67,188	200,000	160,000	200,000	0	200,000	12,813
	170,866	308,041	(28,176)	450,731	450,731	2,990,490	532,000	2,990,490	0	2,990,490	28,176
Non-Operating Contributions											
Recreation and culture											
Youth Precinct - Playground Equipment	0	4,750	0	4,750	4,750	0	0	0	0	0	C
	0	4,750	0	4,750	4,750	0	0	0	0	0	(
Total Non-operating grants, subsidies and contributions	170,866	312,791	(28,176)	455,481	455,481	2,990,490	532,000	2,990,490	0	2,990,490	28,176

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 1 July 2020	Amount Received	Amount Paid	Closing Balance 30 Nov 2020
	\$	\$	\$	\$
BCITF Levy	1,339	1,594	0	2,933
BRB Levy	57	398	(161)	294
Autumn Committee	974	0	0	974
Bonds - Keys, Facilities, Equipment	1,915	205	(415)	1,705
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,200	0	0	1,200
Mingenew Cemetery Group	4,314	0	0	4,314
Weary Dunlop Memorial	87	0	0	87
Joan Trust	6	0	(6)	0
Youth Advisory Council	746	0	0	746
Centenary Committee	897	0	0	897
Community Christmas Tree	432	0	0	432
NBN Rental	1,240	0	0	1,240
Railway Station Project	4,372	0	0	4,372
	18,081	2,197	(581)	19,696

Amendments to original budget since budget adoption. Surplus/(Deficit)

				Non Cash	Increase in	Decrease in	Amended Budget Running
GL Code	Description	Council Resolution	Classification	Adjustment		Available Cash	Balance
0_0000				\$	\$	\$	\$
	Budget Adoption		Opening Surplus				0
BC054	54 Midlands Road (Lot 71) - MIG Office - Building (Capital)	21102008	Capital Expenses			(10,000)	(10,000)
2090186	STF HOUSE - Expensed Minor Asset Purchases	21102008	Operating Expenses			(2,000)	(12,000)
2040285	OTH GOV - Legal Expenses	21102008	Operating Expenses			(3,000)	(15,000)
2120391	PLANT - Loss on Disposal of Assets	21102008	Operating Expenses		15,000		0
				(15,000	(15,000)	

NOTE 16 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2020-21 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %		Timing/ Permanent	Explanation of Variance
	\$	%			
Opening Funding Surplus / (Deficit)	(162,587)	(28.60%)	•	Permanent	End of year allocations, after budget adoption, including additional receivables, reduced other payables and accounted for contract liabilities and lease liabilities
Revenue from operating activities					
Governance	11,211	201.09%	A	Timing	Received insurance rebate in full; Reimbursed for 40% of insurance revaluations costs
General Purpose Funding - Other	(417,530)	(55.33%)	•	Timing	Additional instalment interest received than budgeted; Revenue to be allocated once projects have progressed - DCP, BBRF, LRCI grant funds; Received FAGs payment earlier than budgeted
Health	662	1018.46%	A	Permanent	Timing of health licences; Annual Food Premises Inpection fee more than budgeted
Education and Welfare	263	159.39%	A	Permanent	Additional Autumn Centre hire than budgeted
Housing	9,633	25.57%		Timing	Timing of rental revenue
Community Amenities	(5,836)	(7.44%)	\blacksquare	Timing	Anticipated receiving revenue from refuse site
Transport	(20,613)	(7.03%)	•	Timing	Received additional funds from MRWA Direct Grant; Reimbursed for staff DOT training; Received less DOT licensing than anticipated
Economic Services	6,492	75.97%	A	Timing	Timing of commercial property lease and community bus hire
				Permanent	Additional building permit applications than budgeted
Other Property and Services	8,726	34.63%	•	Timing	Additional private works completed than budgeted; Reimbursement of Velpic online training platform earlier than anticipated; Reimbursement of fleet insurance adjustment; Anticipated more fuel rebate than received; Reimbursed workers compensation claim;
Expenditure from operating activities					
Governance	33,828	22.08%	•	Timing	Less training and development for Councillors than anticipated; Timing of the use of consultants; Less building maintenance on Council Chambers than anticipated; Timing of Risk Coordinator expense; Timing of legal expenses
General Purpose Funding	(3,234)	(10.88%)	A	Timing	Timing of change in valuation expenditure; Less write off of rates than anticipated; Timing of Bpay fees; Debt recovery has not commenced
Law, Order and Public Safety	(4,238)	(14.94%)	•	Permanent	Additional insurance costs than budgeted; Community emergency services budget allocation; Anticipated purchase of ESL protective clothing; Additional maintenance of fire vehicles
Health	5,111	15.31%	•	Timing	Anticipated expense for contract EHO;
Education and Welfare	15,673	33.12%	•	Timing	Doctor visited less than anticipated Depreciation not raised due to finalisation of the 19/20 Financial Year; Less maintenance than anticipated for daycare building
Housing	36,412	42.00%	•	Timing	Depreciation not raised due to finalisation of the 19/20 Financial Year; Less maintenance than anticipated for residences; Anticipated minor assets to be purchased

Reporting Program	Var. \$	Var. %		Timing/ Permanent	Explanation of Variance
	\$	%			
Community Amenities	16,131	15.45%	•	Timing	Depreciation not raised due to finalisation of the 19/20 Financial Year; Timing of processing contract services for refuse collection; Less contract town planning expense than anticipated; Less maintenance and operational than anticipated at the cemetery and public conveniences
Recreation and Culture	151,474	35.83%	•	Timing	Depreciation not raised due to finalisation of the 19/20 Financial Year; Anticipated Community Grants Scheme payment; Timing of employee, contracts and materials at parks, gardens and ovals and buildings
Transport	174,914	26.02%	•	Timing	Depreciation not raised due to finalisation of the 19/20 Financial Year; Less DOT payments than anticipated; Anticipated loss on sale of asset; Consultant expenses less than budgeted; Less ancillary maintenance than anticipated; Additional road maintenance than anticipated
Other Property and Services	147,656	143.29%	•	Timing	Depreciation not raised due to finalisation of the 19/20 Financial Year; In lieu on notice; Additional internal plant repairs than budgeted; Additional training for outside staff; Less external parts and repairs and fuel than anticipated; Workers compensation not anticipated; Workers compensation insurance paid in full; Purchased less fuel than budgeted; Purchased additional tyres than budgeted
Investing Activities					
Non-operating Grants, Subsidies and Contributions	(503,824)	(94.70%)	•	Timing	Regulation changes, revenue will be allocated once projects are completed
Proceeds from Disposal of Assets	(44,909)	(89.82%)	•	Timing	Anticipated disposal of asset Timing of capital projects including roadworks, building
Capital Acquisitions	899,075	(72.91%)	•	Timing	and astrotourism
Financing Activities	4 005	(400.00=0	_		Auticinated interest and in a
Transfer to Reserves	1,825	(100.00%)	•	Timing	Anticipated interest received on reserves

Shire of Mingenew - List of Payments for November 2020

Chq/EFT	Date	Name	Description	Amount	Totals
NABNOV20	30/11/2020	NAB	NAB FEE - November 2020	-\$19	
FEENOV20	30/11/2020	NAB	NAB FEE - November 2020	-\$50	
BPAYNOV20	30/11/2020	NAB	NAB BPAY FEE - NOVEMBER 2020	-\$34	
PRINTNOV20	30/11/2020	FINRENT PTY LTD	IT Equipment Lease - November 2020	-\$657	
PRINT1120	06/11/2020	DE LAGE LANDEN	Copier Lease - November 2020	-\$357	
B1300NOV	17/11/2020	BUSINESS 1300	Live Answering Services for October 2020	-\$99	-\$1,215
EFT13959	05/11/2020	Afgri Equipment	Purchase of V-Belt	-\$350	
EFT13960	05/11/2020	BUNNINGS Group Limited	Various Items Purchased: Insulation, Irrigation Clamps, Tap	-\$510	
			Timer, Irrigation Jetspray, Earmuffs, Door Curtain Pillar		
EFT13961	05/11/2020	BOC GASES	Depot Maintenance for 28/09/2020 to 28/10/2020: Oxygen,	-\$49	
			Dissolved Acetylene, Argoshield Universal and Cellamix		
EFT13962	05/11/2020	BULLIVANTS PTY LTD	Purchase Various Parts: Recovery Strap ST and Recover Strap 50T	-\$1,088	
EFT13963	05/11/2020	BREEZE CONNECT PTY LTD	Subscription Charges for 01/10/2020 to 31/10/2020: Trunk ID 12347 and Trunk ID 18850	-\$260	
EFT13964	05/11/2020	Toll Transport Pty Ltd	Freight Charges from Quality Press	-\$134	
EFT13965	05/11/2020	CLEANAWAY	Waste Collection for Domestic Refuse for Town Site and External Town Site: 31/10/2020	-\$5,362	
EFT13966	05/11/2020	CATWEST	Purchase of Emulsion for Yandanooka North East Road Maintenance	-\$5,621	
EFT13967	05/11/2020	CHILD SUPPORT AGENCY	Payroll deductions	-\$349	
EFT13968	05/11/2020		Mining UV Tenement Interim Schedule M2020/3 for 19/9/2020 to 16/10/2020	-\$41	
EFT13969	05/11/2020	DONGARA BUILDING & TRADE SUPPLIES	Purchase Various Items; Plasterboard, Cornices, Base Coat, Tape, Plywood, Butt Hinge, Hook & Eye Latch and Adhesive	-\$957	
EFT13970	05/11/2020	GERALDTON MOWER & REPAIR SPECIALIST	Service and Repair of Whipper Snipper	-\$261	
EFT13972	05/11/2020	SHIRE OF IRWIN	Consultant Services - EHO Services for September 2020	-\$1,929	
EFT13973	05/11/2020	IRWIN PLUMBING SERVICES	Supply Materials and Labour to Pump out holding tank at Caravan Dump Point	-\$1,760	
EFT13974	05/11/2020	INFINITUM TECHNOLOGIES	Purchase of IGEL Workspace Licence, 5 year Maintenance and UD2-LX for Community Development Officer	-\$916	
EFT13975	05/11/2020	LATERAL ASPECT	Service Fee: October 2020 and Printing (Mingenew Christmas Card x 50)		
EFT13976	05/11/2020	LOCAL GOVERNMENT SUPERVISORS ASSOCIATIONS OF WA INC	Registration to 2020 LGSA Conference and Expo for Rocky Brennan and 1 Year Membership Renewal	-\$1,012	
EFT13977	05/11/2020	LGRCEU	Payroll deductions	-\$21	
EFT13978	05/11/2020	SHIRE OF MINGENEW	Payroll deductions	-\$100	
EFT13979	05/11/2020	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Visiting Doctor Fees for October 2020: Dr Ben MacDonald	-\$3,750	

EFT13980	05/11/2020	MARKETFORCE	Advertising Fees - Local Government Tenders (The West Australian)	-\$660	
EFT13981	05/11/2020	MINGENEW IGA X-PRESS & LIQUOR	IGA Account for October 2020 - Newspapers, Office Supplies, Senior Activities and Council Meeting	-\$307	
EFT13982	05/11/2020	MINGENEW TYRE SERVICES PTY LTD	4 x Tyres, Bias, Tube and Rust Band fitted to Bomag BW24R Roller	-\$4,444	
EFT13983	05/11/2020	Officeworks	Various Stationery Items: Stick It Notes, Paper, Water, Air Duster, Glue, Labels, Pens and Delivery Fee	-\$686	
EFT13984	05/11/2020	OILTECH FUEL	Fuel Purchase for Palm Roadhouse: 14/10/2020 to 3/11/2020	-\$4,815	
EFT13985	05/11/2020	PLAYMASTER	Installation of A-Space Playground Equipment	-\$27,701	
EFT13986	05/11/2020	QUALITY PRESS	DFES #41 Vehicle Identifier Stickers (Blue)	-\$44	
EFT13987		NUTRIEN AG SOLUTIONS LIMITE	Purchase of 2 x NPAC Ball Valve (25mm and 32mm)	-\$79	
EFT13988	05/11/2020	SHIRE OF CHAPMAN VALLEY	Planning Services Undertaken from July to September 2020	-\$1,655	
EFT13989	05/11/2020	STATEWIDE BEARINGS	Purchase of Belts and Seals for Peruzzo Panther 1800	-\$303	
EFT13990	05/11/2020	Reimbursement	Fuel Reimbursement for Collection of Fencing Materials	-\$200	
EFT13991	05/11/2020	Springbrook Tyre Vulcanising	Major Repair and Tyre Fitting for Case 721FXT Wheel Loader	-\$583	
EFT13992	05/11/2020	Telstra Corporation	Text Message Charges for October 2020	-\$15	
EFT13993	05/11/2020	T-QUIP	Supply of Assembly Belt Tensioner and Rounding for Peruzzo Panther 1800	-\$230	
EFT13994	05/11/2020	WESTRAC PTY LTD	Purchase Various Items: Blade, Valve, Hose, Clamps, Belt, Alternator and Core Charge for 2008 Caterpillar 12M Motor Grader (MI 541) (Construction Grader)	-\$3,027	
EFT13995	16/11/2020	IRWIN SAND SUPPLIES	Supply of Screened Cream Sand	-\$1,848	
EFT13996	19/11/2020	Five Star Business & Communications	Kyocera 7052.CI - Billing Period for November 2020	-\$127	
EFT13997	19/11/2020	AUSTRALIA POST	Postage Fees: October 2020	-\$273	
EFT13998	19/11/2020	Afgri Equipment	Purchase of Rear View Mirror for John Deere 5075E MFWD Cab Tractor	-\$222	
EFT13999	19/11/2020	AIT SPECIALISTS PTY LTD	Professional Services Provided for the Completion of the Review of Records and Determination of Fuel Tax Credits, Road Transport and Off Road: 1/10/2020 to 31/10/2020	-\$226	
EFT14000	19/11/2020	BUNNINGS Group Limited	Various Items Purchased: Roller Cover, Metal Screws, Masking Tape, Plastic Scraper, Sanding Mesh, Paint and Various Plants	-\$571	
EFT14001	19/11/2020	Moore Stephens	2020 Financial Management Regulations Interactive Zoom Webinar	-\$198	
EFT14002	19/11/2020	CHILD SUPPORT AGENCY	Payroll deductions	-\$349	
EFT14003		CIVIC LEGAL	Professional Fees - Advice and Assistance in Relation to Sale of Land in Mingenew	-\$5,500	
EFT14004	19/11/2020	Central Fumigation & Pest Managment Services	Cockroach Treatment at Council Properties - 34 Williams Street, Mingenew	-\$132	

EFT14005	19/11/2020	DELTA CLEANING SERVICES GERALDTON	Cleaning of Shire Office Building for the Month of November 2020	-\$1,231
EFT14006	19/11/2020	DONGARA DRILLING & ELECTRICAL	New Leech Drain Extension for 12 Victoria Road (Lot 66) - (APU)	-\$913
EFT14007	19/11/2020	DONGARA BUILDING & TRADE SUPPLIES	Purchase of Door Frame for 33 Victoria Road (Lot 89)	-\$325
EFT14008		Flash Marketing	Photography Services - Council Members and Staff	-\$548
EFT14009	19/11/2020	GREENFIELD TECHNICAL SERVICES	Engineering Consultancy and Professional Services for 2020/21 SMI Road Asset Management and RAMM Database Management	-\$770
EFT14010	19/11/2020	CITY OF GREATER GERALDTON	Building Certification Services for July to September 2020: Assessing Building and Demolition Applications	-\$617
EFT14011	19/11/2020	IRWIN SAND SUPPLIES	Supply Screened Cream Sand for Cecil Newton Park/Garden	-\$676
EFT14012	19/11/2020	IRWIN PLUMBING SERVICES	Supply Materials and Labour to 34 William Street (Lot 12) - Residence - Staff Housing: Install new spindles, silicone spindles and tiles, install new taps, handles, flanges and new shower outlet, silicone the corners of the shower recess and hob	-\$2,181
EFT14013	19/11/2020	INFINITUM TECHNOLOGIES	Service Monthly Maintenance: November 2020 - Service Agreement, Offsite Backup, Citrix Virtual Apps License, Disk- Cached, Pure, Instance - High Memory/Standard, Microsoft Windows Server License, Public Internet Data, Public IP Addresses, Veeam License, Office 365 Business Essentials/Enterprise/Business and Azure PBX Hosting	-\$4,159
EFT14014	19/11/2020	LATERAL ASPECT	Printing Costs for 3 x Bushfire Banners	-\$939
EFT14015	19/11/2020		Payroll deductions	-\$21
EFT14016		SHIRE OF MINGENEW	Payroll deductions	-\$100
EFT14017		ML COMMUNICATIONS	Infrastructure Upgrade: Install PTP on Tower and Buildings, Supply and Install AC500 at Shire Building	-\$5,114
EFT14018	19/11/2020	Mingenew - Irwin Group	Diamond Sponsorship of MIG for 1/1/2020 to 31/12/2020	-\$3,300
EFT14019	19/11/2020	MINGENEW SPORTS CLUB INC	Donation to Sports Club for Halloween Event	-\$50
EFT14020	_	MINGENEW PRIMARY SCHOOL	Book Award Donation	-\$150
EFT14021	19/11/2020	MINGENEW TYRE SERVICES PTY LTD	Supply and Fit Kumho KRS03 Tyres and Brass Valve Stem to 1999 Isuzu FVZ 1400 Water Truck (MI 255)	-\$1,033
EFT14022	19/11/2020	NODE 1 PTY LTD	Unlimited Fixed Wireless: November 2020	-\$373
EFT14023		OILTECH FUEL	Fuel Purchase for Palm Roadhouse: 4/11/2020 to 17/11/2020	-\$2,893
EFT14024	19/11/2020	Telstra Corporation	Telstra Account for October 2020: Office Telstra Account, Councillor Ipads, Fire Officer Mobile and Gardening Mobile	-\$858
EFT14025	19/11/2020	Think Water Geraldton	Purchase of Philmac Brass Float Valve and Cap Float for Rec Centre - Tennis Courts	-\$441

DD9500.1			Net salaries	-\$68,545	-\$68,54
DD9500.1		- 2117=== 11911		, - ,, .5	T-0,,,
		NAB BUSINESS VISA	Credit Card Transactions - November 2020	-\$1,745	-\$29,77
DD9495.8		Prime Super	Superannuation contributions	-\$274	
DD9495.7		Host Plus Superannuation Fund	Superannuation contributions	-\$206	
DD9495.6		AMP Flexible Super	Superannuation contributions	-\$213	
DD9495.4 DD9495.5		ANZ Smart Choice Super	Superannuation contributions Superannuation contributions	-\$356 -\$88	
DD9495.3 DD9495.4		loof Portfolio Service Superannuation Fund	Superannuation contributions Superannuation contributions	-\$358	
DD9495.2 DD9495.3	22/11/2020		Superannuation contributions Superannuation contributions	-\$1,555 -\$961	
DD9495.1 DD9495.2		Australian Super	Payroll deductions Superannuation contributions	-\$2,277 -\$1,555	
DD9492.1 DD9495.1	23/11/2020	BP Australia Pty Ltd		-\$538 -\$2,277	
DD9484.2 DD9492.1			Fuel transactions for October 2020	-\$7,767 -\$538	
DD9484.1 DD9484.2		Australian Taxation Office	3/11/20 BAS - October 2020	-\$189	
DD9481.8 DD9484.1	12/11/2020		Yandanooka Hall Electricity charges for the period 15/08/20 to	-\$274 -\$189	
DD9481.7 DD9481.8		Prime Super	Superannuation contributions Superannuation contributions	-\$190 -\$274	
DD9481.6 DD9481.7		Host Plus Superannuation Fund	Superannuation contributions Superannuation contributions	-\$209 -\$190	
DD9481.5 DD9481.6		AMP Flexible Super	Superannuation contributions Superannuation contributions	-\$209	
DD9481.4 DD9481.5		ANZ Smart Choice Super	Superannuation contributions Superannuation contributions	-\$352 -\$69	
DD9481.3 DD9481.4	08/11/2020	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$961	
DD9481.2 DD9481.3		Australian Super	Superannuation contributions	-\$1,166	
DD9481.1	08/11/2020		Payroll deductions	-\$2,195	
			, , , , , , , , , , , , , , , , , , , ,		
DD9479.1	09/11/2020		Various Electricity charges for the period 21/8/20 to 19/10/20	-\$8,186	Ψ10)0
OT301020		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 30/10/2020	-\$545	-\$13,0
OT291020		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 29/10/2020	-\$771	
OT251120	-, ,	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 25/11/2020	-\$523	
OT241120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 23/11/2020 DOT Licensing Transactions: 24/11/2020	-\$623	
OOT201120 OOT231120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 20/11/2020 DOT Licensing Transactions: 23/11/2020	-\$324	
OOT201120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 16/11/2020 DOT Licensing Transactions: 20/11/2020	-\$604	
DOT171120 DOT181120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 17/11/2020 DOT Licensing Transactions: 18/11/2020	-\$252	
OOT131120 OOT171120	· ·	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 15/11/2020 DOT Licensing Transactions: 17/11/2020	-\$470	
DOT121120 DOT131120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 12/11/2020 DOT Licensing Transactions: 13/11/2020	-\$3,022 -\$470	
OOT111120 OOT121120		DEPARTMENT OF TRANSPORT DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 11/11/2020 DOT Licensing Transactions: 12/11/2020	-\$2,975	
DOT101120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 10/11/2020	-\$1,104	
DOT091120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 09/11/2020	-\$203	
DOT061120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 06/11/2020	-\$869	
DOT051120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 05/11/2020	-\$229	
OOT041120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 04/11/2020	-\$44	
DOT031120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 03/11/2020	-\$131	
OOT021120		DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 02/11/2020	-\$372	
			Induction 'Part A'		-\$114,6
			Government Contractor Induction 'Part A' and Employee		



1.2.1 RECORDS MANAGEMENT POLICY Administration

Title: 1.2.1 RECORDS MANAGEMENT POLICY

Adopted: 16 March 2018
Reviewed: 14 February 2018
Associated Legislation: State Records Act 2000

Local Government Act 1995 Freedom of Information Act 1992 Electronic Transactions Act 2011 Financial Management Act 2006

Corruption and Crime Commission Act 2003

Criminal Code Act 1913

Associated Documents: Shire of Mingenew Recordkeeping Plan

Review Responsibility: Governance Officer

Delegation:

Previous Policy Number/s 2014

Objective:

To ensure that the Shire of Mingenew meets the statutory requirements provided for by the State Records Act 2000.

Policy Statement:

The Shire of Mingenew is committed to creating and maintaining full and accurate records of its business transactions and official activities and managing them in accordance with the State Records Act 2000, the Shire of Mingenew Recordkeeping Plan, Policy and Procedures.

Elected Members

Records must be created and kept (by elected members) by forwarding to the Chief Executive Officer for retention and disposal in accordance with the requirements of the State Records Office of WA if:

- The subject matter is in relation to their participation in the decision making processes of Council or Committees of Council, and
- Deemed to be a significant or vital record. (See Recordkeeping Procedure).

Activities or transactions that are not directly relevant to the decision making processes of Council or Committees of Council are not subject to mandatory recordkeeping requirements. Accordingly, the creation and retention of records relating to these activities or transactions is at the discretion of the Elected Member.

Employees

All staff (including contractors) are to create, collect and retain records relating to the business activities they perform. They are to ensure significant records are captured into the Recordkeeping System and that all records are handled in a manner commensurate with legislation and the Shire's policies and procedures for recordkeeping.

COUNCIL POLICY 1.2.2 Administration

Title: 1.2.2 RISK MANAGEMENT v1

Adopted: 20 February 2019 Reviewed: 20 February 2019

Associated Legislation: Local Government Act 1995

Local Government (Audit) Regulations 1996

Risk Management Standard AS/NZS ISO 31000:2018

Associated Documents: Risk Assessment and Acceptance Criteria Tables:

Risk Management Framework

Review Responsibility: Audit & Risk Committee; Chief Executive Officer & Governance Officer

Delegation: Nil

Previous Policy Number/s 2013, 1.2.2

Objective:

To detail the Shire's level of commitment towards the concept and resourcing of risk management and define its risk appetite, risk acceptance and control evaluation criteria.

Policy Statement:

It is the Shire's Policy to aim for best practice (aligned with AS/NZS ISO 31000:2018 Risk Management Guidelines), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

Risk management functions will be resourced appropriately to meet the size and scale of the Shire's operations and will form part of the Strategic, Operational, and Project responsibilities and be incorporated within the Shire's Integrated Planning Framework.

The Shire is committed to:

- Utilising the principles and guidelines outlined in the standard AS/NZS ISO 31000:2018;
- Appointing and resourcing the Audit & Risk Committee.
- Provide adequate budgetary provision for the financing of risk management including approved risk mitigation activities.
- Promoting a culture within the Shire of awareness and active management of risks;
- Providing regular education to its staff in risk management practices;
- Implementation of these principles in the Shire's operations through the Risk Management Framework and Procedures;
- Providing transparent and formal oversight of the risk and control environment to enable effective decision making.
- Embedding appropriate and effective controls to mitigate risk.
- Providing for the continuity of critical operations.



Doing all the above to the best of our ability within the constraints imposed by resource availability.

Risk Appetite

As a public authority the Shire has a natural and, in some cases, statutory predisposition to a conservative appetite for risk. In particular, the Shire has little or no appetite for risk which will;

- a) Have a moderate (or higher) negative impact on the Shire's long-term financial sustainability;
- b) Result in moderate (or higher) breaches of legislative requirements and/or successful litigation against the Shire;
- c) Compromise the safety and welfare of staff, contractors and/or members of the community.
- d) Cause significant and irreparable damage to the environment;
- e) Result in moderate (or higher) disruption to the delivery of key Shire's services;
- f) Result in any negative impact on the Shire's reputation;
- g) Result in the loss of, or otherwise unauthorised or accidental access or disclosure of confidential information.

Quantified Risk Assessment and Acceptance Criteria

The Shire's Risk Assessment and Acceptance criteria (fig1-5) has been developed to align with its conservative risk appetite. All organisational risks are to be assessed against these criteria to allow consistency and informed decision making.

For operational requirements such as projects, or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations risk acceptance criteria and are to be noted within the individual risk assessment.

Monitoring and Reporting of Organisational Risk

- a) The Shire will develop and maintain a Risk Profile (register), which will evaluate risk at an organisational level using the quantified Risk Assessment and Acceptance Criteria contained within this policy:
- b) The CEO will report to the Audit & Risk Committee on the status of the Risk Profile at least twice yearly, with the report to include:
 - I. A review of any risk escalation; and
 - II. Provide a summary of risk maturity;
- c) The Audit & Risk Committee, in consultation with the CEO, will set an annual Control Assurance Plan informed by the Organisational Risk Profile and its priority rankings;
- d) The CEO will report to the Audit & Risk Committee at least twice yearly on the progress and findings of the Control Assurance Plan;
- e) The Audit & Risk Committee is to review this policy on a Biennial Basis;
- f) The CEO will conduct a triennial review of financial management systems and submit to the Audit & Risk Committee as per Regulation 5 of the Local Government (Financial Management) Regulations 1996.
- g) The CEO will conduct a triennial review on risk management, legislative compliance, and internal control and submit to the Audit & Risk Committee as per Regulation 17 of the Local Government (Audit) Regulations 1996.



Figure 1- Risk Assessment Criteria- Measures of Consequence

riguro	1- KISK ASSESS	JANOIN OINOIN	Measures of (•			
Rating (Level)	Health	Financial Impact	Service Interruption	Legal & Compliance	Reputational	Property	Environment
Insignificant (1)	First aid injuries	Less than \$5,000	No material service interruption	Compliance: No noticeable regulatory or statutory impact Legal: Threat of litigation requiring small compensation Contract: No effect on contract performance	Unsubstantiated, low impact, low profile or 'no news' item Example: gossip, online post seen by limited persons	Inconsequential damage	Contained, reversible impact managed by on site response Example: pick up bag of rubbish
Minor (2)	Medical type injuries	\$5,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	Compliance: Some temporary non compliances Legal: Single minor litigation Contract: Results in meeting between parties in which contractor expresses concern	Substantiated, low impact, low news item Example: online post seen by the community	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response Example: pick up trailer of rubbish
Moderate (3)	Lost time injury <30 Days	\$15,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Compliance: Short term non-compliance but with significant regulatory requirements imposed Legal: several minor litigations Contract: Receive verbal advice that if breaches continue, a default notice may be issued	Substantiated, public embarrassment, moderate impact, moderate news profile Example: local paper article, online post taken up by people outside of Shire	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies Example: Contractor removal of asbestos sheets
Major (4)	Lost time injury >30 Days	\$50,000 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Compliance: Non-compliance results in termination of services or imposed penalties Legal: Single moderate litigiation Contract: Receive written notice from contractor threatening termination if not rectified	Substantiated, public embarrassment, high impact, high news profile, third party actions Example: State wide paper, TV news story, significant online presence	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies Example: truck/train spill of diesel of oil on road reserve
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non- performance > 1 month	Compliance: Non- compliance results in litigation, criminal charges or significant damages or penalties Legal: Single major litigation or numerous moderate litigations Contract: Termination of contract for default	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions Example: Au wide paper, TV news,	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Figure 2- Evaluation of Controls Criteria

Existing Controls Ratings		
Rating	Detailed Description	Description and Action Required
Effective	No control gaps. The control is influencing the risk level and inly continues monitoring is needed	Description: Control addresses risk, is officially documented, in operation and has been tested to confirm effectiveness
Moderately Effective	Few control gaps. The control is influencing the risk level however improvement is needed	Control addreeses risk but documentation and/or operation of control could be improved
Partially Effective	having limited influence on risk level	Description: Control addresses risk at least partially, but is not documented and/or operation of control needs to be improved Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'
Inadequate	Signifiant control gaps that result in the control not influencing the risk level	Description: At best, control addresses risk, but is not documented or in operation, at worst, control does not address risk and is neither documented nor in operation. Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'



Figure 3- Risk Assessment Criteria- Measures of Likelihood

Measures of Likelihood					
Level	Rating	Description Frequency			
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year		
4	Likely	The event will probably occur in most circumstances	At least once per year		
3	Possible	The event should occur at some time	At least once in 3 years		
2	Unlikely	The event could occur at some time	At least once in 10 years		
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years		

Figure 4- Risk Assessment Criteria- Risk Matrix

	Risk Matrix					
	Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Figure 5- Risk Acceptance Criteria

	Risk Acceptance Criteria				
Risk Rank	Description	Criteria	Responsibility		
LOW (1-4)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager		
MODERATE (5-9)	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager		
HIGH (10-16)	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	CEO		
EXTREME (16-25)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council		



1.2.2 RISK MANAGEMENT FRAMEWORK/PROCEDURE

Relevant Council Policy 1.2.2 Risk Management v1

Approval Date: 13 February 2019

Appendix: Nil

Relevant CEO Directive

N/A

Review Date: Biennial

SHIRE OF MINGENEW

Risk Management Framework & Procedures v1

Approved 13/02/2019 by N. Hay



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Introduction

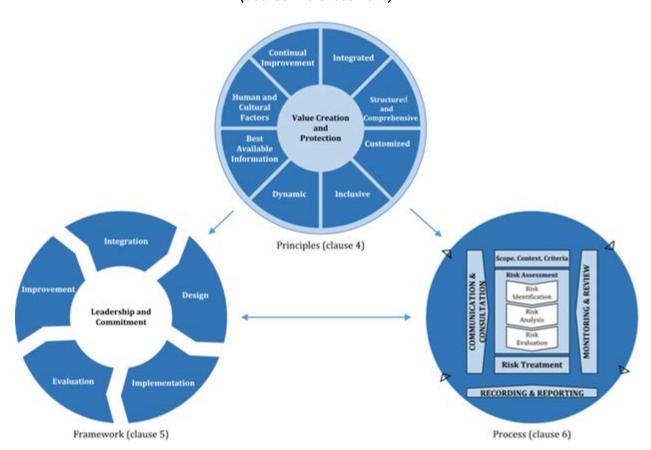
The Shire of Mingenew's (Shire) Risk Management Policy in conjunction with the components of this document encompasses the Shire's Risk Management Framework. It sets out the Shire's approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on AS ISO 31000:2018 Risk Management - Guidelines.

It is essential that all areas of the Shire adopt these procedures to ensure:

- Strong corporate governance.
- Compliance with relevant legislation, regulations and internal policies.
- Integrated Planning and Reporting requirements are met.
- Uncertainty, and its effects, on objectives is understood.

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Shire along with existing time, resource and workload pressures.

Figure 1: Relationship between the risk management principles, framework and process (Source: AS 31000:2018)





1.1 Legislation

- 1. The Local Government Act 1995 ("the Act") requires Councils to adopt appropriate policies, practices and procedures that ensure their assets are protected through sound administrative management.
- 2. Section 5.56(1) and (2) of the Local Government Act 1995- Planning for the Future; Regulation 17(1) (a) of the Local Government (Audit) Regulations: "The CEO is to review the appropriateness and effectiveness of a local government's system and procedures in relation to risk management".
- 3. Under regulation 17 (1) of the Local Government (Audit) Regulations 1996 the CEO is to review the appropriateness and effectiveness of a local government's system and procedures in relation to (a) risk management; and (b) internal control; and (c) legislative compliance. 17 (2) the review may relate to any or all of the matters referred to in sub regulation (1) (a),(b) and (c), but each of those matters is to be the subject at least once every 3 financial years. 17 (3) The CEO is to report to the Audit & Risk Committee the results of that review.
- 4. Under Regulation 17 of the Local Government (Audit) Regulations 1996 it is a responsibility of the Audit & Risk Committee to receive the CEO reviews conducted on the appropriateness of systems and procedures in relation to risk management, internal control and legislative compliance

2. Governance

Appropriate governance of risk management within the Shire provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of the risk management functions.
- An effective Governance Structure to support the risk framework.

2.1 Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness biennially.

2.2 Operating Model

The Shire has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

First Line of Defence

All operational areas of the Shire are considered '1st Line'. They are responsible for ensuring that risks (within their scope of operations) are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include:

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decisioning of risk matters.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control
 environment.



Second Line of Defence

The Governance Officer, supported by the Chief Executive Officer, acts as the primary '2nd Line'. This position owns and manages the framework for risk management. They draft and implement the governance procedures and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1st & 3rd lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1st Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Shire's risk reporting for Shire's Management Team and the Audit & Risk Committee.

Third Line of Defence

Internal & External Audit are the third line of defence, providing independent assurance to the Council, Audit & Risk Committee and Shire Management on the effectiveness of business operations and oversight frameworks (1st & 2nd Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the Audit & Risk Committee with input from the CEO.

<u>External Audit</u> – Appointed by the Office of the Auditor General (OAG) to report independently to the President and CEO on the annual financial statements only.

2.3 Governance Structure

Diagram 2 depicts the current operating structure for risk management within the Shire.

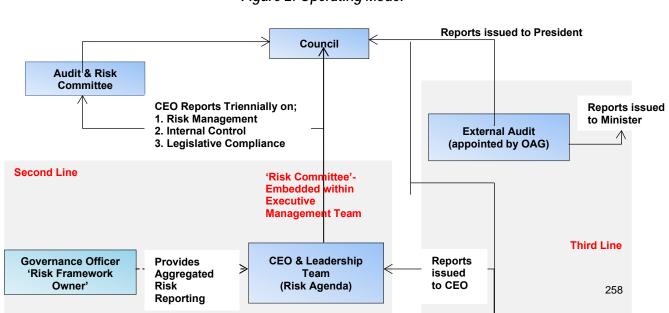
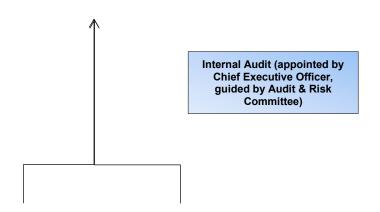


Figure 2: Operating Model





2.4 Roles & Responsibilities Council

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Establish and maintain an Audit & Risk Committee in compliance with the Local Government Act.

Audit & Risk Committee

- Regularly review the appropriateness and effectiveness of the Framework.
- Support Council to provide effective corporate governance.
- Assist to develop and endorse the Internal Audit Plan.
- Oversight of all matters that relate to the conduct of Internal and External Audits.
- Must be independent, objective and autonomous in deliberations.

CEO / Executive Management Team

- Appoint Internal Auditors as required under Local Government (Audit) regulations, based on Audit Committee guidance.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from 'risk matters'.
- Own and manage the Risk Profiles at Shire Level.

Governance Officer

- Oversee and facilitate the Risk Management Framework.
- Support reporting requirements for Risk matters.



Work Areas

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk & Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into team meetings, by incorporating the following agenda items;
 - New or emerging risks.
 - Review existing risks.
 - Control adequacy.
 - Outstanding issues and actions.

2.5 Document Structure (Framework)

Diagram 3 depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.

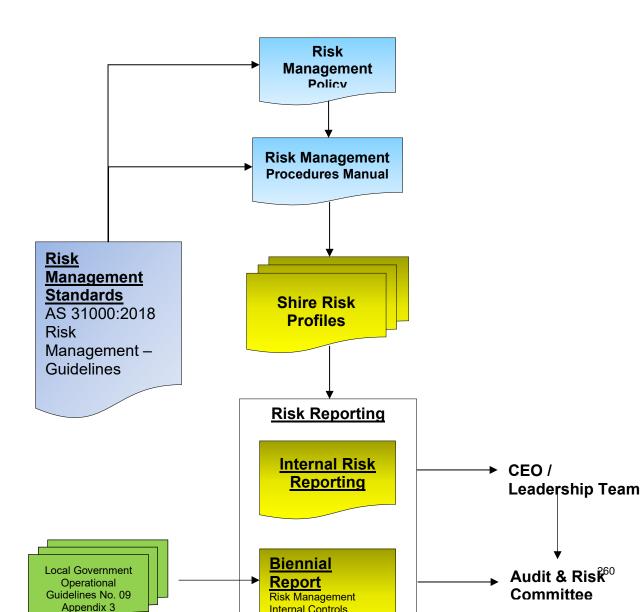


Figure 3: Document Structure



2. Risk Management Procedures

All Work Areas of the Shire are required to assess and manage the Risk Profiles on an ongoing basis. Each Manager, in conjunction with the Governance Officer are accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Shire.
- Reviewed on at least a six-monthly basis, unless there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported using key data inputs, workshops and ongoing business engagement. The risk management process is standardised across all areas of the Shire. The following diagram outlines that process with the following commentary providing broad descriptions of each step.

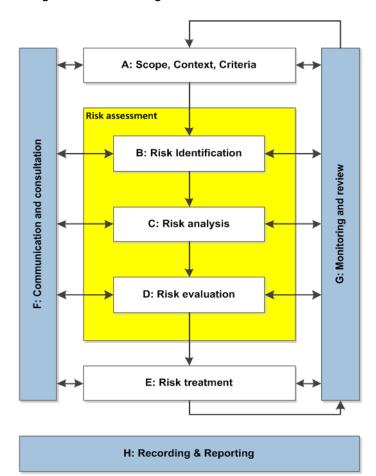


Figure 4: Risk Management Process AS 31000:2018

3.1 Scope, Context, Criteria

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

Organisational Criteria



This includes the Risk Assessment and Acceptance Criteria (Fig 6-10) and any other tolerance tables as developed.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision-making processes.

Scope and Context

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process. Risk sources can be internal or external. For specific risk assessment purposes, the Shire has three levels of risk assessment context:

I. Strategic Context

These risks are associated with achieving the organisation's long-term objectives. Inputs to establishing the strategic risk assessment context may include;

- Organisations Vision / Mission
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Strategies / Objectives / Goals (Integrated Planning & Reporting)

II. Operational Context

The Shire's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its key activities i.e. what is trying to be achieved.

Project Context

Project Risk has two main components:

- Direct refers to the risks that may arise as a result of project activity (i.e. impacting on process, resources or IT systems) which may prevent the Shire from meeting its objectives.
- Indirect refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

3.2 Risk Identification

Once the context has been determined, the next step is to identify risks. This is the process of finding, recognising and describing risks. Risks are described as the point along an event sequence where control has been lost. An event sequence is shown below:

Figure 5: Event (risk) sequence



For the ease of management and recordkeeping, risks that are identified are to be classified into the following risk themes for collective risk analysis and documented into the Shire's Risk Profile:

- Misconduct
- II. Errors, Omissions and Delays



III. Business Disruption

IV. External Theft and Fraud

V. IT & Communications Systems and Infrastructure

VI. Compliance

VII. Asset Management

VIII. Document Management

IX. Procedure / Contract Management

X. Environment

XI. Facilities and Events

XII. Safety and Security

XIII. Project Management

XIV. Employment Practices

A new risk theme can be created if the risk cannot be grouped into an existing risk theme.

For each risk theme, or risk theme under review, using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, consider the below listed questions, capture and review the information. The objective is to identify potential risks that could stop the Shire from achieving its goals:

- I. Risk What can go wrong? / What are areas of uncertainty? (Risk Description- describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event).
- II. How may this risk eventuate? (Potential Causes- are the conditions that may present or the failures that may lead to the event or point in time when control is lost (risk)).
- III. What are the current measurable activities that mitigate this risk from eventuating? (Controlsare measures that modify risk. At this point in the process only existing controls should be considered).
- IV. What are the potential consequential outcomes of the risk eventuating? (Consequences- need to be impacts to the Shire. These can be health of staff, visitors or contractors; financial; interruption to services provided; non-compliance; damage to reputation or other assets or the environment. There is no need to determine the level of impact at this stage).

The reviewing of the following materials would assist in risk identification:

- 1. Internal and external audits
- 2. Insurance claims
- 3. Complaints and community feedback
- 4. Project planning
- 5. Performance reporting
- 6. Policy & procedure development
- 7. Incidents and systems analysis.

3.3 Risk Analysis

To analyse risk, the Shire's Risk Assessment and Acceptance Criteria is applied in the following steps:

Step 1 - Consider the effectiveness of the existing/identified key controls



Based on the documented controls, analyse the risk in terms of the Existing Control Ratings. To do this, the controls need to be reviewed from 3 perspectives:

I. Design Effectiveness- This process reviews the 'design' of the controls to understand their potential for mitigating the risk without any 'operating' influences. Controls that have inadequate designs will never be effective, no matter if it is performed perfectly every time.

There are four components to be considered in reviewing existing controls or developing new ones:

- 1. Completeness The ability to ensure the process is completed once. How will the control ensure that the process is not lost or forgotten, or potentially completed multiple times?
- 2. Accuracy The ability to ensure the process is completed accurately, that no errors are made, or components of the process missed.
- 3. Timeliness The ability to ensure that the process is completed within statutory timeframes or internal service level requirements.
- 4. Theft / Fraud The ability to protect against internal misconduct or external theft / fraud-based activities.

It is very difficult to have a single control that meets all the above requirements when viewed against a Risk Theme. It is imperative that all controls are considered so that the above components can be met across several controls.

II. Operating Effectiveness- This process reviews how well the control design is being applied. Like above, the best designed control will have no impact if it is not applied correctly.

As this generally relates to the human element of control application there are four main approaches that can be employed by management or the risk function to assist in determining the operating effectiveness and / or performance management.

- 1. Re-perform this is only applicable for those short timeframe processes where they can be re-performed. The objective is to re-perform the same task, following the design to ensure that the same outcome is achieved.
- 2. Inspect review the outcome of the task / process to provide assurance that the desired outcome was achieved.
- 3. Observe physically watch the task / process being performed.
- 4. Inquire through discussions with individuals / groups determine the relevant understanding of the process and how all components are required to mitigate any associated risk.
- III. Overall Effectiveness- This is the value of the combined controls in mitigating the risk. All factors as detailed above are to be considered so that a considered qualitative value can be applied to the 'control' component of risk analysis.

Figure 6- Overall Control Effectiveness (extracted from Shire of Mingenew Risk Management Policy-1.1)



	Existing Controls Ratings					
Rating Detailed Description		Description and Action Required				
Httoctive.	No control gaps. The control is influencing the risk level and inly continues monitoring is needed	Description: Control addresses risk, is officially documented, in operation and has been tested to confirm effectiveness				
Moderately Effective	Few control gaps. The control is influencing the risk level however improvement is needed	Control addreeses risk but documentation and/or operation of control could be improved				
Partially Effective	Some control gaps that result in the control having limited influence on risk level	Description: Control addresses risk at least partially, but is not documented and/or operation of control needs to be improved Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'				
Inadequate	Signifiant control gaps that result in the control	Description: At best, control addresses risk, but is not documented or in operation, at worst, control does not address risk and is neither documented nor in operation. Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'				

Step 2 – Determine the Relevant Consequence

Determine relevant consequence categories and rate how bad it could be if the risk eventuated with existing controls in place (Consequence). Use Figure 7 (below) to determine which risk rating best fits the risk's consequences.

Figure 7- Risk Consequence Matrix (extracted from Shire of Mingenew Risk Management Policy-1.1)



	Measures of Consequence						
Rating (Level)	Health	Financial Impact	Service Interruption	Legal & Compliance	Reputational	Property	Environment
Insignificant (1)	First aid injuries	Less than \$5,000	No material service interruption	Compliance: No noticeable regulatory or statutory impact Legal: Threat of litigation requiring small compensation Contract: No effect on contract performance	Unsubstantiated, low impact, low profile or 'no news' item Example: gossip, online post seen by limited persons	Inconsequential damage	Contained, reversible impact managed by on site response Example: pick up bag of rubbish
Minor (2)	Medical type injuries	\$5,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	Compliance: Some temporary non compliances Legal: Single minor litigation Contract: Results in meeting between parties in which contractor expresses concern	Substantiated, low impact, low news item Example: online post seen by the community	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response Example: pick up trailer of rubbish
Moderate (3)	Lost time injury <30 Days	\$15,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Compliance: Short term non-compliance but with significant regulatory requirements imposed Legal: several minor litigations Contract: Receive verbal advice that if breaches continue, a default notice may be issued	Substantiated, public embarrassment, moderate impact, moderate news profile Example: local paper article, online post taken up by people outside of Shire	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies Example: Contractor removal of asbestos sheets
Major (4)	Lost time injury >30 Days	\$50,000 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Compliance: Non- compliance results in termination of services or imposed penalties Legal: Single moderate litigiation Contract: Receive written notice from contractor threatening termination if not rectified	Substantiated, public embarrassment, high impact, high news profile, third party actions Example: State wide paper, TV news story, significant online presence	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies Example: truck/train spill of diesel of oil on road reserve
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non- performance > 1 month	Compliance: Non- compliance results in litigation, criminal charges or significant damages or penalties Legal: Single major litigation or numerous moderate litigations Contract: Termination of contract for default	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions Example: Au wide paper, TV news,	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Step 3 – Determine the Likelihood of Occurrence
Determine how likely it is that the risk will eventuate to the determined level of consequence with existing controls in place (Likelihood)

Figure 8- Likelihood of Risk Occurrence (extracted from Shire of Mingenew Risk Management Policy-1.1)



	Measures of Likelihood				
Level	Rating	Description	Frequency		
5	Almost Certain	The event is expected to occur in most circumstances More than once per year			
4	Likely	The event will probably occur in most circumstances	At least once per year		
3	Possible	The event should occur at some time At least once in 3 years			
2	Unlikely	The event could occur at some time	At least once in 10 years		
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years		

Step 4– Determine the Residual Risk Rating

By combining the measures of consequence and likelihood, determine the Residual Risk Rating (Level of Risk). The 'Risk Scores' from both the 'Risk Likelihood' and 'Risk Consequences' are to be multiplied to get the 'Residual Risk Rating' (RL x RX = RR). This is to be determined using Figure 9

Figure 9- Residual Risk Matrix (extracted from Shire of Mingenew Risk Management Policy-1.1)

	Risk Matrix					
	Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

3.4 Risk Evaluation

Risk evaluation takes the residual risk rating and applies it to the Shires risk acceptance criteria (Figure 10) to determine whether the risk is within acceptable levels to the Shire (Shire's risk tolerance), and what (if any) controls, high level actions or treatments need to be implemented.

The outcome of this evaluation will determine whether the risk is low; moderate; high or extreme.

The Residual Risk rating should be as close as possible to the Council's predetermined Risk Tolerance/Acceptance as defined in Fig 10 ('Acceptable Risk') for that Risk Category. If not, then Risk Treatment needs to occur as per the next step.

Note: Individual Risks or Issues may need to be escalated due to its urgency, level of risk or systemic nature.



Figure 10- Risk Acceptance Criteria (extracted from Shire of Mingenew Risk Management Policy-1.1)

	Risk Acceptance Criteria					
Risk Rank	Description	Criteria	Responsibility			
LOW (1-4)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager			
MODERATE (5-9)	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager			
HIGH (10-16)	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	CEO			
EXTREME (16-25)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council			

3.5 Risk Treatment

If the Residual Risk is outside of Council's risk acceptance levels as quantified by figure 10, then Risk Treatment needs to occur. This involves 2 steps:

- 1. In all cases, regardless of the residual risk rating; controls that are rated 'Partly effective or Inadequate' in (Step 1 of Part C) must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'.
- 2. If the residual risk rating (Step 4 of Part C) is high or extreme, treatment plans must be implemented to either:
 - a. Reduce the consequence of the risk materialising.
 - b. Reduce the likelihood of occurrence.

(Note: these should have the desired effect of reducing the risk rating to at least moderate)

Risk treatments may involve actions such as avoid, share, transfer or reduce the risk with the treatment selection and implementation to be based on;

- I. Cost versus benefit
- II. Ease of implementation
- III. Alignment to organisational values / objectives

Once a treatment has been fully implemented, the Management Team is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (discussed in 3.7)

3.6 Communication & Consultation

Effective communication and consultation are essential to ensure that those responsible for managing risk, and those with a vested interest, understand the basis on which decisions are made and why particular treatment / action options are selected or the reasons to accept risks have changed.

As risk is defined as the effect of uncertainty on objectives, consulting with relevant stakeholders assists in the reduction of components of uncertainty. Communicating these risks and the information surrounding the event sequence ensures decisions are based on the best available knowledge.

3.7 Monitoring, Review and Reporting

The Shire is to review all Risk Profiles at least six-monthly, or if triggered by one of the following;

I. changes to context,



- II. a treatment is implemented,
- III. an incident occurs or due to audit/regulator findings.

The CEO (or as delegated) is to monitor the status of risk treatment implementation and report on as per the Risk Management Policy.

The CEO & Leadership Team will monitor significant risks and treatment implementation as part of their normal Team Meeting agenda item on a regular basis with specific attention given to risks that meet any of the following criteria:

- I. Risks with a Level of Risk of High or Extreme
- II. Risks with Inadequate or Partially Effective Existing Control Rating
- III. Risks with Consequence Rating of Major or Catastrophic
- IV. Risks with Likelihood Rating of Almost Certain

The design and focus of Risk Summary report will be determined from time to time on the direction of the CEO & Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

Each Work Area is responsible for ensuring:

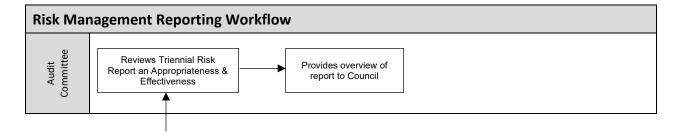
- They continually provide updates in relation to new, emerging risks, control effectiveness and key indicator performance to the Governance Officer.
- Work through assigned actions and provide relevant updates to the Governance Officer.
- Risks / Issues reported to the CEO & Leadership Team are reflective of the current risk and control environment.

The Governance Officer is responsible for:

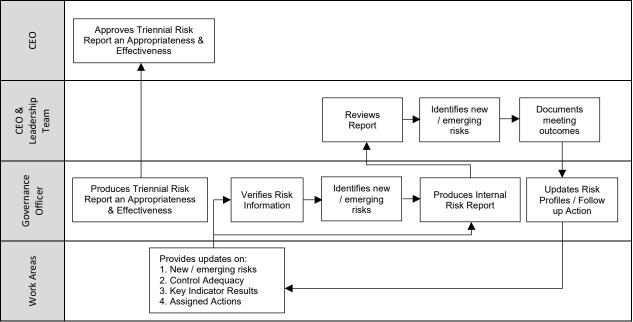
- Ensuring Shire Risk Profiles are formally reviewed and updated, at least on a six-monthly basis or when there has been a material restructure, change in risk ownership or change in the external environment.
- Regular Risk Reporting for the CEO & Shire Management Team.
- Annual Compliance Audit Return completion and lodgement.

The following diagram provides a high-level view of the ongoing reporting process for Risk Management.

Figure 11- Risk Management Workflow







4. Annual Control Assurance Plan

The annual assurance plan is a monitoring schedule prepared by the CEO (or as delegated) that sets out the control assurance activities to be conducted over the next 12 months. This plan is to consider the following components:

- I. Existing control adequacy ratings across the Shire's Risk Profiles: Ideally the risk themes' that have a Residual Risk Rating of 'Moderately Effective' or above are to be reviewed to ensure effectiveness and adequacy of the controls.
- II. Consider control coverage across a range of risk themes (where commonality exists).
- III. Building profiles around material controls to assist in design and operating effectiveness reviews.
- IV. Consideration to significant incidents.
- V. Nature of operations
- VI. Additional or existing 2nd line assurance information / reviews (e.g. HR, Financial Services, IT)
- VII. Frequency of monitoring / checks being performed
- VIII. Review and development of Key Indicators
- IX. Timetable for assurance activities
- X. Reporting requirements

Control assurance data is gained by sampling select controls within a risk theme and analysing their effectiveness as per section 3.3 steps 1-3. Data gained is then to be entered into the Shire of Mingenew Risk Profile as evidence of review and is to be presented to the Audit & Risk Committee to reassure that Management is assessing the adequacy of risk management processes.

Whilst this document and subsequent actions are owned by the CEO (or as delegated) input and consultation will be sought from individual Directorates.



COUNCIL POLICY 1.2.3
Administration

Title: 1.2.3 LEGAL REPRESENTATION – COSTS INDEMNIFICATION

Adopted: 21 March 2018 Reviewed: 14 February 2018

Associated Legislation: Local Government Act 1995

Associated Documents: Shire of Mingenew Code of Conduct for Council Members,

Committee & Working Group Members

Shire of Mingenew Code of Conduct for Shire Employees

Review Responsibility: Chief Executive Officer, Governance Officer

Delegation: Chief Executive Officer

Previous Policy Number/s 2002

Objective:

To set out the circumstances under which the Shire will indemnify elected members and employees against legal costs

Policy Statement:

The Shire of Mingenew is committed to ensuring that in performing their duties in a fair and objective manner, the interests of council members and staff are protected from civil legal proceedings.

The Shire may provide financial assistance to members and employees in connection with the performance of their duties provided that the member or employee has acted reasonably and has not acted illegally, dishonestly, against the interests of the local government or otherwise in bad faith.



1.2.3 LEGAL REPRESENTATION - COSTS INDEMNIFICATION MANAGEMENT PROCEDURE

Relevant Council Policy Relevant CEO Directive

1.2.3 Legal Representation- Cost Indemnification N/A

Adoption Date: 16 March 2018 Review: Annual

Appendix:

Objective:

To set out the circumstances under which the Shire will indemnify elected members and employees against legal costs.

Policy Statement:

The Shire of Mingenew are committed to ensuring that in performing their duties in a fair and objective manner, the interests of council members and staff are protected from civil legal proceedings.

The Shire may provide financial assistance to members and employees in connection with the performance of their duties provided that the member or employee has acted reasonably and has not acted illegally, dishonestly, against the interests of the local government or otherwise in bad faith.

Legislation:

- a) Section 9.56 of the Local Government Act 1995 (the Act) provides protection from actions of tort for anything a council member or employee has, in good faith, done in the performance or purported performance of a function under the Act or under any other written law.
- b) Section 3.1 of the Act provides that the general function of a local government is to provide for the good government of persons in its district.
- c) Section 6.7(2) provides that money held in the municipal fund may be applied towards the performance of the functions and the exercise of the powers conferred on the local government by the Act or any other written law. Under these provisions, a council can expend funds to provide legal representation for council members and employees, as long as it believes that the expenditure falls within the scope of the local government's function.

Definitions:

Approved Lawyer	Approved lawyer is to be –
	(a) a 'certified practitioner' under the Professions Act 2008;
	(b) from a law firm on the Shire's panel of legal service providers, if relevant,
	unless the council considers that this is not appropriate – for example where
	there is or may be a conflict of interest or insufficient expertise; and
	(c) approved in writing by the council or the CEO under delegated authority



Council Member or Employee	Council member or employee means a current or former commissioner, council member, non-elected member of a council committee or employee
	of the Shire of Mingenew.
Legal Proceedings	Legal proceedings may be civil, criminal or investigative.
Legal Representation	Is the provision of legal services, to or on behalf of a council member or employee, by an approved lawyer that are in respect of (a) a matter or matters arising from the performance of the functions of the council member or employee; and (b) legal proceedings involving the council member or employee that have been, or may be, commenced.
Legal Representation Costs	The costs, including fees and disbursements, properly incurred in providing legal representation.
Legal Services	Includes advice, representation or documentation that is provided by an approved lawyer.
Payment	payment by the Shire of legal representation costs may be either by – (a) a direct payment to the approved lawyer (or the relevant firm); or (b) a reimbursement to the council member or employee

Procedures:

1 Payment Criteria

- a) There are four major criteria for determining whether the Shire will pay the legal representation costs of a council member or employee. These are
 - I. the legal representation costs must relate to a matter that arises from the performance, by the council member or employee, of his or her functions;
 - II. the legal representation cost must be in respect of legal proceedings that have been, or may be, commenced;
 - III. in performing his or her functions, to which the legal representation relates, the council member or employee must have acted in good faith, and must not have acted unlawfully or in a way that constitutes improper conduct; and
 - IV. the legal representation costs do not relate to a matter that is of a personal or private nature.

2. Examples of Legal Representation Costs that may be Approved

- a) If the criteria in clause 1 of this policy are satisfied, the Shire may approve the payment of legal representation costs
 - I. where proceedings are brought against a council member or employee in connection with his or her functions for example, an action for defamation or negligence arising out of a decision made or action taken by the council member or employee; or
 - II. to enable proceedings to be commenced and/or maintained by a council member or employee to permit him or her to carry out his or her functions for example, where a council member or employee seeks to take action to obtain a restraining order against a person using threatening behaviour to the council member or employee; or



- III. where exceptional circumstances are involved for example, where a person or organisation is lessening the confidence of the community in the local government by publicly making adverse personal comments about council members or employees.
- b) The Shire will not approve, unless under exceptional circumstances, the payment of legal representation costs for a defamation action, or a negligence action, instituted by a council member or employee.

3. Application for Payment

- a) A council member or employee who seeks assistance under this policy is to make an application(s), in writing, to the council or the CEO.
- b) The written application for payment of legal representation costs is to give details of
 - the matter for which legal representation is sought;
 - II. how that matter relates to the functions of the council member or employee making the application;
 - III. the lawyer (or law firm) who is to be asked to provide the legal representation;
 - IV. the nature of legal representation to be sought (such as advice, representation in court, preparation of a document etc);
 - V. an estimated cost of the legal representation; and
 - VI. why it is in the interests of the Shire for payment to be made.
- c) An application is to contain a declaration by the applicant that he or she has acted in good faith and has not acted unlawfully or in a way that constitutes improper conduct in relation to the matter to which the application relates.
- d) As far as possible, the application is to be made before commencement of the legal representation to which the application relates.
- e) The application is to be accompanied by a signed written statement by the applicant that he or she:
 - I. Has read, and understands, the terms of this policy;
 - II. Acknowledges that any approval of legal representation costs is conditional on the repayment provisions of clause 7 and any other conditions to which the approval is subject; and
 - III. Undertakes to repay to the Shire any legal representation costs in accordance with the provisions of clause 7.
- f) In relation to clause 3.e(III), when a person is to be in receipt of such monies the person should sign a document which requires repayment of those monies to the local government as may be required by the local government and the terms of the policy.
- g) An application is also to be accompanied by a report prepared by the CEO or, where the CEO is the applicant, by an appropriate employee.

4. Legal Representation Costs – Limit

- a) The council in approving an application in accordance with this policy shall set a limit on the costs to be paid based on the estimated costs in the application.
- b) A council member or employee may make a further application to the council in respect of the same matter.



5. Council's Powers

- a) The council may
 - I. refuse;
 - II. grant; or
 - III. grant subject to conditions, an application for payment of legal representation costs.
- b) Conditions under clause 5.a may include, but are not restricted to, a financial limit and/or a requirement to enter into a formal agreement, including a security agreement, relating to the payment, and repayment, of legal representation costs.
- c) In assessing an application, the council may have regard to any insurance benefits that may be available to the applicant under the Shire's council members 'or employees' insurance policy or its equivalent.
- d) The council may at any time revoke or vary an approval, or any conditions of approval, for the payment of legal representation costs.
- e) The council may, subject to clause 5.6, determine that a council member or employee whose application for legal representation costs has been approved has, in respect of the matter for which legal representation costs were approved
 - Not acted in good faith, or has acted unlawfully or in a way that constitutes improper conduct; or
 - II. Given false or misleading information in respect of the application.
- f) A determination under clause 5e may be made by the council only on the basis of, and consistent with, the findings of a court, tribunal or inquiry.
- g) Where the council makes a determination under clause 5e, the legal representation costs paid by the Shire are to be repaid by the council member or employee in accordance with clause 7.

6. Delegation to Chief Executive Officer

- a) Where there is a need for the provision of urgent legal services before an application can be considered by Council, the CEO may give an authorisation to the value of \$5,000 provided that the power to make such an authorisation has been delegated to the CEO in writing under section 5.42 of the Local Government Act 1995.
- b) Where it is the CEO who is seeking urgent financial support for legal services the Council shall deal with the application.

7. Repayment of Legal Representation Costs

- a) A council member or employee whose legal representation costs have been paid by the Shire is to repay the Shire –
 - I. All or part of those costs in accordance with a determination by the council under clause 5.7:
 - II. As much of those costs as are available to be paid by way of set-off where the council member or employee receives monies paid for costs, damages, or settlement, in respect of the matter for which the Shire paid the legal representation costs.
- b) The Shire may take action in a court of competent jurisdiction to recover any monies due to it under this procedure.



COUNCIL POLICY 1.2.4 Administration

Title: 1.2.4 APPOINTMENT OF ACTING CHIEF EXECUTIVE OFFICER

Adopted: 19 September 2018

Reviewed:

Associated Legislation: Local Government Act 1995

Local Government (Administration) Regulation 1996

Associated Documents: Council Resolution of pre-endorsed staff

Review Responsibility: Governance Officer

Delegation: N/A

Previous Policy Number/s -

Objective:

To provide for the appointment Shire staff to serve as Acting Chief Executive Officer (ACEO) during limited absences of the Chief Executive Officer (CEO).

Policy Statement:

- 1. The written consent (where practical) must be obtained from the Shire President (or Deputy Shire President in the absence of the President) prior to taking of annual leave by the CEO in line with this policy and contract.
- 2. In accordance with the requirements of the Local Government Act 1995, section 5.36(2)(a), the Council will endorse suitably qualified staff to perform the role of ACEO.
- 3. Endorsed staff will be appointed to the role of ACEO at the discretion of the CEO, subject to performance and dependent on availability and operational requirements.
- 4. Appointment of an ACEO is not required during periods when the CEO is away from the office on local government business in the State of Western Australia.
- 5. Appointment of an ACEO is not required or during short periods of leave (up to 5 days) when the CEO is contactable and in the State of Western Australia.
- 6. The CEO may, at their discretion, appoint an ACEO during short periods of leave if they believe the operational requirements of the Shire warrant such an appointment.
- 7. For periods in excess of four weeks a separate report on each occasion is to be presented to Council for a formal resolution to extend the appointment of the ACEO or appoint another person to act in the CEO position. However, such a period is not to exceed twelve (12) months.



8. The CEO may, at their discretion, negotiate the remuneration for officers assuming the role of ACEO, provided it is within the range set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.

This policy does not bind Council from appointing another person to act in the CEO position at any time.



COUNCIL POLICY 1.2.5
Administration

Title: 1.2.5 OCCUPATIONAL, HEALTH, SAFETY AND ENVIRONMENT

Adopted: 21 March 2018 Reviewed: 10 January 2018

Associated Legislation: Occupational Safety and Health Act 1984 & 2005 Amendments

Workers Compensation and Injury Management Act 1981

Occupational Safety and Health Regulations 1996 & 2005 Amendments

Australian Standard AS 4801:2001. Australian Standard AS 3547-1997

Associated Documents: Occupational Safety, Health and Environment Risk Mitigation Procedure

Drug and Alcohol Procedure

Hazard/Incident Reporting Procedure

Occupational Rehabilitation and Workers' Compensation Procedure

Review Responsibility:

Delegation:

Governance

Previous Policy Number/s 8001

Objective:

To outline the Shire's commitment to continually improve the occupational safety and health standards and systems within the workplace.

Policy Statement:

The Shire of Mingenew is committed to providing a safe and healthy workplace for employees, contractors, visitors, volunteers and any other person whose health or safety could be affected. It aims to maintain an effective Safety Management System that incorporates continuous improvement philosophy and provides as far as is reasonably practical for maintenance of occupational safety and health standards to protect the wellbeing of staff, stakeholders and the environment.

The Shire will endeavour to:

- a) Ensure that the organisations operations do not place the local community at risk of injury, illness or property and or environmental damage.
- b) As far as practicable provide the necessary resources, both human and financial, to enable satisfactory implementation of all policies and procedures.
- c) To have Occupational Health and Safety practices that support the Shire of Mingenew's Shire's Strategic Plan (Plan for the Future).

The application of this policy is to be in conjunction with the Shire of Mingenew Code of Conduct.



COUNCIL POLICY 1.2.6
Administration

Title: 1.2.6 GRATUITIES
Adopted: 21 November 2018
Last Reviewed: 21 October 2020

Associated Legislation: Sections 5.50 of the Local Government Act 1995.

Regulations 19A of the Local Government (Administration) Regulations

1996

Associated Documents:

Review Responsibility: Chief Executive Officer Delegation: Chief Executive Officer

Objective:

A gratuity payment, in the form of a monetary payment or gift(s) to an equivalent value may be given as a token of appreciation for an employee's commitment and service to the Shire of Mingenew (Local Government), only when the employee is finishing their employment with the Local Government. This policy outlines the circumstances in which gratuity payments may be made to an employee.

A gratuity payment may be paid in addition to any amount which an employee is entitled to under a contract of employment or industrial instrument. This policy does not form a contractual entitlement for any employee of the Local Government or impact or change an employee's contractual entitlements under legislation or an industrial instrument.

This policy is to be read in conjunction with section 5.50 of the Local Government Act 1995 (WA) (Act) and regulation 19A of the Local Government (Administration) Regulations 1996 (WA) (Administration Regulation). Policy Statement:

The Shire of Mingenew acknowledges that its employees regularly commit more in their staff roles to supporting the Shire and its community than many employees in larger local government organisations. The Council is therefore committed to suitably recognising that value-add benefit, as provided by its long serving employees.

A gratuity payment entitlement is subject to completed years of continuous service as detailed in clause 4 below and is only payable at the time an employee finishes their employment with the Local Government for one of the following reasons:

- resignation (not as a result of any performance management or investigation or disciplinary process being undertaken by the Local Government)
- retirement, or
- redundancy.

An employee is not eligible to receive a gratuity payment under this policy where an employee:

- has been dismissed for any reason other than redundancy
- resigns following commencement of a disciplinary, investigation or performance management process, or



• [optional] is engaged on a maximum or fixed term contract and his/her employment ends on the contract expiry date.

The prescribed maximum amounts for Gratuity Payments, and means for their presentation is outlined in the below table:

Number of Years' Service (in either full-time or part time employment only)	Maximum amount of Gratuity and means of presentation
Continuous service less than two years	Nil.
2. Continuous service of greater than two completed years, and up to 10 years.	\$25 for each completed year of service (e.g. three years @ \$25/year = \$75).
3. Continuous service greater than 10 completed years and up to 20 years.	\$25 for each completed year of service (e.g. 12 years @ \$25/year = \$300). To be presented to the employee by the CEO, or nominated
	representative at a function to be determined by the CEO.
4. Above 20 completed years of service.	\$25 for each completed year of service (e.g. 22 years @ \$25/year = \$550). To be presented to the employee by the President or nominated representative, at a function to be determined by the CEO.

The value of the calculated gratuity can be in the form of cash, a gift, or shire property, or combination thereof. The employee accepts full responsibility for any taxation payable on a gratuity payment, and agrees to fully indemnify the Shire of Mingenew in relation to any claims or liabilities for taxation in relation to the gratuity payment.

An employee who has been dismissed by the Shire of Mingenew for any reason other than redundancy, will not be eligible to receive any Gratuity Payment.

The Chief Executive Officer (CEO) is authorised to approve payments in accordance with the limits prescribed by this policy, and to define continuous service within the accompanying procedure.

Suitable funds will be allocated as part of the Local Government's annual budget.

Payments in addition to this policy

The Council may, by resolution, determine to make a gratuity payment that is greater than prescribed in this policy but does not exceed the amount prescribed in Administration Regulation 19A, subject to Local Public Notice requirements prescribed in section 5.50(2) of the Act.



The Local Government is prohibited by section 5.50 of the Act from making any payment to an employee finishing their employment which exceeds the amount prescribed in Administration Regulation 19A.

Policy Review Communications

This policy may be cancelled or varied from time to time, however, the Shire of Mingenew will take reasonable steps (by the normal correspondence method) to notify employees prior to the variation of this policy or the introduction of any new gratuity policy.



1.2.6 GRATUITY MANAGEMENT PROCEDURE

Relevant Council Policy
1.2.6 Gratuity
Relevant CEO Directive
N/A

Adoption Date: 21 November 2018 - CEO Review:

Appendix:

Objective:

To provide clarity around Council's position with regard to the entitlement and calculation methodology for the payment of gratuities to departing employees, and to ensure compliance with the provisions of the Local Government Act and Local Government (Administration) Regulations.

Legislative Provisions:

When an employee leaves the Shire of Mingenew, the Shire may (within the parameters set by the Local Government Act 1995 and the associated Regulations) be given a good or service as a token of appreciation for their commitment and service to the district.

Section 5.50 of the Local Government Act 1995 provides that a Local Government may, but only if it has an adopted policy on the matter, make payments to departing employees in addition to their contract or award. Regulations 19A the Local Government (Administration) Regulations 1996 prescribes the maximum value of payment(s) able to be made.

Procedures:

<u>Introduction</u> - To enable reasonable time for a financial provision to be made, the Policy will come into effect on 1 July 2019.

<u>Employee Service Records</u> - The Payroll Officer is to, for the purposes of this policy, maintain accurate service records of all permanent and part time staff (noting that the policy does not apply to casual or contract staff).

<u>Entitlement</u> - Any gratuity paid is in addition to any amount which an employee is entitled to under a contract of employment or industrial instrument. This policy whilst outlining the intention and circumstances in which a gratuity payment may be made, does not however, form a contractual entitlement for any employee.

The policy entitlement does not apply to casual or contracted staff (irrespective of length of service).

An employee who has been dismissed by the Shire of Mingenew for any reason other than redundancy, will also not be eligible to receive any Gratuity Payment.

Continuous service - shall be deemed to include:

- Any period of absence from duty on annual leave, long service leave, paid compassionate leave, accrued paid personal leave and public holidays;
- Any period of authorised paid absence from duty necessitated by sickness of or injury to the employee
 up to a maximum of three months in each calendar year, but not including leave without pay or parental
 leave: or



 Any period of absence that has been supported by an approved workers compensation claim up to a maximum absence of 12 months.

Continuous service shall not include (unless the Shire of Mingenew determines otherwise):

- Any period of unauthorised absence from duty;
- Any period of unpaid leave; or
- Any period of absence from duty on parental leave.

<u>Gratuity Make-up and Taxation</u> - The value of the calculated gratuity can be in the form of cash, a gift, or shire property, or combination thereof. The employee accepts full responsibility for any taxation payable on a gratuity payment, and agrees to fully indemnify the Shire of Mingenew in relation to any claims or liabilities for taxation in relation to the gratuity payment.

<u>Budget</u> - The officer responsible for payroll, in consultation with the Finance and Administration Manager, should calculate a suitable anticipated budget allocation, to be incorporated into each financial year's budget, for anticipated gratuity payments over the coming 12 months.

<u>Coordination of Calculation and Payment</u> – The officer responsible for payroll is to liaise with the relevant staff member (either directly or via their supervisor) upon the notification of an entitled staff member announcing their departure, confirming the calculated amount of the gratuity and seeking confirmation from the employee as to the desired payment make-up. The gratuity would, barring exceptional circumstances, be included within the final payroll payment for that employee.



COUNCIL POLICY 1.2.8

Administration

Title: 1.2.8 Information & Communications Technology (ICT) Usage

Adopted: 18 September 2019 Last Reviewed: 13 October 2020

Associated Legislation: Local Government Act 1995

Associated Documents: Code of Conduct

Review Responsibility: Chief Executive Officer and Finance & Administration Manager

Delegation: Chief Executive Officer

Objective:

To ensure the security and integrity of the Shire's ICT environment and set out the rights and obligations of Shire staff (including contractors, volunteers and any person performing work for or with the Shire of Mingenew in any capacity).

Policy Statement:

Effective security is a team effort involving the participation and support of every Shire of Mingenew employee who deals with information and/or information systems and devices. Every digital device user must understand this policy and carry out their use of digital devices in accordance with this policy. For the purposes of this policy the term "employee/s" shall extend to cover contractors, volunteers and any person performing work for or with the Shire of Mingenew in any capacity.

General Use of ICT Equipment

- While the Shire of Mingenew's network administration desires to provide a reasonable level
 of privacy, users should be aware that the data they create on the corporate systems remain
 the property of the Shire. Because of the need to protect the Shire's network, the
 confidentiality of personal (non-work-related) information stored on any network device
 belonging to the Shire cannot be guaranteed; and
- A degree of personal use is allowed on the Shire of Mingenew's equipment/devices/systems. Employees should exercise conservative judgment regarding the reasonableness of personal use but should be guided by the following principles:
 - o Personal use should be conducted either before or after contracted hours of work or authorised breaks:
 - Personal use should be limited and brief, avoiding excessive download or transmission. An example of acceptable personal use would be conducting brief transactions through internet banking;

- o Personal use should not breach anything in this policy, particularly relating to the downloading of offensive or copyrighted materials;
- Managers/Supervisors will determine the specific acceptable personal use for their respective business areas as this will differ according to the needs of each group; and
- o If there is any uncertainty regarding acceptable personal use then employees should consult their supervisor or manager for guidance.
- For security and network maintenance purposes, authorised individuals within the Shire of Mingenew may monitor equipment, systems and network traffic at any time, according to the specific nature and requirements of their roles.
- The Shire of Mingenew reserves the right to audit networks and systems on a periodic basis to ensure system integrity and compliance with this policy.
- All emails sent by Shire of Mingenew staff should include their 'signature' in the format specified by the Shire of Mingenew's style guide or as otherwise advised by the CEO.
- Computers should be locked when stepping away from the works station to prevent unauthorised access.
- Computers to be shut down when leaving the workplace for the day.

Security and Proprietary Information

- All information stored on the Shire of Mingenew's corporate systems should be regarded as
 confidential and care must be exercised before sharing or distributing any information. If there
 is any uncertainty regarding the level of confidentiality involved then employees should
 consult their supervisor or manager for guidance;
- Passwords should be kept secure and accounts must not be shared. Authorised users are
 responsible for the security of their passwords and accounts. Passwords should be changed
 regularly, in accordance with Shire of Mingenew's advice from the person responsible for ICT
 (presently the Finance & Administration Manager);
- All devices connected to the Shire of Mingenew's computing systems/networks, regardless of ownership, must be running approved and up to date virus-scanning software; and
- People must use caution when opening files received from unknown senders.

Unacceptable Use

The information in this policy provides a framework for activities which fall into the category of unacceptable use, but do not represent an exhaustive list. Some users are exempted from these restrictions during the course of carrying out responsibilities related to their role. Under no circumstances is any user authorised to engage in any activity that is illegal under local, state, federal or international law while connected to or utilising Shire of Mingenew ICT systems or resources.

System and Network Activities

The following activities are not permitted:

- Violations of the rights of any person or company/organisation protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the duplication, installation or distribution of "pirated" or other software products that are not appropriately licensed for use by the Shire of Mingenew or the end user;
- Unauthorised copying or digitising of copyrighted material and the installation of any copyrighted software for which the Shire of Mingenew or the end user does not have an active license;
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws. The appropriate manager should be consulted prior to export of any material where status is in unclear;
- Introduction of malicious programs or code into the network or onto devices connected to the network;
- Revealing your account password to others or allowing use of your account by others;
- The Shire of Mingenew's equipment is not be used for the downloading or distribution of any
 material that could be considered as offensive. If a user receives such material they should
 notify their supervisor and also the Finance & Administration Manager;
- Making fraudulent offers of products, items, or services, or running private business interests via any Shire of Mingenew equipment, device or account; and
- Undertaking private work.

The following activities are not permitted unless they are within the scope of regular responsibilities for an expressly authorised role/position:

- Effecting security breaches or disruptions of network communication. Security breaches
 include, but are not limited to, accessing data of which the user is not an intended recipient
 or logging into a server or account that the user is not expressly authorised to access;
- Executing any form of network monitoring which will intercept data not intended for the user's host;
- Attempting to avoid or bypass Shire of Mingenew's network security measures;
- Interfering with any other user's account, by whatever means; and
- Using the system in a way that could damage or affect the performance of the network in any way.

Email and Communications Activities

The following activities are not permitted:

• Except in the course of normal business notifications, sending or forwarding unsolicited electronic messages, including the sending of "junk mail" or other advertising material, jokes, or chain communication to individuals who did not specifically request such material;

- Any form of harassment via electronic/ICT means;
- Unauthorised use, or forging, of email header information;
- Solicitation of communication for any other electronic address, other than that of the poster's account, with the intent to harass or to collect replies;
- Creating or forwarding "chain letters" or "pyramid" schemes of any type;
- Use of any of the Shire of Mingenew's network or systems for the purpose of generating unsolicited communications;
- Providing information about, or lists of the Shire of Mingenew's employees to parties outside Shire of Mingenew or to personal email addresses;
- Communicating in a manner that could adversely affect the reputation or public image of Shire
 of Mingenew; and
- Communicating in a manner that could be construed as making statements or representations
 on behalf of Shire of Mingenew without the Shire of Mingenew's express permission to do so;
 and

Users should also endeavor to clean out their Inbox, Sent Items, Deleted Items and other email boxes on a regular basis, by either deletion or saving in the central record system. A size limit per mailbox may be implemented to ensure that the system is functioning optimally.

Remote Access

Users with remote access should be reminded that, when they are connected to the Shire of Mingenew's network, their machines are an extension of that network, and as such are subject to the same rules and regulations that apply to the Shire of Mingenew's corporate equipment and systems. That is, their machines need to connect and communicate reliably with the Shire of Mingenew's network and servers to ensure the security and integrity of data and records.

Users are reminded of the following conditions relating to remote access to the Shire of Mingenew's system:

- Family members must not violate any of the Shire of Mingenew's policies, perform illegal activities, or use the access for outside business interests;
- The device that is connected remotely to the Shire of Mingenew's corporate network should be secure from access by external non-Shire of Mingenew parties and should be under the complete control of the user;
- The use of non-Shire of Mingenew email accounts (e.g. Yahoo, Hotmail, Gmail etc.) or other external resources is not permitted for the conduct of Shire of Mingenew business, thereby ensuring official business is not confused with personal business; and
- All devices (whether personal or corporate) connected to the Shire of Mingenew's networks via remote access technologies should have up-to-date anti-malicious-code software.

Provision and Use of Mobile Phones and Information/ Communication Devices

Some people will be supplied with a mobile phone and/or other mobile computing device if it is deemed necessary to their position. All mobile devices supplied remain the property of the Shire of Mingenew and users must not change service providers unless permitted to do so.

Where a mobile device provides an email service, all emails sent or received or otherwise processed via the mobile device that are classified as a record of the Shire of Mingenew should be through the Shire of Mingenew's server, to ensure the integrity of the recordkeeping system.

Where the device includes a digital camera, users are to use the technology in a sensible manner. A failure to do so may lead to disciplinary action including possible termination of employment. Employees may also be held criminally liable for their actions.

It is unlawful for drivers to operate a mobile phone and/or other mobile computing device whilst driving. Phone calls may otherwise be made or received providing the device is accessible while mounted/fixed to the vehicle or does not need to be touched by the user. An employee who operates a mobile phone and/or other mobile computing device whilst driving may face disciplinary action including possible termination of employment. Employees may also be held criminally liable for their actions.

Consequences of Breaching This Policy

- Any user found to have breached this policy may be subject to disciplinary action including
 possible termination of employment. The Shire of Mingenew may also be obligated to refer
 any breach of this policy to an external agency where an employee may be held criminally
 liable for their actions.
- Private/personal or unauthorised use of corporate ICT systems and/or devices may result in the user being obligated to pay any extra costs incurred.

Variation to This Policy

This policy may be cancelled or varied from time to time. All the Shire of Mingenew s employees will be notified of any variation to this policy by the normal correspondence method. All users of the organisations ICT are responsible for reading this policy prior to accessing the organisations ICT.



COUNCIL POLICY 1.2.9

Administration

Title: 1.2.9 PRE-QUALIFIED SUPPLIERS POLICY

Adopted: 18 September 2019 Reviewed: 4 November 2020

Associated Legislation: Local Government Act 1995

Local Government (Functions and General) Regulations 1996

Associated Documents: Purchasing Procedure

Code of Conduct

Review Responsibility: Finance and Administration Manager

Delegation: N/A

Objective:

The Shire will consider establishing a Panel for purchasing activity when all of the following factors apply:

- It determines that a range of similar goods or services are required to be purchased on a continuing and regular basis;
- The purchases are considered vital, but of low value, and may be needed prior to a purchase order being completed;
- There are numerous potential suppliers in the local and regional procurement-related market sector(s) that offer 'value for money';
- The purchasing activity under the intended Panel is considered to be of a low risk;
- The Panel will streamline and improve procurement processes; and
- It has the capacity to establish, manage the risks and achieve the benefits expected of the proposed Panel.

Policy Statement:

The Shire is committed to developing and operating efficient, effective, economical and sustainable procedures for the procurement of all goods and services and adopting a value for money approach, which allows the best possible procurement outcome to be achieved.

The application of this policy is to be in conjunction with the Shire of Mingenew Code of Conduct and in compliance with the Shire's Purchasing Policy.

1.2.9 PRE-QUALIFIED SUPPLIERS PROCEDURES

Relevant Council Policy Relevant CEO Directive

1.2.9 Pre-Qualified Suppliers Policy N/A

Approval Date: Review: Annual

Appendix: Nil

Objective:

The Shire will consider establishing a Panel for purchasing activity when all of the following factors apply:

- It determines that a range of similar goods or services are required to be purchased on a continuing and regular basis;
- The purchases are considered vital, but of low value, and may be needed prior to a purchase order being completed;
- There are numerous potential suppliers in the local and regional procurement-related market sector(s) that offer 'value for money';
- The purchasing activity under the intended Panel is considered to be of a low and medium risk;
- The Panel will streamline and improve procurement processes; and
- It has the capacity to establish, manage the risks and achieve the benefits expected of the proposed Panel.

Panel Establishment

Should the Shire determine it is advantageous to establish a Panel, it must do so in accordance with Part 4, Division 3 of the Local Government (Functions and General) Regulations and its internal procurement procedures.

- A Panel may be established for one supply requirement, or a number of similar supply requirements under defined categories within the Panel.
- Panels may be established for a minimum of 1 year and a maximum of 3 years or other length of time deemed appropriate by the Shire.
- Evaluation criteria must be determined and communicated in the application process by which applications will be assessed and accepted.
- Where a Panel is to be established, the Shire will endeavour to appoint at least three (3) suppliers to the Panel, or to each category within the Panel, on the basis of best 'value for money'.
- In each invitation to apply to become a pre-qualified supplier (through a procurement process advertised through a state-wide notice), the Shire must state the expected number of suppliers it intends to put on the panel.
- Should a Panel member leave the Panel, they may be replaced by the next ranked Panel member
 determined in the value for money assessment should the supplier agree to do so, with this
 intention to be disclosed in the detailed information set out under Regulation 24AD(5)(d) and (e)
 when establishing the Panel.

Panel Purpose

The Shire may establish a Panel for the purpose of:

Trades Panel

to allow sub-contract assistance in operational requirements on an as-needed basis. Establishment of a Panel in this instance negates the requirement for quotes. A Trades Panel may include such categories as electrician, plumber or similar.

Purchasing from a Panel

Each pre-qualified supplier appointed to the Panel (Supplier) provides a schedule of rates (Schedule) accepted by the Shire as part of their appointment to the Panel. This Schedule will be fixed for the term of the Panel and will ensure that each Supplier has been afforded an identical opportunity to quote for the supply requirements.

The Shire may award any quantity of work to any Supplier on the basis of their schedule and availability. A purchase order will be issued before works commence except urgent purchases for which a purchase order will be issued after works commence.

An urgent purchase is defined as an unanticipated purchase which is required in response to an urgent situation with immediate attention.

Distributing Work Amongst a Support Panel

In considering the distribution of work amongst a Trades Panel, the Shire will consider the Supplier's:

- Accepted Schedule;
- Performance during the term of the Panel;
- Capability relative to the particular item of work;
- Response time and/or availability; and
- Vicinity to the work location.

Panel Communication Agreement

The Shire will ensure clear, consistent, and regular communication between all parties to a Panel.

Panel Record Keeping

All documentation and communication relating to the establishment of, and subsequent procurement from a Panel shall be processed through the Shire's internal record management system, as appropriate, to ensure an identifiable audit trail exists. This will include such items as the initial request for applications, all invitations to quote, clarification correspondence, responses received, and all procurement documentation.



COUNCIL POLICY 1.3.1

Finance

Title: 1.3.1 PURCHASING POLICY

Adopted: 21 March 2018 Reviewed: 15 April 2020

Associated Legislation: Local Government Act 1995 s5.42, s5.44, s5.46, s6.2(4a), s6.8

Local Government (Functions and General) Regulations 1996 Part 4 Local Government (Financial Management) Regulations 1996 Part 4

State Records Act 2000

Associated Documentation: Shire of Mingenew Delegations Register

Shire of Mingenew Code of Conduct

Review Responsibility: Governance Officer

Finance and Administration Manager

Delegation: Chief Executive Officer

NOTE: This policy is based on the WALGA Model Purchasing Policy Template with some modifications

Previous Policy Number/s 3007, 3008

Policy Statement:

The Shire of Mingenew (the "Shire") is committed to delivering the objectives, principles and practices outlined in this Policy, when purchasing goods, services or works to achieve the Shire's strategic and operational objectives.

This policy complies with the *Local Government (Functions and General) Regulations 1996* (The Regulations).

1.1 Objectives:

The Shire's purchasing activities will achieve:

- The attainment of best value for money;
- Sustainable benefits, such as environmental, social and local economic factors are considered in the overall value for money assessment;
- Consistent, efficient and accountable processes and decision-making;
- Fair and equitable competitive processes that engage potential suppliers impartially, honestly and consistently;
- Probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest;
- Compliance with the Local Government Act 1995, Local Government (Functions and General) Regulations 1996, as well as any relevant legislation, Codes of Practice, Standards and the Shire's Policies and procedures;
- Efficiencies (time and resources) for the Shire of Mingenew
- Risks identified and managed within the Shire's Risk Management framework;
- Records created and maintained to evidence purchasing activities in accordance with the State Records Act and the Shire's Record Keeping Plan;
- Confidentiality protocols that protect commercial-in-confidence information and only release information where appropriately approved.

1.2 Ethics & Integrity

The Shire's Code of Conduct applies when undertaking purchasing activities and decision making. Elected Members and employees must observe the highest standards of ethics and integrity and act in an honest and professional manner at all times.

1.3 Value For Money

Value for Money is achieved through the critical assessment of price, risk, timeliness, environmental, social, economic and qualitative factors to determine the most advantageous supply outcome that contributes to the Shire achieving its strategic and operational objectives.

The Shire will apply value for money principles when assessing purchasing decisions and acknowledges that the lowest price may not always be the most advantageous.

Assessing Value for Money

Assessment of value for money will consider:

- All relevant Total Costs of Ownership (TCO) and benefits including transaction costs associated
 with acquisition, delivery, distribution, as well as other costs such as but not limited to holding
 costs, consumables, deployment, training, maintenance and disposal;
- The technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality. This includes but is not limited to an assessment of compliances, tenderers resources available, capacity and capability, value-adds offered, warranties, guarantees, repair and replacement policies, ease of inspection, ease of after sales service, ease of communications etc.
- Financial viability and capacity to supply without the risk of default (competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history);
- A strong element of competition by obtaining a sufficient number of competitive quotations wherever practicable and consistent with this Policy;
- The safety requirements and standards associated with both the product design and the specification offered by suppliers and the evaluation of risk arising from the supply, operation and maintenance;
- The environmental, economic and social benefits arising from the goods, services or works required, including consideration of these benefits in regard to the supplier's operations, in accordance with this Policy and any other relevant Shire Policy; and
- Providing opportunities for businesses within the Shire's boundaries to quote wherever possible.

1.4 Purchasing Thresholds and Practices

The Shire must comply with all requirements, including purchasing thresholds and processes, as prescribed within the Regulations, this Policy and associated purchasing procedures in effect at the Shire.

Policy Purchasing Value Definition

Purchasing value for a specified category of goods, services or works is to be determined upon the following considerations:

Exclusive of Goods and Services Tax (GST); and

- Where a contract is in place, the actual or expected value of expenditure over the full contract period, including all options to extend specific to a particular category of goods, services or works.
 OR
- Where there is no existing contract arrangement, the Purchasing Value will be the estimated total expenditure for a category of goods, services or works over a minimum three-year period. This period may be extended to a maximum of 5 years only where the supply category has a high risk of change i.e. to technology, specification, availability or the Shire's requirements (Regulation 12).

The calculated estimated Purchasing Value will be used to determine the applicable threshold and purchasing practice to be undertaken.

NOTE:

When considering a variation in scope during a contract, it should be remembered that the change must be minor. It is recommended that, at best, it should be within a 10% tolerance of the original value.

It should not also be of a nature that changes methodology or approach to a project, opening up the possibility that different suppliers may have tendered if they had been aware of the new approach.

Purchasing from Existing Contracts

The Shire will ensure that any goods, services or works required that are within the scope of an existing contract will be purchased under that contract.

Table of Purchasing Thresholds and Practices

This table prescribes Purchasing Value Thresholds and the applicable purchasing practices which apply to the Shire's purchasing activities.

The following list provides the Order of Process that should be utilised to undertake the procurement:

- Shire's Prequalified Supplier Panel
- Preferred Supplier Arrangement
- Common Use Arrangement
- RFQ to selected group as per this policy or RFT through public advertisement

If there is a Preferred Supplier Arrangement (PSA) in place that meets the requirements of the Shire, then the Shire requires that the PSA be considered in the first instance, irrespective of threshold.

If the Shire's Officer does not consider the PSA to be appropriate, then approval for an alternative approach needs to be given by the Shire's CEO or delegated authority.

Reasons for consideration of not using the PSA may include:

- Local supplier availability (who are not suppliers within the PSA);
- Social procurement preference to use Aboriginal business or Disability Enterprise;

Purchasing Thresholds	Purchasing Requirements
(ex GST)	
Up to \$4 <u>9</u> ,999 <u>*</u>	Seek at least one (1) verbal or written quotation from suitable suppliers
	No quotations are required if the expenditure is approved in the Budget however officers are bound to value for money principles. The following factors are to be considered in the decision-making process for all purchasing;
	 Value for money Knowledge of general cost of item / service Buy local principles Sustainable procurement principals
	 Ongoing good relationship with supplier Reliability of supplier
\$5,000 to \$9,999*	Obtain at least one (1) verbal or written quotation from suitable suppliers.
\$9,999 - \$39,999*	Obtain-Seek at least two (2) written quotations from suitable suppliers. OR
	Seek Obtain at least two (2) quotations directly from WALGA Preferred Supplier Program via eQuotes;
\$40,000 - \$149 <u>249</u> ,999*	Obtain Seek at least three (3) written quotations from suppliers containing price and specification of goods and services. The procurement decision is to be based on all value for money considerations in accordance with the definition stated within this Policy.
	OR
	Obtain—Seek at least three (3) quotations via the WALGA Preferred Supplier Program. The procurement decision is to be based on all value for money considerations in accordance with the definition stated within this Policy.
\$150,000* and above (or up to \$250,000 during an	Where the Shire has an established Panel of Pre-Qualified Suppliers relevant to the required purchasing category, quotations must be sought from those suppliers only in accordance with the procedures prescribed under the Shire's Pre-qualified Suppliers Policy and Procedure.
emergency)250,000	If no Panel of Pre-Qualified Suppliers exists for the required purchasing category, then either:
	Seek at least three (3) written quotations from suppliers included in the relevant WALGA Preferred Supplier Arrangement and / or another tender exempt arrangement; OR
	If quotes are not being sought from a WALGA Preferred Supplier Arrangement, three (3) quotations are to be sought, where suitable suppliers are available, from the WA Disability Enterprises; OR

	Conduct a Dublia Democratica Tender conserving and the U.S.
	 Conduct a Public Request for Tender process in accordance with the Local Government Act 1995 and relevant Shire Policy requirements.
	The purchasing decision is to be based upon the supplier's response to:
	a specification of the goods, services or works (for a tender exempt process including the WALGA Preferred Supplier Arrangement); or a detailed specification for the open tender process; and
	pre-determined evaluation criteria that assesses all best and sustainable value considerations.
Emergency Purchases	(Within Budget) Must be approved by the President or by the Chief Executive Officer under delegation and reported to the next available Council Meeting.
	(Not Included in Budget) Only applicable where, authorised in advance by the President in accordance with s.6.8 of the Local Government Act 1995 and reported to the next available Council Meeting.
	Where the Shire has an established Panel of Pre-Qualified Suppliers relevant to the required purchasing category, the emergency supply must be obtained from the Panel suppliers.
	If however, no member of the Panel of Pre-qualified Suppliers or a suitable supplier from WALGA Preferred Supplier Arrangement is available, then the supply may be obtained from any supplier capable of providing the emergency purchasing requirement, and to the extent that it is reasonable in context of the emergency requirements, with due consideration of best value and sustainable. Purchase threshold actions must be adhered to where reasonable and practical to do so and are to be in accordance with Regulations.
WALGA Services (excluding Preferred Supplier Program)	For the purchasing of WALGA Services, a minimum of one (1) written quotation is to be sought and appropriately recorded. Recording is to be in accordance with the threshold levels outlined above. Confirmed via Purchase Order or Contract/Agreement.
LGIS Services	LGIS Services are provided as part of a mutual, where WALGA Member Local Governments are the owners of LGIS. Therefore, obtaining insurance services from LGIS is not a procurement activity and is not subject to this Policy.
	Should Council wish to seek quotations from other insurance suppliers, this activity will be subject to the above listed Purchase Value Thresholds and associated activities.

All reasonable attempts must be made to obtain the set amount of quotes for each purchasing threshold however, should a relevant supplier decline the invitation to quote or fail to respond within a reasonable timeframe and all efforts have been made to obtain further quotes, it may be acceptable that purchasing can proceed based on a lesser amount of quotes being obtained. A reasonable timeframe to await a response in most circumstances is 7 business days, or as otherwise advised in the request to quote. Where legislative or policy compliance is not reasonably able to be achieved, records must evidence the rationale and decision making processes that substantiate the non-compliance.

The rationale for the procurement decision should be documented and recorded in accordance with the Shire Records Management Policy.

Where the Shire has an established Panel of Pre-Qualified Suppliers relevant to the required purchasing category, quotations must be sought from those suppliers only in accordance with the procedures outlined within the Prequalified Suppliers Policy and Procedure.

Exemptions

An exemption from the requirement to publicly invite tenders may apply when the purchase is:

- obtained from a pre-qualified supplier under the WALGA Preferred Supplier Arrangement or other suppliers that are accessible under another tender exempt arrangement,
- from a pre-qualified supplier under a Panel established by the Shire;
- from a Regional Local Government or another Local Government;
- acquired from an Australian Disability Enterprise and represents Value for Money;
- the purchase is authorised under action by Council under delegated authority;
- within 6 months of no tender being accepted;
- where the contract is for petrol, oil, or other liquid or gas used for internal combustion engines;

OR

• the purchase is covered by any of the other exclusions under Regulation 11 of the Regulations.

Inviting Tenders Under the Tender Threshold

The Shire may determine to invite Public Tenders, despite the estimated Purchase Value being less than the \$150,000 threshold.

This decision will be made after considering:

- Whether the purchasing requirement can be met through the WALGA Preferred Supplier Program or any other tender exemption arrangement; and
- Any value for money benefits, timeliness, risks; and
- Compliance requirements.

A decision to invite Tenders, though not required to do so, may occur where an assessment has been undertaken and it is considered that there is benefit from conducting a publicly accountable and more rigorous process. In such cases, the Shire's tendering procedures must be followed in full.

Other Procurement Processes

Expressions of Interest

Expressions of Interest (EOI) are typically considered in situations where the project is of a significant value or contains significant complexity of project delivery that may solicit responses from a considerable range of industry providers.

In these cases, the Shire may consider conducting an EOI process, preliminary to any Request for Tender process, where the purchasing requirement is:

- Unable to be sufficiently scoped or specified;
- Open to multiple options for how the purchasing requirement may be obtained, specified, created or delivered;
- Subject to a creative element; or
- To establish a procurement methodology that allows for an assessment of a significant number of tenderers leading to a shortlisting process based on non-price assessment.

All EOI processes are conducted as a public process and similar rules to a Request for Tender apply. However, the EOI should not seek price information from respondents, seeking qualitative and other non-price information only. All EOI processes should be subsequently followed by a Request for Tender through an invited process of those shortlisted under the EOI.

Request for Proposal

As an alternative to a Request for Tender, the Shire may consider conducting a Request for Proposal where the requirements are less known, or less prescriptive and detailed. In this situation, the Request For Proposal would still be conducted under the same rules as for a Request For Tender but would seek responses from the market that are outcomes based or that outline solutions to meet the requirements of the Shire.

Emergency Purchases

An emergency purchase is defined as an unanticipated purchase which is required in response to an emergency situation as provided for in the Act. In such instances, quotes and tenders are not required to be obtained prior to the purchase being undertaken.

Time constraints are not a justification for an emergency purchase. Every effort must be made to anticipate purchases in advance and to allow sufficient time to obtain quotes and tenders, whichever may apply.

Sole Source of Supply

A sole source of supply arrangement may only be approved where the:

- purchasing value is estimated to be over \$5,000; and
- purchasing requirement has been documented in a detailed specification; and
- specification has been extensively market tested and only one potential supplier has been identified as being capable of meeting the specified purchase requirement; and
- market testing process and outcomes of supplier assessments have been documented, inclusive of a rationale for why the supply is determined as unique and cannot be sourced through more than one supplier.

A sole source of supply arrangement will only be approved for a period not exceeding three (3) years. For any continuing purchasing requirement, the approval must be re-assessed before expiry to evidence that a Sole Source of Supply still genuinely exists.

A decision to approve a sole source of supply arrangement must be made by the Council, unless decision making under Functions and General Regulations 11(2) (f) has been delegated to the CEO.

Anti-Avoidance

The Shire will not conduct multiple purchasing activities with the intent (inadvertent or otherwise) of "splitting" the purchase value or the contract value, avoiding a particular purchasing threshold or the need to call a Public Tender. This includes the creation of two or more contracts or creating multiple purchase order transactions of a similar nature.

Utilising rolling contract extensions at the end of a contract term without properly testing the market or using a Tender exempt arrangement, will not be adopted as this would place this Local Government in breach of the Regulations (Regulation 12).

The Shire will conduct regular periodic analysis of purchasing activities within supply categories and aggregating expenditure values in order to identify purchasing activities which can be more appropriately undertaken within the Purchasing Threshold practices detailed in clause 1.4.3 above.

Sustainable Procurement

The Shire is committed to implementing sustainable procurement by providing a preference to suppliers that demonstrate sustainable business practices (social advancement, environmental protection and local economic benefits).

The Shire will embrace Sustainable Procurement by applying the value for money assessment to ensure that wherever possible our suppliers demonstrate outcomes which contribute to improved environmental, social and local economic outcomes. Sustainable Procurement can be demonstrated as being internally focussed (i.e. operational environmental efficiencies or employment opportunities and benefits relating to special needs), or externally focussed (i.e. initiatives such as corporate philanthropy).

Requests for Quotation and Tenders will include a request for information from Suppliers regarding their sustainable practices and/or demonstrate that their product or service offers enhanced sustainable benefits.

Local Economic Benefit

The Shire encourages the development of competitive local businesses within its boundary first, and second within its broader region. As much as practicable, the Shire will:

- where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses;
- consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support);
- ensure that procurement plans address local business capability and local content;
- explore the capability of local businesses to meet requirements and ensure that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses;

- avoid bias in the design and specifications for Requests for Quotation and Tenders all Requests must be structured to encourage local businesses to bid; and
- provide adequate and consistent information to local suppliers.

To this extent, a qualitative weighting will be included in the evaluation criteria for quotes and Tenders where suppliers are located within the boundaries of the Shire, or substantially demonstrate a benefit or contribution to the local economy. This criterion will relate to local economic benefits that result from Tender processes.

The Shire will also consider adopting KPIs for successful suppliers that encourage the placement of the local workforce.

The Shire has adopted a Regional Price Preference Policy in accordance with Part 4A of the *Local Government (Functions and General) Regulations 1996*, which provides a price weighting when evaluating and awarding contracts with Council via the Tendering process.

NOTE:

In the qualitative criteria section of the evaluation criteria, a Local Government cannot have both weighted price and Local Economic Benefit clauses. They are mutually exclusive.

However, a Local Government can have a Local Economic Benefit criteria and non-weighted price as part of its evaluation.

Purchasing from Disability Enterprises

An Australian Disability Enterprise may be contracted directly without the need to comply with the Threshold and Purchasing Practices requirements of this Policy, where a value for money assessment demonstrates benefits for the Shire's achievement of its strategic and operational objectives.

A qualitative weighting will be used in the evaluation of quotes and Tenders to provide advantages to Australian Disability Enterprises, in instances where not directly contracted.

Purchasing from Aboriginal Businesses

An Aboriginal Business registered on the WA Aboriginal Business Directory may be contracted directly without the need to comply with the Threshold and Purchasing Practices requirements of this Policy, where a value for money assessment demonstrates benefits for the Shire's achievement of its strategic and operational objectives.

Record Keeping

All purchasing activity, communications and transactions must be evidenced and retained as local government records in accordance with the State Records Act 2000 and the Shire's Record Keeping Plan. This includes those with organisations involved in a tender or quotation process, including suppliers.

Other Relevant Policies

- 1.2.9 Prequalified Suppliers
- 1.3.7 Regional Price Preference



COUNCIL POLICY 1.3.2

Finance

Title: 1.3.2 ASSET MANAGEMENT

Adopted: 21 March 2018 Reviewed: 12 October 2020

Associated Legislation: Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Government of WA, Department of Local Government, Sport and Cultural

Industries,

Associated Documents: Department of Local Government, Sport and Cultural Industries -

Integrated Planning and Reporting, Asset Management Guidelines

September 2016.

Strategic Community Plan to 2019 Corporate Business Plan 2019-2023 Long Term Financial Plan to 2012 - 2022 Asset Management Plan 2019 - 2034 Disability and Access Inclusion Plan Finance & Administration Manager

Review Responsibility:

Delegation:

Previous Policy Number/s 3011

Objective:

To outline the Shires commitment to sustainable management of Shires assets and its commitment in delivering service levels.

Policy Statement:

The Shire of Mingenew delivers a variety of services to the community and in doing so, must ensure that the assets supporting these services are:

- a) Managed in a way that promotes maximum performance for the most cost-effective 'Life Cycle' cost;
- b) Meeting community expectations of time, quality, and value for money.

Achieving this objective in an affordable and sustainable manner requires strategic and long-term approach to asset planning and management. The Shire aims to deliver this through:

- a) Agreed levels of service that are cost effective and relevant;
- b) The adoption of a continuous improvement approach to asset management;
- c) Community and key stakeholder consultation in regard to expected levels of service; and
- d) Endeavouring to achieve Asset Ratio benchmarks as set by the Department of Local Government, Sport and Cultural Industries.



1.3.2 ASSET MANAGEMENT PROCEDURE

Relevant Council Policy
1.3.2 Asset Management
Adaption Pate: 14 Merch 2019

Adoption Date: 16 March 2018

Appendix:

Relevant CEO Directive N/A

Review: Annual

Objective:

To outline processes and procedures associated with the Shires assets delivering of service levels.

Legislation:

- a) Local Government Act 1995 (WA), Section 5.56(1) and (2) stipulates that the local government is to plan for the future of the district and ensure that such plans are carried out in accordance with any regulations made about planning for the future of the district.
- b) WA Local Government (Administration) Regulations 1996 specify that matters relating to resources, such as asset management, must be developed and integrated into the districts corporate business plan.
- c) Local Government Financial Management Regulations 1996 state that Efficient systems and procedures are to be established by the CEO of a local government... to ensure proper accounting for municipal or trust ...iii) assets and liabilities;

Definitions:

Asset	A physical item which has value enables services to be provided and has an economic life of greater than 12 months. Items considered assets include Plant, Equipment, Property, Buildings, Facilities, Commercial Investments, Natural and Heritage items owned or controlled by Council.
Asset Management Plan	A plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset.
Life Cycle	The cycle of activities that an asset goes through while it retains an identity as a separately identifiable asset.
Life Cycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and renewal and disposal costs.
Agreed Level of Service	The defined service quality for a particular service against which service performance can be measured, agreed upon by both community and Shire.
Asset Register	A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction, technical and financial information about each.



Responsibilities

Councillors

- Adopt the Asset Management Policy
- Adopt the Asset Management Strategy
- Adopt the Asset Management Plans
- Support the use of asset management planning throughout the organisation
- Make decisions regarding assets in accordance with the Asset Management Policy, Strategy and Plans.

Chief Executive Officer

- Develop and maintain the Asset Management Policy
- Develop and maintain the Asset Management Strategy
- Develop and maintain the Asset Management Plans
- Ensure alignment between the Asset Management Policy, Strategy and Plans and other policies and processes in the organisation
- Ensure compliance with legislative requirements
- Ensure assets are managed in accordance with Asset Management Policy, Strategy and Plans
- Support the use of asset management planning throughout the organisation
- Facilitate best practice asset management

Procedures:

As part of the Shire's consideration of asset management, the following key steps will be undertaken:

- a) Ensuring assets are accounted for in accordance with the Local Government (Financial Management) Regulations 1996.
- b) Develop and maintain an infrastructure, property and plant asset management strategy and plan, ensuring results inform the Shire's Long Term Financial Plan (LTFP), Corporate Business Plan and align with the Shire's Strategic Plan.
- c) The Asset Register is to be reviewed in accordance with 17A(4) of Local Government (Financial Management) Regulations 1996.
- d) Reporting to the Department on the asset consumption ratio, asset renewal funding ratio and asset sustainability ratio will be done in accordance with Regulation 50 of the Local Government (Financial Management) Regulations 1996 and will be included with the other 4 required ratios as part of the Annual Financial Report.
- e) As part of a continuous improvement process, the Shire will continually monitor, audit and review its asset register to ensure it is responsive to service delivery needs and it meets the goals and targets set by Council.



- f) Asset renewals will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- g) Asset renewals required to meet agreed service levels and identified in infrastructure and asset management plans and long-term financial plans, will be reflected in the annual budget estimates.
- h) Decisions regarding asset operations and maintenance, renewal, disposal and acquisitions will be based on the "life cycle" cost and take into consideration the levels of service and affordability.
- i) Continually seek opportunities for multiple uses of assets.
- j) Prior to consideration of any major works for renewal or improvement to an asset, undertake a critical review of the need for that asset.
- k) Ensure assets are managed in accordance with the Asset Management Policy, Strategy and Plans.
- I) Where appropriate, involve and consult with the community and key stakeholders on determining levels of service. Annual budget estimates will fully reflect the cost to deliver the agreed service levels.

Providing asset management training to ensure our staff have the necessary skills and knowledge.



COUNCIL POLICY 1.3.3

Finance

Title: 1.3.3 INVESTMENT OF SURPLUS FUNDS

Adopted: 21 March 2018 Reviewed: 13 October 2020

Associated Legislation: Local Government Act 1995 (s.14)

Banking Act 1995,

The Trustees Act 1962 (s18)

Local Government (Financial Management) Regulations 1996 (r19, 19C,

r28 and r49)

Associated Documents: Code of Conduct

Review Responsibility: Finance and Administration Manager

Delegation: Chief Executive Officer

Previous Policy Number/s 3002

Objective:

To ensure that there are effective and accountable systems in place to safeguard the Shire's financial resources whilst taking advantage of the interest earning potential from its surplus funds.

Policy Statement:

To satisfy its fiduciary duty under the Local Government Act 1995 the Shire is committed to the development of proper systems to authorise, verify and record the investment of surplus monies into appropriate financial institutions. The Shire will also ensure that there are effective and accountable systems in place to:

- a) Safeguard the Shire's financial resources;
- b) Satisfy all legislative requirements, in particular those provided by The Local Government (Financial Management) Regulations 1996 and The Trustees Act 1962.
- c) Take advantage of the interest earning potential of its surplus funds while reducing its exposure to risk and ensuring sufficient funds are kept available to meet cash requirements and preserve capital investment.

The application of this policy is to be in conjunction with the Shire of Mingenew Code of Conduct.



1.3.3 INVESTMENT OF SURPLUS FUNDS MANAGEMENT PROCEDURE

Relevant Council Policy Relevant CEO Directive

1.3.3 Investment N/A

Approval Date: 16 March 2018 Review Date: Annual

Appendix-

Objective:

To ensure that there are effective and accountable systems in place to safeguard the Shire's financial resources whilst taking advantage of the interest earning potential from its surplus funds.

Legislation:

- a) Section 6.14(1) of the Local Government Act 1995 provides that "Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III".
- b) Regulation 19 of the Local Government (Financial Management) Regulations 1996 (FMR) requires a local government to establish and document internal control procedures to be followed by employees to ensure control over investments.
- c) Regulation 19C provides that a local government can only invest money:
 - I. With an authorised deposit taking institution or the WATC –
 - II. For a fixed term of no more than 3 years—
 - III. In bonds guaranteed by the Commonwealth, State or Territory governments –
 - IV. In bonds for a term on no more than 3 years –
 - V. In Australian currency but not in foreign currency •
- d) Regulations 28 and 49 of the FMR prescribe the disclosure requirements for investments in the annual budget and annual financial report.
- e) Local governments when investing are to follow the provisions under the Trustees Act 1962 and exercise the care, diligence and skill of a "Prudent Person" (s 18).

Procedures:

1. Principals and Ethics

- a) Whilst exercising the power to invest, consideration is to be given to the preservation of capital, liquidity and the return on investment.
- b) Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes management of credit and interest risk within identified thresholds and parameters.
- c) The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cashflow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.



- d) The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy and not for speculative purposes.
- e) Officers shall refrain from personal activities that would conflict with the proper executive and the management of the Shire's Investment portfolio. Officers are required to disclose any conflict of interest to the CEO.

2. Investments

2.1 Approved Investments

- a) Without approval from Council, investments are limited to:
 - I. State/Commonwealth Government Bonds with a term of maturity not exceeding three years;
 - II. Fixed term deposits placed with an authorised institution* for a term not exceeding 3 years; and
 - III. Interest-bearing deposits placed with an authorised institution*. (*Authorised Institution as defined in the Bank Act 1959 (Commonwealth) section 5.

2.2 Prohibited Investments

- a) Any investment carried out for speculative purposes is prohibited
- b) The use of leveraging (borrowing to invest) of an investment is prohibited.
- c) In accordance with the Local Government (Financial Management) Regulations 1996, Reg 19C, the following is also prohibited:
 - I. Deposits with any institution other than an authorised institution*;
 - II. Deposits for a fixed term of more than 3 years;
 - III. Investment in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
 - IV. Investment in bonds with a term to maturity of more than three years; and
 - V. Investment in a foreign currency.
 - *Authorised Institution as defined in the Bank Act 1959 (Commonwealth) section

2.3 Quotations

Not less than three quotations shall be obtained from authorised institutions when an investment is proposed. The best quotation will be accepted after allowing for banking, administrative and transactional costs as well as limitations set for each borrower.

3. Risk Management

3.1 Risk Management Controls

- a) Risk Management Controls include:-
 - I. Authority to invest;
 - II. Development of investment control frameworks- portfolio credit framework, counterparty credit framework and term to maturity framework;
 - III. Documented investment procedures;
 - IV. Investment Register;
 - V. Monthly statements from counterparties;



- VI. Monthly bank reconciliations for each account;
- VII. Fraud- 2 signatories required to authorise investment as per CD1/CEOD1 Apply money from the Municipal Account delegation.
- VIII. Monthly report to Council

3.2 Investment Control Frameworks-

Investments are to be made in accordance with the following frameworks:

a) Portfolio Credit Framework – limits overall credit exposure of the portfolio.
 The following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Maximum %
AAA	A-1+	100%
AA	A-1	100%
Α	A-2	60%

b) Counterparty Credit Framework - limits exposure to individual counterparties/institutions.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Maximum %
AAA	A-1+	45%
AA	A-1	35%
Α	A-2	20%

c) Term to Maturity Framework - limits based upon maturity of securities.

Overall Portfolio Term to Maturity Limits	
Portfolio % < 1 year 100% Max. And 40% Min.	
Portfolio % 1-3 years	60%

3.3 Investment Advisor

- a) It may be appropriate to seek external advice from an investment advisor and if so this person must be:
 - I. An independent person who has no conflict of interest in relation to investment products recommended,
 - II. Approved by Council, and
 - III. Licensed by the Australian Securities and Investment Commission.



4. Liquidity

In determining how much liquidity is "sufficient", management will give regard to:

- a) Historical seasonality in the Shire's cash flow;
- b) Known or projected major capital expenditure;
- c) Holding contingency reserves adequate to cover a major unexpected short-term demand on the Shire.

5. Separate and Common Accounts

- a) Separate accounts must be established for the following purposes:
 - Money required to be held in the municipal fund;
 - Money required to be held in the trust fund; and
 - Money required to be held in reserve accounts.
- b) Money from different accounts may be placed in a common account for investment purposes.
- c) Interest earned on each individual "Reserves/Restricted Assets" will be applied to that particular account

6. Reporting and Review

- a) Documentary evidence must be held on file for each investment and an investment register maintained by filing the monthly investment report to council in the Register.
- b) A monthly report must be provided to council detailing the investment portfolio. This report will include (among other things): the total value of the portfolio; net investment income for the month; and a complete schedule of all investments within the total portfolio with maturity dates.
- c) The annual financial report is to include information on earnings from investments as specified by Financial Management Regulation (FMR) 49.
- d) The investment policy will be reviewed annually or as required in the event of legislative changes, or marked change in the economic landscape affecting financial markets and interest rates.

7. Reference Material

S&P Global Ratings- Short Term Credit Ratings		
A-1+	extremely strong degree of safety regarding timely payment	
A-1	a strong degree of safety for timely payment	
A-2	a satisfactory capacity for timely payment	

S&P Global Ratings- Long Term Credit Ratings	
AAA	an extremely strong capacity to repay
AA	a very strong capacity to repay
Α	a strong capacity to repay
BBB	adequate capacity to repay



COUNCIL POLICY 1.3.4

Finance

Title: 1.3.4 SIGNIFICANT ACCOUNTING POLICIES

Adopted: 21 March 2018 Reviewed: 13 November 2020

Associated Legislation: Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Australian Accounting Standards

Associated Annual Report Documentation: Finance Reports

Review Responsibility: Finance and Administration Manager

Delegation: -

Previous Policy Number/s 3007, 3008

Objective:

To provide direction for the preparation of financial transactions and financial reporting.

Policy Statement:

1. The Local Government Reporting Entity.

In accordance with Australian Accounting Standards, for the purposes of budgets and financial reports, the reporting entity includes all activities of the Council and any other entities controlled by the Council.

2. Basis of Preparation of the Annual Financial Report

The annual financial report is a general purpose financial report and has been prepared to comply with applicable Australian Accounting Standards (as they apply to local governments and not for profit entities) and disclosure requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996. The financial report has been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

3. Significant Accounting Policies

All significant accounting policies are included in the annual financial report and are updated each year in accordance with applicable Australian Accounting Standards and the Local Government (Financial Management) Regulations 1996.



COUNCIL POLICY 1.3.5

Finance

Title: 1.3.5 CORPORATE CREDIT CARD

Adopted: 22 August 2018 Reviewed: 4 November 2020

Associated Legislation: Local Government Act 1995

Local Government (Financial Management) Regulation 11(1) (a)

Associated Documents: Corporate Credit Card Management Procedure

Code of Conduct Purchasing Policy

Review Responsibility: Finance and Administration Manager

Delegation: N/A

Previous Policy Number/s 3010

Objective:

To ensure effective controls, policies and procedures are in place with respect to the issue and use of corporate credit cards to reduce the risk of fraud and misuse of the corporate credit card.

Policy Statement:

The Shire is committed to operating effective and transparent procedures for the procurement of all goods and services via credit card.

To achieve transparency, accountability and reduce associated risk the Shire will:

- Ensure that effective and accountable systems are in place to mitigate risks associated with procurement via credit card and review, report and monitor the potential risks in accordance with the Shire's Risk Management Framework;
- In accordance with the Shire's Risk Management Framework, submit to the Audit & Risk Committee a biennial report of the Shire's accounting and internal control procedures, with corporate credit card use to be included:
- Submit itemised credit card statements to Council on a monthly basis with accompanying explanation as to the expense incurred; and
- Limit the Shire's credit card facility to \$14,500 or less, with any increase to be via Council resolution.

The issue of corporate credit cards and use shall be strictly in accordance with this Policy and the associated Management Procedure

The procurement of goods and services on corporate credit cards shall be in accordance with the Shire's Procurement Management Procedure.

The application of this policy is to be in conjunction with the Shire of Mingenew Code of Conduct and in compliance with the Shire's Purchasing Policy.



1.3.5 CORPORATE CREDIT CARD MANAGEMENT PROCEDURE

Relevant Council Policy **Relevant CEO Directive**

1.3.5 Corporate Credit Card Policy

Approval Date: 09 August 2018

Appendix-

1. Corporate Credit Card User Agreement

Review: Biennial

Objective:

To ensure effective controls, policies and procedures are in place with respect to the issue and use of corporate credit cards.

Nil

Legislation:

- a) The use of Corporate Credit Cards is not specifically mentioned in the Local Government Act 1995. However, the impacts of the use and control of corporate credit cards are related to the following sections of the Local Government Act 1995;
 - Section 2.7(2)(a) and (b) requires the council to oversee the allocation of the local government's finances and resources and determine the local government policies.
 - II. Section 6.5(a) requires the CEO to ensure that there are kept, in accordance with Regulations, proper accounts and records of the transactions and affairs of the local government.
- b) Local Government (Financial Management) Regulation 11(1) (a) requires local governments to develop procedures for the authorisation of, and the payment of, accounts to ensure that there is effective security for, and properly authorised use of cheques, credit cards, computer encryption devices and passwords, purchasing cards and any other devices or methods by which goods, services, money or other benefits may be obtained.

Procedures:

1. Authorised Use and Limits

- a) Corporate Credit Cards may be issued to any Level 2 Officer, if it is the view of the CEO, that an Officer would benefit from using this payment method;
- b) All cardholders must be authorised by the CEO to incur liabilities and expenses;
- c) Maximum credit limits are to be based on the cardholder's need, as determined by the CEO.
- d) The Local Government Act 1995 does not allow for the issue of Corporate Credit Cards to elected members. There are no provisions within the Act which allow an elected member to incur a debt, as would be the case with a credit card.

2. **Purchasing**



- a) The procurement of goods or services using corporate credit cards shall only occur in instances when the standard methods of raising purchase orders/invoices and/or manual EFT/cheque practices are not available from the preferred supplier;
- b) Corporate Credit Cards are only to be used for purchasing goods and services on behalf of the Shire which is authorised in the current budget.
- c) Cardholders must follow the Shire of Mingenew Management Procedure;
- d) Personal expenditure is prohibited;
- e) Corporate Credit Cards are not to be used for cash withdrawals;
- f) Where the purchase has been made via facsimile, telephone, or over the internet an invoice or receipt is required in all circumstances and must contain details of the purchase; and
- g) For Fringe Benefits Tax purposes, any expenditure for entertainment must include the number of people who were in attendance and the full names of any Shire staff.

3. Financial Institution

a) The Shire's Corporate Credit Cards are to be issued by the financial institution that municipal transactions are made (referred to as transaction account).

4. Cardholders breaching Corporate Credit Card Management Procedure and Code of Conduct

- a) Any officer that believes a cardholder is entering into transactions that seem to be in breach of the Credit Card Policy and/or Code of Conduct, is to report their concerns to the Chief Executive Officer. In the case of the CEO, it is to be reported to the President.
- b) Any breach by a cardholder of the Corporate Credit Card Policy and/or Code of Conduct will require an investigation into activities. Possible actions taken by the Chief Executive Officer in such instances include:
 - Withdrawal of both the credit-card and all financial delegations or authorisations issued;
 - Commencement of a formal Disciplinary Process;
 - The reporting of breach to relevant government departments (Public Sector Commission / Corruption and Crime Commission); and/or
 - Termination of employment.

Advisory note to Staff - In the case of the President receiving reports of the suspected breaches by the CEO, the President is authorised to consult (confidentially) with either the Manager Finance or the Governance Officer for the sole purpose of collected relevant confirmatory information. The President would then give consideration as to whether a report to either the Public Sector Commission or the Corruption and Crime Commission was required.

c) A cardholder who is found guilty of misuse or fraudulent use of a corporate credit card is liable for prosecution under the Criminal Code Act Compilation Act 1913, the Public Sector Management Act 1994, the Corruption and Crime Commission Act 2003 or by action under all of these Acts. Cardholders must be aware that prosecution may be the consequence of fraudulent misuse of the card.

5. Ethics & Integrity



Code of Conduct

All officers and employees undertaking purchasing activities must have regard for the Code of Conduct requirements and shall observe the highest standards of ethics and integrity. All officers and employees of the Shire of Mingenew must act in an honest and professional manner at all times which supports the standing of the Shire.

6. Insufficient Documentation to Substantiate Expense Claims

- a) If supporting documentation is lost the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration 'all expenditure is of a business nature'.
- b) Approval of this expense is referred to the Chief Executive Officer or in the case of the CEO, the Shire President, for a decision.
- c) Should a lack of detail be a regular occurrence for a particular cardholder, the cardholder may be refused access to a credit card in the future. Use of a statutory declaration is for exceptional cases rather than the norm.

7. Roles, Responsibilities and Obligations

7.1 Cardholders Responsibilities and Obligations

- a) Cardholder's must;
 - I. Refer to and follow the guidelines for use that are provided by the financial institution at the time of the card issue;
 - II. Keep their card in a safe place and under no circumstances permit another person to use their card to make a purchase or use the card for cash advances;
 - III. Make payments that are within their card limit, budget, and authority to do so;
 - IV. Only make purchases over the internet on secure sites after the approval by the Chief Executive Officer or relevant Manager and must be accompanied by a signed purchase order and purchase print out;
 - V. Report immediately any lost or stolen credit card to the financial institution issuing the card and to Council's Finance & Administration Manager;
 - VI. Adhere to Polices and Management Procedures in relation to Corporate Credit Card Use and Purchasing;
 - VII. Ensure all receipts and tax invoices are kept and submitted to the Administration Officer with credit card statements, within seven (7) days of receipt;
 - VIII. Costing accounts must be against each item of the credit card statements.
 - IX. In the event of a cardholder ceasing employment, taking an extended period of leave, or they move to a position which does not require the use of a Corporate Credit Card, the cardholder must notify Finance & Administration Manager two weeks before termination date, to arrange cancellation and to ensure all receipts and their account has been settled;
 - X. Cardholders cannot transfer the Corporate Credit Card account to other users. An account number will only be assigned to one cardholder.



7.2 Finance & Administration Manager Responsibilities

- a) The Finance & Administration Manager must;
 - Arrange the issue and cancellation of Corporate Credit Cards when requested by the Chief Executive Officer;
 - II. Arrange for all cardholders to sign the Corporate Credit Cardholder Agreement (refer to Appendix) on receipt of the issue of the new card and ensure the signed agreement is placed on the employee's personnel file. This agreement must set out the cardholder's responsibilities and legal obligations when using the Corporate Credit Card and the actions that will be taken in the event that the cardholder fails to comply with the terms and conditions of the Agreement.
 - III. Maintain a register of all cardholders which includes, card number, expiry date of the credit card, credit limit and details of goods and services the cardholder has authority to purchase; the signature of the cardholder when issued and returned.
 - IV. Provide of copy of the Corporate Credit Card Policy and Management Procedure when amended to cardholders.
 - V. Process payments of Corporate Credit Cards. This includes ensuring all receipts and tax invoices have been attached and the relevant authorising officers have signed off on the statements:
 - VI. Reconcile the corporate credit card statements to the total monthly payment made to the Shire's financial institution.
 - VII. Review the transactions and supporting documents on each corporate credit card statement, and report any irregularities or discrepancies to the CEO.
 - VIII. The Finance & Administration Manager is to review six monthly the operation of the credit card payment process and report to the CEO as to the level of compliance of the cardholders to the conditions of use and the credit card provider's level of performance.
 - IX. Ensure under no circumstances, the reward scheme or cash withdrawal feature be used on Council Corporate Credit Cards.
 - X. On cessation of a cardholders employment the Finance & Administration Manager is to cancel the account with the financial institution, and destroy the card.
 - XI. destroy all surrendered cards by cutting them diagonally in half (including any chip on the card).



Appendix 1 AUTHORITY FOR ISSUE OF CORPORATE CREDIT CARD

Name of Cardholder	
Position	
Date of Authorisation	
Signature of Chief Executive Officer	

CORPORATE CARD USER AGREEMENT

As the Chief Executive Officer, I have authorised the issue of a Shire of Mingenew Corporate Credit Card in line with your official duties as a Shire officer. The following conditions apply;

- 1. You have been authorised a card limit of \$______. Credit limits are not to be exceeded.
- 2. Purchases on the corporate credit card are to be made in accordance with Shire of Mingenew's Purchasing Procedures.
- 3. The card is issued in your name, however it is a corporate credit card and all transactions must be official transactions on behalf of the Shire of Mingenew. Under no circumstances must the card be used for private purposes.
- 4. At any time, the Chief Executive Officer can call an inquiry into the use of the card, and any findings of transactions that are unauthorised, excessive or unreasonable will result in disciplinary action.
- 5. Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
- 6. Under no circumstances can cash can be withdrawn from the card.
- 7. All tax invoices and receipts must be kept to validate transactions. Note, a credit card statement or EFTPOS receipt is not acceptable (GST cannot be claimed as it does not meet GST requirements to claim a refund). Cardholders must ensure tax invoices and receipts contain the following:
 - I. Suppliers Name.
 - II. Suppliers ABN.
 - **III.** Brief description of goods and services supplied.
 - IV. Identifies transactions where GST applies.
 - V. If the transaction relates to entertainment, the cardholder must document how many people they entertained, and the names of Shire officers that attended (for Fringe Benefit Tax purposes).
- 8. If no supporting documentation is available the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration 'all expenditure is of a business nature'. Approval of this expense is referred to the Chief Executive Officer, or in the case of the CEO the Shire President, for a decision. Should a lack of detail be a regular occurrence for a particular cardholder, the cardholder may be refused access to a credit card in the future. Use of a statutory declaration is for exceptional cases rather than the norm.



- **9.** Cardholders must mark next to all transactions the costing accounts and ensure all tax invoices and receipts are attached to the monthly statement. The cardholder must certify that the transactions on the statement are correct and has seven (7) working days, from receipt of statement, to return to Finance Services.
- **10**. Should approval of expenses be denied by the Chief Executive Officer or the Finance & Administration Manager recovery of the expense shall be met by the cardholder.
- 11. If the card is lost or stolen, you must immediately contact the Financial Institution Provider. The Finance & Administration Manager must also be notified in writing to arrange replacement card.
- 12. If your employment is terminated, you card and all tax invoices and receipts must be submitted to the Finance & Administration Manager, two (2) weeks before employment is ceased to ensure account is settled.

Failure to comply with any of these requirements could result in the card being withdrawn from the employee. In the event of loss or theft through negligence or failure to comply with the Shire of Mingenew Corporate Credit Card Management Procedure any liability arising from the use of the card may be passed to the cardholder.

The use of a Shire of Mingenew Corporate Credit Card is subject to the provisions of the Code of Conduct of Shire of Mingenew. Serious transgression of the above listed responsibilities or the Code of Conduct may result in an appropriate referral under the Corruption and Crime Commission Act 2003 and/or termination of employment.

If you agree to abide by the terms above and all other conditions set out in Council Policy – Corporate Credit Cards please sign and return this statement to the Finance & Administration Manager.

I _____ acknowledge and accept the aforementioned conditions which govern the use of the Shire of Mingenew Corporate Credit Card.

Signature	



STATUTORY DECLARATION FORM



STATUTORY DECLARATION FORM



COUNCIL POLICY 1.3.6

Finance

Title: 1.3.6 RELATED PARTIES DISCLOSURE

Adopted: 21 November 2018 Last Reviewed: 5 November 2020

Associated Legislation: Australian Accounting Standard AASB124 Related Party Disclosures- Procedure

Related Party Disclosures- Declaration Form

Code of Conduct

Declarations of Interest

Review Responsibility: Finance and Administration Manager

Delegation: Nil

Objective:

The objective of the policy is to ensure that the Shire of Mingenew's financial statements disclose dealings with related parties and transactions and outstanding balances, including commitments, with such parties that may have affected its financial position and profit or loss.

Policy Statement:

The Shire is committed to ensuring its financial operations are conducted with the highest of ethical integrity and in an open and transparent environment. To evidence this, and to comply with the Australian Accounting Standard AASB 124 Related Party Disclosures (AASB 124), the Shire will:

- 1. Establish, review and maintain a list of Key Management Personnel (KMP);
- 2. Establish, review and maintain a Related Party Transactions Register for the Shire; and will
- 3. Disclose related party relationships, transactions and outstanding balances, including commitments, in the Shire's annual financial statements.

For the purposes of implementing this policy, individuals who meet the definition of a Key Management Personnel (KMP) will include:

- I. The President, Deputy President & Councillors;
- II. The Leadership Team, comprising of Chief Executive Officer, Finance and Administration Manager, Governance Officer and Works Supervisor.

Council requires temporary appointments to KMP positions or persons acting as KMP in their absence, to be considered as KMP for that duration if the appointment is for three or more months in the financial year. For appointments of less than three months, the assessment is a matter of judgment based on facts, that is to be made by the Chief Executive Officer, such as that person's participation in key decisions made in that period.

For the purposes of implementing this policy, the related parties for nominated KMP will include:

I. Their spouse or domestic partner (including married, de-facto, civil union partnership, but excluding separated or divorced spouse or partner);



- II. Their children, including children of their spouse/partner (whether step, adopted, dependant/non-dependant, adult children living/not living at home);
- III. Their dependants, including dependants of their spouse/partner (i.e. family members financially supported by them or their spouse/partner and may include siblings, elderly parents/grandparents or disabled family members); and
- IV. Entities (including sole proprietors, partnerships, companies and trusts) in which KMP and/or his/her close family members have control or joint control (i.e. hold 50% or more of the shares or 50% or more voting power).

For the purpose of implementing this policy Ordinary Citizen Transactions (OCT), that is transactions that occur on terms and conditions no different to those applying to the general public and are of an immaterial nature, include:

- I. Attending Shire functions that are open to the public;
- II. Fines on normal terms and conditions;
- III. Paying rates and other statutory fees or charges for applications, licences, approvals or permits;
- IV. Using Shire services and accessing Shire facilities; and
- V. Making a development application.

These aforementioned OCT's that meet the definition as stated, do not require disclosure. As such they will not be captured by the Shire within its Related Party Register.

For all other transactions, Key Management Personnel will be required to make a declaration in the *Related Parties Disclosure - Declaration* form (appendix 1).

All KMPs must provide their declarations to the period 30th June, annually, within 30 days.

Information (including personal information) provided by a key management person in a Related Party Transaction Notification and personal information contained in a register of related party transactions is classified as confidential, and will not be available for inspection by or disclosure to the public.

The Related Party Disclosure Management Procedure provides the guidelines by which the CEO will implement the Related Party Disclosure Policy.



1.3.6 RELATED PARTIES DISCLOSURE MANAGEMENT PROCEDURE

Relevant Council Policy Relevant CEO Directive

1.3.6 Related Parties Disclosure N/A Adoption Date: 21 November 2018 - CEO Review:

Appendix: Related Parties Disclosure Form

Objective:

This procedure provides the basis on which to implement the Related Parties Disclosure Policy, which outlines what is expected of elected members and staff of the Shire if Mingenew in relation to Australian Accounting Standard AASB 124 Related Party Disclosures (AASB 124).

Legislation:

In July 2015, the scope of Australian Accounting Standards Board - Accounting Standard 124 (AASB124) "Related Party Disclosures" was extended to include application by not-for-profit entities, including local governments. Effective 1 July 2016 in accordance with Australian Accounting Standard AASB 124 Related Party Disclosures, local governments were required to disclose certain related party relationships and related party transactions together with information associated with those transactions in its Annual Financial Statements. First disclosures were required for year ended 30 June 2017.

Definitions:

Arm's length terms	Terms between the parties that are reasonable in the circumstances of the transaction that would result from: • neither party bearing the other any special duty or obligation, and • the parties being unrelated and uninfluenced by the other, and • each party having acted in its own interest.
Close Family Member	Family members of Key Management Personnel (KMP) who may be expected to influence, or be influenced by, that person in their dealings with the entity. This includes, but is not limited to, that person's spouse or domestic partner; and the children and dependents of that person or that person's spouse or domestic partner.
Control of an Entity	You control an entity if you have: I. power over the entity; II. exposure, or rights, to variable returns from involvement with the entity; and III. the ability to use your power over the entity to affect the amount of your returns.
Joint control of an entity	To jointly control an entity there must be contractually agreed sharing of control of the entity, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.
Key Management Personnel (KMP)	Persons having authority and responsibility for planning, directing and controlling the activities of the Shire of Mingenew, directly or indirectly. This



	includes the President, other Councillors, the Chief Executive Officer and senior officers as outlined in the policy.
Related parties	Includes a person who has significant influence over the reporting entity, a member of the key management personnel (KMP) of the entity, or a close family member of that person who may be expected to influence that person.
KMP Compensation	All employee benefits. Employee benefits are all forms of consideration paid, payable or provided by the Shire if Mingenew, or on behalf of the Shire of Mingenew, in exchange for services rendered to the Shire. Compensation includes: I. Short Term Employee Benefits: short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit-sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees; II. post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care; III. other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit-sharing, bonuses and deferred compensation; and IV. termination benefits.
Ordinary Citizen Transactions (OCTs	Transactions that an ordinary citizen would undertake with the Shire of Mingenew are usually not material to related party disclosure requirements. OCTs do not apply however, if the terms and conditions are different to those offered to the general public.
Related Party Transaction	A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Procedures:

1. Identifying Key Management Personnel and Related Parties

- a) The Governance Officer will establish, review and maintain a list of Key Management Personnel for the Shire. Key Management Personnel (KMP) are defined within the Council Policy;
- b) Those persons identified as KMP will complete an annual declaration which outlines the entities, if any, that are controlled or jointly controlled by that KMP or their close family members (Appendix 1). The annual declaration process will be coordinated by the Governance Officer;
- c) It is the responsibility of the Chief Executive Officer to seek declaration upon a change of KMP;
- d) All KMPs will be asked to provide their declarations to the period 30th June, annually, within 30 days.
- e) It is the responsibility of all identified KMP to update their declaration should they become aware of a change, error or omission.



- f) Should a KMP have any uncertainty as to whether a transaction may constitute a related party transaction they should contact the Chief Executive Officer or the Governance Officer for clarification.
- g) Disclosure by personnel who are temporarily appointed to KMP positions is to be guided by the Related Party Disclosure Policy. Judgement decisions on disclosures of such personnel to determine if they meet the definition of a KMP are:
 - Did the acting KMP fill a vacant role or did they just act while the position holder was on leave?
 - Did the acting KMP only complete the operational tasks of the KMP position holder while they were on leave?
 - Did the acting KMP attend key meetings such as monthly executive management team meetings?
 - Was the acting KMP involved in operational / strategic planning?
 - Was the acting KMP involved in determining the budget?
 - Did the acting KMP approve anything above their 'normal' delegation?
 - Did the acting KMP just fill-in for someone for a few weeks over Christmas when no key meetings / decisions were made?

2. Identification of Related Party Transactions:

For the purposes of determining whether a related party transaction has occurred, the following transactions or provision of services have been identified as meeting this criteria (the Ordinary Citizen Transactions, as adopted by Council in its policy, have been excluded from this list):

- Employee compensation whether it is for KMP or close family members of KMP;
- Application fees paid to the Shire of Mingenew for *non* statutory approvals or permits;
- Lease agreements for housing rental (whether for a Shire of Mingenew owned property or property sub-leased by the Shire through a Real Estate Agent);
- Lease agreements for commercial properties;
- Monetary and non-monetary transactions between the Shire of Mingenew and any business
 or associated entity owned or controlled by the related party (including family) in exchange for
 goods and/or services provided by/to the Shire of Mingenew (trading arrangement);
- Sale or purchase of any motor vehicles, buildings or land, or other property owned by the Shire of Mingenew, to a person identified above;
- Sale or purchase of any motor vehicles, buildings or land, or other property owned by a person identified above, to the Shire of Mingenew;
- Loan Arrangements;
- Contracts and agreements for construction, consultancy or services;
- Non-monetary transactions such as use of facilities, peppercorn rents;
- Provision of guarantees or collateral; and
- Settlement of liabilities on behalf of the Shire, or by the Shire or on behalf of that related party.

3. Register of Related Party Disclosures and Transactions



- a) Officers will use the declarations of KMP to establish a list of related parties for the purposes of identifying transactions and reporting under AASB 124.
- b) Maintain the Register
 - I. The Finance Manager is responsible for maintaining and keeping an up to date register of related party transactions that captures and records the information for each existing related party transaction (including ordinary citizen transactions assessed as being material in nature) during a financial year.
- c) Contents of a Register
 - I. The contents of the register of related party transactions must detail for each related party transaction the following:
 - i. The description of the related party transaction;
 - ii. The name of the related party;
 - iii. The nature of the related party's relationship with the Shire of Mingenew; and
 - iv. A description of the transactional documents that are the subject of the related party transaction.
 - II. The Governance Officer and Finance Manager are jointly responsible for ensuring that the information is disclosed in the Shire's annual Financial Statements to the extent, and in the manner stipulated, by AASB 124.

5. Related Party Disclosures and Annual Financial Statements

Each year the Shire must declare the following related party transactions in its annual financial statements:

- a) As per AASB124.17, Key Management Personnel compensation in total and for each of the following categories:
 - I. short-term employee benefits;
 - II. post-employment benefits;
 - III. other long-term benefits; and
 - IV. termination benefits:

Key management personnel (KMP) are not named – disclosure is on an aggregate basis only. Short-term employee benefits include non-monetary benefits.

- b) As per AASB124.18 for Related Party Transactions, the Shire must discloses the:
 - I. Nature of the relationship with the related party, as well as sufficient information about the transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements.
 - II. Types of Transactions:
 - Purchase or sales of goods;
 - Purchase or sales of property and assets;
 - Rendering or receiving of services;
 - Leases:
 - Transfers under licence agreements;
 - Transfers under financial arrangements (including loans and equity contributions in cash or in kind);



- Provision of guarantees or collateral; and
- Settlement of liabilities on behalf of the entity, or by the entity or on behalf of that related party.
- III. The following information, at a minimum, is to be disclosed:
 - I. the amount of the transactions:
 - II. the amount of outstanding balances, including commitments, and terms and conditions (i.e. secured or unsecured) and the nature of consideration to be provided in settlement; and details of guarantees given or received;
 - III. provisions for doubtful debts related to the amount of outstanding balances; and
 - IV. the expense recognised during the period relating to bad or doubtful debts due from related parties.
- c) As per AASB124.19, separately disclose all the information required by Paragraph 18 of the AASB124 at the following levels:
 - I. subsidiaries;
 - II. associates:
 - III. joint ventures in which the entity is a joint venturer;
 - IV. key management personnel of the entity or its parent; and
 - V. other related parties.
- d) As per AASB124.24, items of a similar nature in aggregate, except when separate disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the entity.
- e) If a KMP or close associate is named individually in disclosure reports, the KMP will be given a copy of intended disclosure for review and information purposes. Feedback must be provided within 7 days.

6. Frequency of disclosures:

Councillors and KMP will be required to complete a *Related Party Disclosures - Declaration* form annually. Furthermore, all Councillors must make disclosures immediately prior to any ordinary or extraordinary election. Disclosures must be made immediately prior to the termination of employment of/by a KMP.

7. Materiality

Management will apply professional judgement to assess the materiality of transactions disclosed by related parties and their subsequent inclusion in the financial statements.

When assessing whether such transactions are significant the following factors will be taken into consideration:

- Significance in terms of size;
- Was it carried out on non-market terms:
- Is it outside normal day-to-day council operations;
- Was it subject to council approval;
- Did it provide a financial benefit not available to the general public;



• Was the transaction likely to influence decisions of users of the Annual Financial Statements.

Regard must also be given for transactions that are collectively, but not individually significant.

The Shire does not have to disclose transactions in the audited annual financial statements that are not material.

8. Confidentiality:

All information contained in a disclosures return, will be treated in confidence. Generally, related party disclosures in the annual financial reports are reported in aggregate and as such, individuals are not specifically identified. Notwithstanding, management is required to exercise judgement in determining the level of detail to be disclosed based on the nature of a transaction or collective transactions and the materiality. Individuals may be specifically identified, if the disclosure requirements of AASB 124 so demands.



RELATED PARTIES DISCLOSURE – POLICY 1.3.6, FORM 1 RELATED PARTIES DISCLOSURE – DECLARATION

As per requirements of AASB 124 Related Party Disclosures, and Business Operating Procedure – Related Party Disclosures. For additional information to assist you in making a declaration, please refer to the Appendices to this form.

The following declaration must be completed by all Council members, the CEO and staff reporting directly to the CEO of the Shire of Mingenew who were elected or employed at any time during the financial year.

Disclosure Period (financial period)	
Person making disclosure	
Position held by person	

NOTE: As you are an elected member or officer, you do not need to specifically declare your Councillor fees/employee benefits details. This information will be collected separately by the Shire's Finance Team, for a separate declaration inclusion within the annual financial statements.

1. CLOSE MEMBERS OF THE FAMILY

(If there has been no change since your last declaration, please complete by stating "No Change".)

Name of Family Member	Relationship to you

2. ENTITIES THAT I, OR A CLOSE FAMILY MEMBER CONTROLS OR JOINTLY CONTROLS (If there has been no change since your last declaration, please complete by stating "No Change".)

Name of Entity	Name of person who has control/nature of control



3. ORDINARY CITIZEN TRANSACTIONS - NOT PROVIDED AT ARMS LENGTH

Did you or any member of your close family use facilities provided at Recreation Centre, attend any event at the Civic Centre, or use any other council provided facility AND you received a discount or special terms that would not otherwise be offered to any other member of the public?

Name of person using the Service/facility	Service/facility used	Nature of transaction	Nature of discount or special conditions received

4. LEASING AGREEMENTS - DOMESTIC RESIDENTIAL

Did you, a close family member or related entity, enter into a lease agreement with the Shire of Mingenew, (either as lessee or lessor) for the provision of a domestic rental property (Includes properties owned by the Shire of Mingenew and privately owned properties sub-leased through the Shire from a real estate agent)? Did you receive or provide a discount or special terms that would not otherwise be offered to any other member of the public?

Name of person party to the lease	Property Address	Term of Lease & Weekly Rent	Detail of any non-arm's length conditions

5. LEASING AGREEMENTS - COMMERCIAL

Did you, a close family member or related entity, enter into a commercial leasing agreement with the Shire of Mingenew for the provision of a commercial property? Did you receive a discount or special terms that would otherwise not be offered to any other member of the public?

Name of person party to the lease	Property Address	Term of Lease & Weekly Rent	Detail of any non-arm's length conditions



6. TRADING ARRANGEMENTS

Were you or a close family member (as defined above) the owner of any business (or in a position to substantially control the business) that provided goods or services to the Shire of Mingenew? Were those goods or services provided on the same terms and conditions as those available to any other customer? If not, please provide details of the specific terms provided to the Shire of Mingenew.

Business Name	Goods or services provided	Approximate value for the reporting period	Terms and conditions

7. OTHER AGREEMENTS (CONSTRUCTION, CONSULTANCY, SERVICE CONTRACTS)

Did you, a close family member or related entity, enter into any other agreements /arrangements with the Shire of Mingenew (whether or not a price was charged)? This may include (but is not limited to): construction, contracts, consultancy services, service contracts such as cleaning, maintenance, security).

Name of person or business/company	Nature of agreement	Value of agreement	Terms and conditions

8. PURCHASE OF PROPERTY

Did you, a close family member or related entity, purchase any property or other assets from the Shire of Mingenew? (This may include vehicles or other plant items, land or buildings). Was the purchase made at arm's length (for e.g. at public auction), and on terms and conditions available to any other member of the public? If not, please provide details of the specific terms provided to you.

Name of person or entity	Property purchased	Value of purchase	Terms and conditions



9. SALE OF PROPERTY

Did you, a close family member or related entity, sell any property or other assets to the Shire of Mingenew? (This may include vehicles or other plant items, land or buildings). Was the sale made at arm's length, and on terms and conditions available to any other member of the public? If not, please provide details of the specific terms provided.

Name of person or entity	Property sold	Value of sale	Terms and conditions

10. FEES AND CHARGES

Did you, a close family member or related entity, make an application to Council for a trading, building, planning or development application, licence or approval, or any other type of permit or licence?

Name of person or entity	Application Type	Application and/or receipt number

11. SELF-SUPPORTING LOANS

Did you, a close family member or related entity, enter into a loan agreement with the Shire of Mingenew? For e.g. a club for which you have control.

Name of person or entity	Loan details	Value of loan	Terms and conditions

12. OTHER AGREEMENTS



Please list any other agreement or arrangement you believe is a related party transaction and should be declared.

Name of person or entity	Nature of agreement	Value of agreement	Terms and conditions

DECLERATION

I declare that all information and details provided in this form are true and correct to the best of my knowledge and belief and that no known relevant information has been omitted.

I have made this declaration after reading the information supplied by Council which details the meaning of the definitions to which this declaration relates.

\bigcirc	OPTION 1 – HANDWRITTEN SIGNATURE
Signed:	Date:
OR	
\bigcirc	OPTION 2 – ELECTRONIC SIGNATURE
	can be sent by email to the Governance Officer (gov.au) provided the nt by the person making the disclosure from their work or personal email account.
(⊜ tick ap	opropriate option)
option)	



COUNCIL POLICY 1.3.7

Finance

Title: 1.3.7 REGIONAL PRICE PREFERENCE

Adopted: <2009

Reviewed: January 2020 – Clarified Midwest region boundary

5 November 2020

Associated Legislation: Local Government Act (1995) as amended;

State Records Act 2000

Local Government (Functions and General) Regulations 1996, Part 4A

Associated Shire of Mingenew Code of Conduct

Documentation: Shire of Mingenew Policy 1.3.1- Purchasing

Shire of Mingenew Management Procedure 1.3.1- Purchasing

Review Responsibility: Council

Previous Policy Number/s – 3008

Objective:

 To ensure Shire of Mingenew residents and all relevant stakeholders are provided a fair and meaningful opportunity to participate and contribute to problem solving, planning and decisions made by the Council and its staff.

• To provide effective stakeholder engagement for productive relationships, improved dialogue and deliberation, and ultimately, better democracy.

Policy:

In order to promote sub-regional development, the Shire of Mingenew will provide a price preference to regional suppliers (located within the stipulated areas) when evaluating and awarding contracts with Council via the Tendering Process.

Any price preference provided will comply with part 4A of the Local Government (Functions and General) Regulations 1995 as amended.

Price preference will be given to all suppliers submitting conforming tenders for the supply of goods and services (including Construction (building) Services) to the Shire of Mingenew, unless Council resolves that this policy does not apply to a particular tender.

The following price preference will be given to suppliers submitting tenders assessed in relation to this policy:

<u>Goods and Services</u> – up to a maximum price reduction of \$50,000 unless a lower amount is stipulated in the tender document.

Stipulated Area-

- 1. 10% to all suppliers located within the Shire of Mingenew
- 2. 5% to all suppliers located within the Shires of Coorow, Carnamah, Perenjori, Three Springs, Morawa and Irwin
- 3. 2.5% to all suppliers located within the Midwest Region



<u>Construction (building) Services –</u> up to a maximum price reduction of \$50,000 unless a lower amount is stipulated in the tender document.

Stipulated Area-

- 1. 5% to all suppliers located within the Shire of Mingenew
- 2. 2.5% to all suppliers located within the Shires of Coorow, Carnamah, Perenjori, Three Springs, Morawa and Irwin.
- 3. 1% to all suppliers located within the Midwest Region

Goods and Services, including Construction (building) Services tendered for the first time where Council previously supplied the Goods or Services – up to a maximum price reduction of \$500,000 unless a lower amount is stipulated in the tender document.

Stipulated Area-

- 1. 10% to all suppliers located within the Shire of Mingenew
- 2. 5% to all suppliers located within the Shires of Coorow, Carnamah, Perenjori, Three Springs, Morawa and Irwin
- 3. 2.5% to all suppliers located within the Midwest Region

The Midwest Region incorporates the following 17 local governments: Carnamah, Chapman Valley, Coorow, Cue, Greater Geraldton, Irwin, Meekatharra, Mingenew, Morawa, Mount Magnet, Murchison, Northampton, Perenjori, Sandstone, Three Springs, Wiluna and Yalgoo.

Regional Price Preference will only be given to suppliers located within the stipulated areas for more than six months prior to the advertising date of the tender.

<u>Located within the stipulated areas</u> is defined as having a physical presence in the way of a shop, depot, outlet, headquarters or other premises where the goods or services specifically being provided are supplied from. This does not exclude suppliers whose registered business is located outside the stipulated area but undertake the business from premises within the stipulated area. An example is a franchisee of a multinational company.

Only those goods and services identified in the tender as being from a source located within the stipulated area will have the price preference applied when assessing the tender.

Price is only one factor that Council considers when evaluating a tender. There is nothing contained within this policy that compels Council to accept the lowest tender or any tender based on price offered.



COUNCIL POLICY 1.3.8 Finance

Title: 1.3.8 EMPLOYEE SUPERANNUATION

Adopted: 20 March 2019 Reviewed: 5 November 2020

Associated Legislation: Superannuation Guarantee Contribution (Administration) Act 1992

Associated Documents: Shire of Mingenew – Authority to Deduct From Pay Form

Shire of Mingenew – Induction Documentation Shire of Mingenew – Contract of Employment

Review Responsibility: Finance and Administration Manager

Delegation: -

Objective:

To detail the arrangements and contributions the Shire will make to employee superannuation **Policy Statement**:

- This Policy applies to all employees whether full time, part time or casual.
- Employees will have freedom of choice over the complying fund that their Superannuation Guarantee Contributions (SGC) are paid in to.
- Employees may elect to contribute additional superannuation, either as a deduction (after tax) or as a salary sacrifice (before tax).
- The Shire will pay:
 - 1. The statutory SGC amount, and
 - 2. Match an employees contribution to a maximum of 5% of the employees gross salary; subject to the combined total contribution from the Shire not exceeding 15% of the employees salary. Accordingly, it should be noted that as the SGC component increases, the maximum matching contribution by the Shire will decrease once the SGC component is more than 10%.
- Employees can voluntarily contribute more than the threshold but will not receive a further contribution from the Shire.
- The additional contribution and the voluntary contribution can be deposited into the employees fund of choice.
- The superannuation default fund shall be a public sector industry superannuation fund.



COUNCIL POLICY 1.3.9

Finance

Title: 1.3.9 DEBT COLLECTION POLICY

Adopted: 9 October 2019 Reviewed: 5 November 2020

Associated Legislation: Local Government Act 1995

Local Government (Financial Management) Regulations

Associated Documents: Code of Conduct

Review Responsibility: Finance and Administration Manager

Delegation: Chief Executive Officer

Previous Policy Number (2.3.2 – CEO Directive)

Objective:

To ensure proper records are maintained of debts owed to the Shire as required by the Local Government Act 1995 and to provide guidance to Council in determining efficient, effective and economical procedures for debt collection.

Policy Statement:

The Shire of Mingenew will exercise its debt recovery powers in order to reduce the overall debt burden on ratepayers and it will be guided by the following principles:

- Providing the Shire of Mingenew with an effective method for the collection of any and all outstanding debts:
- Ensuring that debt collection procedures are carried out in a fair and equitable manner;
- Making the process used to recover outstanding debts clear, simple to administer and cost effective;
- Transparency, by making clear the obligations of it's Ratepayers and Sundry Debtors to the processes used by the Shire is assisting them to meet their financial obligations;
- Ensuring that the Shire of Mingenew is compliant with all regulatory obligations; and
- Promoting effective governance of the Shire's finances.

1. Sundry Debtors

The Shire of Mingenew's credit terms are stated on the issued tax invoice. The recovery of outstanding sundry debtor accounts will be collected in a fair and timely manner.

- Where a payment is not received within 35 days from the date of the initial invoice, a Final Notice shall be issued requesting full payment within 14 days, unless the debtor has agreed to enter into a special repayment arrangement.
- Interest will be applied on balances that are over 35 days unless otherwise specified in a special repayment arrangement. The percentage interest charged is the percentage as approved by Council when the Annual Budget is adopted, in accordance with Section 6.13(1) of the Local Government Act 1995. The rate as set is not to exceed the maximum rate of interest as prescribed within Regulation 19A of the Local Government (Financial Management) Regulations 1996.



Where amounts remain outstanding for more than 60 days from date of invoice, recovery
action will commence, based upon a risk management approach as determined by the value
and type of debt. This action may include referral to a debt collection agency.

2. Rates Arrears

The recovery of outstanding rates will be collected in a fair and timely manner.

- Where a payment is not received within 35 days from the date of the initial Rates Notice, a
 Final Notice shall be issued requesting full payment within 14 days, unless the debtor has
 agreed to enter into a special repayment arrangement or is on an instalment plan.
- Interest will be applied on balances that are over 35 days. The percentage interest charged is
 the percentage as approved by Council when the Annual Budget is adopted, in accordance
 with Section 6.13(1) of the Local Government Act 1995. The rate as set is not to exceed the
 maximum rate of interest as prescribed within Regulation 19A of the Local Government
 (Financial Management) Regulations 1996.
- Once the debt is overdue for more than 90 days, then a letter of demand is sent requesting payment within 14 days and notifying the debtor that further action will be taken.
- After 14 days from the date of the letter of demand, legal action may be taken, including handing over to a debt collection agency. All associated legal costs are passed on to the debtor.
- In cases where the owner of a leased or rented property on which municipal rates are
 outstanding cannot be located or refuses to settle rates and service charges owed, notice may
 be served on the lessee or tenant to pay to the Shire the rent due under the lease/tenancy
 agreement as it becomes due until the amount in arrears has been paid.
- If rates and service charges remain unpaid for at least 3 years a caveat may be registered on the title for the land under the provisions of Section 6.64(3) of the Local Government Act 1995, and the Shire may take possession of the land. Before this course of action is to be taken, approval is to be obtained from Council.

3. Bad debts

Where a Sundry Debtor has accounts unpaid for a period exceeding 6 months and the debtor has provided documentary evidence of having filed for bankruptcy or insolvency, or the debtor has proven untraceable; the debt may be written off under Delegated Authority by the Chief Executive Officer or the Finance and Administration Manager. Any amounts above the Delegated Authority shall be referred to Council for a decision.