



## ATTACHMENT BOOKLET FOR ORDINARY COUNCIL MEETING

17 February 2021 at 4:30pm

### INDEX

7.1 Ordinary Council Meeting held 16 December 2020 Minutes	1
10.1 Shire of Mingenew Audit & Risk Committee Minutes – 8 February 2021	38
11.1.1 Minutes of the Annual General Meeting of Electors 8 February 2021	155
11.2.1 Shire of Mingenew Workforce Plan 2021-2025	157
11.3.1 WALGA State Council Agenda – 3 March 2021	193
11.4.1 Model Code of Conduct	242
11.4.2 Code of Conduct Complaint About Alleged Breach Form	255
12.1.1 Monthly Financial Report for period ending 31 January 2021	257
12.2.1 Accounts for Payment for the period 1 December 2020 to 31 January 2021	284
15.1 CONFIDENTIAL - CEO Contract Renewal <i>(provided to Councillors under separate confidential cover)</i>	-



# MINUTES OF THE ORDINARY COUNCIL MEETING

16 DECEMBER 2020

**TABLE OF CONTENTS**

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS.....	3
2.0	RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE .....	3
3.0	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....	3
4.0	PUBLIC QUESTION TIME / PUBLIC STATEMENT TIME .....	3
5.0	APPLICATIONS FOR LEAVE OF ABSENCE .....	4
6.0	PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....	4
7.0	CONFIRMATION OF PREVIOUS MEETING MINUTES.....	4
7.1	<b>ORDINARY COUNCIL MEETING HELD 18 NOVEMBER 2020.....</b>	<b>5</b>
8.0	ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION .....	5
9.0	DECLARATIONS OF INTEREST .....	5
10.0	RECOMMENDATIONS OF COMMITTEES .....	6
10.1	<b>EXECUTIVE MANAGEMENT COMMITTEE – 18 NOVEMBER 2020 .....</b>	<b>6</b>
10.2	<b>LOCAL EMERGENCY MANAGEMENT COMMITTEE – 23 NOVEMBER 2020 .....</b>	<b>7</b>
10.3	<b>AUDIT &amp; RISK COMMITTEE – 9 DECEMBER 2020.....</b>	<b>7</b>
11.0	CHIEF EXECUTIVE OFFICER REPORTS .....	8
11.1	<b>ANNUAL REPORT 2019/20 AND ANNUAL MEETING OF ELECTORS .....</b>	<b>8</b>
11.2	<b>COUNCIL MEETING DATES 2021 .....</b>	<b>15</b>
11.3	<b>AMENDMENT TO DELEGATION CD02 DEBTS, WAIVERS, CONCESSIONS, WRITE OFFS AND RECOVERY.....</b>	<b>18</b>
11.4	<b>SHIRE OF MINGENEW RESPONSE TO SELECT COMMITTEE INTO LOCAL GOVERNMENT REPORT 20</b>	
11.5	<b>LOCAL GOVERNMENT EMPLOYEE CODE OF CONDUCT .....</b>	<b>22</b>
11.6	<b>LOCAL ROADS AND COMMUNITY INFRASTRUCTURE FUNDING.....</b>	<b>25</b>
12.0	FINANCE AND ADMINISTRATION MANAGER REPORTS .....	27
12.1	<b>FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2020 .....</b>	<b>27</b>
12.2	<b>LIST OF PAYMENTS FOR THE PERIOD 1 NOVEMBER 2020 TO 30 NOVEMBER 2020.....</b>	<b>30</b>
12.3	<b>POLICY MANUAL REVIEW .....</b>	<b>32</b>
13.0	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN/FOR CONSIDERATION AT.....	36
	FOLLOWING MEETING .....	36
14.0	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING .....	36
15.0	CONFIDENTIAL ITEMS.....	36
15.1	<b>CONFIDENTIAL [S5.23(2)(C)] - MINGENEW HILL LAND DEVELOPMENT PROCESS .....</b>	<b>36</b>
16.0	TIME AND DATE OF NEXT MEETING .....	37
17.0	CLOSURE.....	37



**MINUTES OF THE ORDINARY MEETING OF COUNCIL TO BE HELD IN THE COUNCIL CHAMBERS AT 21 VICTORIA STREET, MINGENEW ON 16 DECEMBER 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**

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

**APOLOGIES**

HM Newton	Councillor	Town Ward
-----------	------------	-----------

**STAFF**

N Hay	Chief Executive Officer
J Clapham	Finance and Administration Manager
P Wood	Works Manager
E Greaves	Governance Officer

**GUESTS**

Mr Adrian Burns  
Mr Chris & Mrs Sarah Gammon

**3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil.

**4.0 PUBLIC QUESTION TIME / PUBLIC STATEMENT TIME**

*Cr CV Farr left the meeting at 4:31pm.*

1. Mr Burns outlined his concerns regarding Council's decision at the November 2020 Ordinary Council meeting to approve the mobile food and coffee van and disappointment that Council did not elect to put the proposal out for public consultation first. Mr Burns is concerned that the operation of the van in the Mingenew townsite, particularly during the peak tourist season, may negatively impact his business due to the additional competition (Mingenew Hotel Motel). He also outlined that he didn't feel it fair that the mobile food van is not subject to rates and service charges like a "bricks and mortar" business might be and was further aggrieved that the mobile food van owner did not live in Mingenew.

The Shire President responded, noting that public consultation on this matter was not legislatively required, but accepting that it could have been given greater consideration in this case. However, the proposal was made under planning legislation which requires Council to operate in a quasi-judicial manner; meaning that decisions must be made strictly on planning grounds and whether the application meets/does not meet legislative requirements and other planning guidelines.

A Council decision in this regard cannot be influenced by other matters, including the applicant's place of residence, commercial viability, market competition etc. The approval for the mobile food and coffee van included a number of conditions which took into consideration other local businesses, with operating hours restricted for the town centre location when the Mingenew Bakery and Mingenew Roadhouse are operating. The application was subject to an annual licence fee of \$275, as per Council's Fees & Charges, and the commercial properties where the van will operate both pay Council rates. The approval was only granted for a 12-month trial period and Council will be reviewing the operations internally every 3 months.

*Mr Burns left the meeting at 4:39pm.*

2. Mr Gammon outlined that the Mingenew Bakery is struggling during the quiet season and were also concerned about the impact of the mobile coffee and food van operating, in low peak times. Mr & Mrs Gammon were also of the view that Council should have consulted with potentially affected business owners.

The Shire President reiterated that Council will continue to monitor the van operation every three months and invited local businesses to provide supporting evidence of any negative impacts directly correlating to the mobile food and coffee van's operation. Any such evidence will be considered as part of the review process. The Shire is also in the process of developing a local law that will govern applications such as this and will consider supporting policies that trigger community consultation.

It is noted that Councillors have been in receipt of correspondence prior to the meeting, from Ms L Eardley of the Mingenew Roadhouse, Mr A Burns of the Mingenew Commercial Hotel and Mr & Mrs Gammon of the Mingenew Bakery, regarding the approval for the mobile coffee and food van to operate within the Shire of Mingenew. A written response will be subsequently provided by the Chief Executive Officer on behalf Council, addressing any questions raised.

*Mr & Mrs Gammon left the meeting at 4:45pm.*

*Cr Farr returned at 4:46pm.*

**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 18 NOVEMBER 2020

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 7.1 RESOLUTION# 01161220  
MOVED: Cr Smyth SECONDED: Cr Bagley

That the Minutes of the Ordinary Council Meeting of the Shire of Mingenew held in the Council Chambers on 18 November 2020 be confirmed as a true and accurate record of proceedings, subject to the following correction being made to the Resolution# 08181120 for 'Item 11.7 Proposed Siting of Mobile Food & Coffee Van':

1. Change the reference to 'Palm Roadhouse' to 'Mingenew Roadhouse'; and
2. Amend Condition 9 to include reference to the Mingenew Roadhouse as outlined at the beginning of the motion under locations approved, to - "The mobile food & coffee van shall not be located upon Reserve 47995 Midlands Road, Mingenew during times when the Mingenew Bakery or Mingenew Roadhouse is open for business."

As shown in the Attachment Booklet – December 2020.

VOTING REQUIREMENT:

CARRIED BY SIMPLE MAJORITY: 6/0

8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil.

9.0 DECLARATIONS OF INTEREST

Nil.



10.2 LOCAL EMERGENCY MANAGEMENT COMMITTEE – 23 NOVEMBER 2020

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 10.2.1 RESOLUTION# 06161220

MOVED: Cr HR McTaggart

SECONDED: Cr AR Smyth

That Council:

1. receives the Minutes of the Shire of Mingenew Local Emergency Management Committee meeting held 23 November 2020; and
2. notes the COVID Exercise conducted by the Department of Fire and Emergency Services (DFES) with the Local Emergency Management Committee and relevant agencies.

VOTING REQUIREMENT:

CARRIED BY SIMPLE MAJORITY: 6/0

10.3 AUDIT & RISK COMMITTEE – 9 DECEMBER 2020

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 10.3.1 RESOLUTION# 07161220

MOVED: Cr AR Smyth

SECONDED: Cr JD Bagley

That Council receives the Minutes of the Shire of Mingenew Audit & Risk Committee meeting held 9 December 2020.

VOTING REQUIREMENT:

CARRIED BY SIMPLE MAJORITY: 6/0

COMMITTEE RECOMMENDATION AND COUNCIL DECISION – ITEM 10.3.2 RESOLUTION# 08161220

MOVED: Cr HR McTaggart

SECONDED: Cr AR Smyth

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 REQUIREMENT:

CARRIED BY SIMPLE MAJORITY: 6/0



### **Attachment**

- 11.1.1 2019/20 Annual Report (Draft Design)
- 11.1.2 2019/20 Annual Financial Report
- 11.1.3 2019/20 Independent Auditor's Report
- 11.1.4 2019/20 Annual Audit Completion Report complete with Management Responses
- 11.1.5 2019/20 Management Representation Letter
- 11.1.6 Response to Management Letter and Other Legal and Regulatory Items

### **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.

### **Comment**

The Shire was audited by Butler Settineri, as the appointed contract auditor by the Office of the Auditor General (OAG) for the year ended 30 June 2020. This is the final year that the Shire will be audited by Butler Settineri, as from next year, the audit will be carried out directly by the OAG or a new contract audit as a result of a tender carried out by the OAG. The OAG has issued an unqualified audit report for 2019/20. There were some challenges in regard to the timing of the completion of the Annual Financial Report, due to the late gazetting of retrospective changes to legislation. There were 3 items raised by Butler Settineri in their Audit Completion Report, one of which was ultimately removed from the final management letter. The two remaining items, relating to an instance of not collecting adequate quotes before procuring and the Shire's Operating Surplus Ratio, have been addressed by Management in attachment 11.1.6.

### **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 from 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; andsuch 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



### Background

Council have historically set and advertised its meeting dates for the third Wednesday of each month, excluding January. It is common practice of local governments within Western Australia to not hold a meeting in January due to the reduced service demand, minimal work's programming and decreased staff levels resulting from staff utilising their annual leave entitlements.

Ordinary Local Government Elections are held on the third Saturday in October every second year (in 2021 it will be on 16 October). The third Wednesday in October falls on 20 October 2020.

### Comment

The role of an elected member is complex and requires significant time to understand roles, responsibilities, Council processes and establish relationships within the team and with their constituents. Whilst it is acknowledged that this occurs over time with training, access to resources and regular participation in Council processes, new elected members, the President and staff need reasonable time to run / participate in inductions, review resource material, go over any administrative requirements and prepare for the first meeting of the new Council. The proposed timing of the October meeting creates the opportunity to do this in a more organised and gradual manner and allows new council members more time to absorb information and seek clarity where needed.

As the date for the 2021 Election falls on the Saturday prior to the third Wednesday in October, it is proposed that Council consider holding its October Ordinary Council meeting a week earlier, on 13 October 2020 and a special meeting be held after the election to swear in the new Councillors and elect a Shire President and Deputy. The premise behind this is to ensure newly-elected members have a longer orientation period (approximately 4 weeks compared with 3 days) to become familiar with Council processes and their role, so they are more informed, prepared and confident to make decisions at their first Council meeting.

Council meetings have consistently been held at 4:30pm each month and feedback suggest that this time remains appropriate. It is open to Council to consider changing the date and time of meetings, although the current date schedule considers several factors:

- Accessibility of meetings to the public
- Availability of Council members
- Length of meetings
- Start times
- Ability to prepare accurate financial reports for the preceding report period
- Public holidays
- Local Government Elections (applicable every second year)

Concept Forums are also scheduled to be held on the same day as Council meetings but are generally not open to the public. The purpose of these meetings is for Elected Members and staff to introduce new concepts or matters that do not require a decision of Council at the time but assists Councillors and staff to be more informed in performing their duties.

### Statutory Environment

*Local Government (Administration) Regulations 1996*

#### **Regulation 12 Meetings, public notice of (Act s. 5.25(1)(g))**

- 1) At least once a year a local government is to give local public notice of the dates on which and the time and place at which –
  - a) the Ordinary Council Meetings; and
  - b) the Committee Meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.

- 2) A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).
- 3) Subject to subregulation (4), if a Special Meeting of a Council is to be open to members of the public the local government is to give local public notice of the date, time and place and purpose of the meeting.
- 4) If a special meeting of a council is to be open to members of the public but, in the CEO's opinion, it is not practicable to give local public notice of the matters referred to in subregulation (3), the local government is to give public notice of the date, time, place and purpose of the special meeting in the manner and to the extent that, in the CEO's opinion, is practicable.

### **Policy Implications**

Nil

### **Financial Implications**

The Statements of Financial Activity must be presented to Council within 2 months after the end of month to which the statement relates. Meaning that the December 2020 and January 2021 statements must be presented at the February 2021 meeting (based on the proposed schedule).

In regard to the presentation of statements of financial activity to Council, the Local Government (Financial Management) Regulations 1996 Section 6.4, states the following;

- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (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.*

### **Strategic Implications**

Community Strategic Plan:

- Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner
- Strategy 1.3.2 Provide services and processes to enhance public safety

### 11.3 AMENDMENT TO DELEGATION CD02 DEBTS, WAIVERS, CONCESSIONS, WRITE OFFS AND RECOVERY

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**Disclosure of Interest:** Nil  
**File Reference:** ADM0213  
**Date:** 30 November 2020  
**Author:** Erin Greaves, Governance Officer  
**Authorising Officer:** Nils Hay, Chief Executive Officer  
**Voting Requirements:** Absolute Majority

#### Summary

An amendment to the current delegation 'CD02 Debts, Waivers, Concessions, Write Offs and Recovery' is proposed to set parameters around the writing off of rates and service charges, and in particular minor interest charges.

#### Key Points

- Council last reviewed this delegation in April 2020 to consider the State-declared emergency (COVID) impacts and application of a Financial Hardship Policy
- The power to waive or write off debts in relation to rates and service charges (including rate interest) is excluded in the current delegation
- The amended delegation proposes write offs up to the value of \$30 for rates and service charges

#### **OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.3 RESOLUTION # 11161220**

**MOVED:** Cr AR Smyth

**SECONDED:** Cr JD Bagley

That Council, by Absolute Majority, adopts the amended Delegation 'CD02 Debts, Waivers, Concessions, Write Offs and Recovery' as attached, to allow for minor write offs (up to \$30 limit) in relation to rates and service charges.

**VOTING REQUIREMENT:**

**CARRIED BY ABSOLUTE MAJORITY 6/0**

#### Attachment

11.3.1 Amended delegation CD02 Debts, Waivers, Concessions, Write Offs and Recovery

#### Background

Council reviewed the 'CD02 Debts, Waivers, Concessions, Write Offs and Recovery' at the 15 April 2020 Ordinary Council meeting to provide for writing off or waiving rates and service charges under circumstances where ratepayers qualify under the adopted Financial Hardship Policy during the State-declared emergency for COVID-19.

It is noted that, whilst s6.12(1)(c) allows the local government to write off debts (including rates and service charges, with rates interest falling into that definition), the Shire's delegation expressly prohibits this under Condition 1, as it states, "*The power to waive 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*".

#### Comment

In receipting rates for the 2020/21 financial year, there have been instances where ratepayers have made administrative errors in paying their rates, such as immaterial underpayments or the timing of payments meant that interest has been incurred. It is estimated that the labour and administration costs to recover such amounts outweighs the balance of amounts owed and therefore, this amendment to the delegation is

proposed, allowing minor rates and service charges (including rate interest) to be written off up to the value of \$30.

### **Consultation**

Officers within the Finance Team, responsible for the accounts management of rates payments, suggest that the requirement to write of rates and service charges would only need to be used to account for the rare, minor underpayment of rates which results in the system automatically applying interest charges, and any administrative errors by the ratepayer of a minor nature where reasonable attempts to make payments within required timeframes have been made.

### **Statutory Environment**

*Local Government Act 1995*

#### **6.12. Power to defer, grant discounts, waive or write off debts**

- (1) Subject to subsection (2) and any other written law, a local government may —
- a) when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money; or
  - b) waive or grant concessions in relation to any amount of money; or
  - c) write off any amount of money,
- which is owed to the local government.

\* Absolute majority required.

- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.
- (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.

### **Policy Implications**

An operational policy/procedure is being developed to outline the circumstances in which the delegation is to apply in more detail.

### **Financial Implications**

Should the delegation not be amended, officers will need to bring to Council any minor write off amounts for a decision. Recovery of minor rate and service charges or seeking Council approval to write off the debts is considered to be more costly than writing off these debts through a delegation.

### **Strategic Implications**

Community Strategic Plan:

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



**Comment**

The Shire of Mingenew has actively participated in the various feedback avenues in relation to local government legislative reform and improvement. Many of the findings of the Committee are reflective of Mingenew's sentiments, particularly the concerns around:

- compliance obligations based on size and scale;
- cost shifting from State Government to local government;
- diminishing support provided to local governments and capacity of the Department of Local Government, Sport and Cultural Industries (DLGSC)

The only recommendation of the Report that is recommended for opposition is Recommendation 33 (found on page 295 of the full Report). The recommendation of the Committee is an amendment to s5.123 of the Local Government Act 1995 to allow a person to publicly discuss a minor breach complaint that has been dismissed by the Local Government Standards Panel. It is felt that this may deter a person with a legitimate complaint from submitting a complaint if confidentiality is not maintained.

The attached response provides the page number of each recommendation made by the Committee within the full Report, the Select Committee Recommendation and then the proposed response by the Shire of Mingenew.

**Statutory Environment**

*Local Government Act 1995*

**Policy Implications**

No specific implications are identified, as a result of the consultation process. However, any legislative changes resulting from the report may have direct and indirect impacts on Council policy which will be identified and implemented upon adoption of any changes.

**Financial Implications**

Nil

**Strategic Implications**

Community Strategic Plan:

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



- 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 in the coming months include:

- New mandatory code of conduct for elected members, committee members and candidates (as addressed by Council at the November 2020 Ordinary Council Meeting);
- Best practice standards for Chief Executive Officer (CEO) recruitment, performance review and early termination ((as addressed by Council at the November 2020 Ordinary Council Meeting); and
- Further transparency measures, including the Employee Code of Conduct Regulation under discussion in this paper

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 27 June 2019, the *Local Government Legislation Amendment Act 2019* was passed in Parliament. The Act includes a requirement for local government CEOs to prepare and adopt a code of conduct for employees. Currently, Part 9 of the Local Government (Administration) Regulations 1996 deals with this requirement. Current provisions have been incorporated into new regulations with some amendments, particularly in relation to gift provisions. The consultation draft, proposed regulations, along with a proposed response document are attached. The due date for submissions is 6 January 2021.

### Comment

In preparing the Shire's proposed response, consideration has been given to our previous position on similar items, as well as commentary obtained through Local Government Professionals WA. 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
- The regulations contain sufficient clarity to enable an effective and compliant employee code of conduct to be developed and implemented
- Consideration is given to elements that should or should not be included in a Code of Conduct – noting that some aspects of the proposed regulation changes, whilst sensible, would be better included elsewhere in Regulation

Whilst there is no question that it's important that employee gifts and interests are disclosed and recorded to ensure good governance and transparency, some of the methods proposed add – rather than remove – complexity whilst others are simply a restatement of existing legislation rather than actual reform.

### Consultation

Local Government Professionals WA

### Statutory Environment

These regulations will bring into effect **section 25** of the *Local Government Legislation Amendment Act 2019*.

### Policy Implications

Nil at this stage. Ultimately, if adopted, review will be likely required of the existing Employee Code of Conduct to ensure it complies 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.

## 11.6 LOCAL ROADS AND COMMUNITY INFRASTRUCTURE FUNDING

Location/Address:	Various
Name of Applicant:	Shire of Mingenew
Disclosure of Interest:	Nil
File Reference:	ADM0204
Date:	9 December 2020
Author:	Nils Hay, Chief Executive Officer
Authorising Officer:	Nils Hay, Chief Executive Officer
Voting Requirements:	Simple Majority

### Summary

A further round of Local Roads and Community Infrastructure Extension (LRCIE) funding is being made available for (calendar year) 2021. Council will need to choose priority projects to put this funding towards.

### Key Points

- \$173,160 available through LRCIE; cannot be matched with federal or state funding but can be used for staff wages
- Funding available from 1 January 2021, must be expended by 31 December 2021
- Work on projects cannot commence until projects are submitted and approved (approval takes approximately 4 weeks, typically)
- Projects based on Strategic Community Plan 2019-29 (SCP), Corporate Business Plan 2019-23 (CBP) and 5-year Road Plan

### **OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.6 RESOLUTION# 14161220**

**MOVED: Cr RW Newton**

**SECONDED: Cr AR Smyth**

#### **That Council:**

- 1. Endorses the project prioritization for Local Roads and Community Infrastructure Extension funding as per the attached Project Prioritisation List; and**
- 2. Directs the Chief Executive Officer to submit the Shire's application for Local Roads and Community Infrastructure Extension funding on the basis of this prioritization**

**VOTING REQUIREMENT:**

**CARRIED BY SIMPLE MAJORITY 6/0**

### Attachment

11.6.1 LRCIE Project list

11.6.2 Project Plan Public WiFi

11.6.3 Project Plan Administration Building Upgrade

### Background

This funding (\$173,160) is in addition to the \$243,000 of Local Roads and Community Infrastructure funding that the Shire is currently acquitting (with a deadline of 30 June 2021). Whilst the final program guidelines have not been received, it is expected that the program will operate in a similar fashion to the FY20-21 LRCI program. As the project name suggests, road and community infrastructure projects are the target of the funding.

The program allocation was discussed at Council's November 2020 Concept Forum.

### Comment

The attached projects have been considered, with four potential items recommended. As the attachment's comments notes, the recommendations have been made taking into account:

- Existing scope, or ease of scoping the project
- Whether the project will fit into the LRCIE program
- Alignment with SCP
- Cost
- Likelihood of accessing an alternative funding source

As a result of trying to bring a list of priorities together ahead of the end of the year, we do not have firm quotes for most of the projects in this list – only estimates. Depending upon the nature of the projects (whether they require Shire staff time or are contracted, and whether they are fully funded through LRCIE) they can either be delivered in the current financial year (which can be addressed through the budget review process) or form part of the 21/22 budget – noting that they will need to be completed and acquitted by 31 December 2021. That said, given the existing project load to be completed by 30 June 2021, there is a strong preference for this work to be pushed, as much as practicable, into the 21/22 financial year.

In terms of the recommendation, it is suggested that the two smaller projects be endorsed:

- Public WiFi
- Upgrade of Administration building

It is further suggested that the remaining funds be put towards one of the following road items: either Shire re-sheeting (across the roads planned in our 5 Year Road Plan) or the upgrade of the Yandanooka North East Rd drainage structure.

LRCIE is likely the only way that either of these items will receive external funding without reallocating funds through the 5 Year Road Plan, but it is noted that the guardrail structure would be completed by contractors whilst the re-sheeting would be done internally – and therefore the LRCIE funds could be utilised to engage Shire staff.

If the guardrail structure is not funded through LRCI, it could be funded through Roads to Recovery funding; this would require reducing the allocated R2R funding for a future project (as it is all currently allocated through our 5-year road plan). The most likely project would be to reduce the scope of the FY22/23 sealing works on Depot Hill North Road which currently has approximately \$387k of R2R allocated to it. Additional R2R funding will only become available again from FY 24/25.

#### **Consultation**

- Works Manager
- Audit & Risk Committee

#### **Statutory Environment**

Nil

#### **Policy Implications**

Nil.

#### **Financial Implications**

Depending upon the project allocation that Council endorses, this may necessitate a budget amendment in the current financial year (with LRCI funds coming in, and being spent on projects), or it may lead to a requirement to insert the selected projects in the 21/22 Budget.

#### **Strategic Implications**

See various SCP and BCP links on attached project prioritization list.



Comment

Summary of Funds as per bank statements – Shire of Mingenew as at 30 November 2020	
Municipal Funds	\$2,049,200
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 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



**Financial Implications**

Funds available to meet expenditure.

**Strategic Implications**

Nil

### 12.3 POLICY MANUAL REVIEW

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0489  
**Disclosure of Interest:** Nil  
**Date:** 30 November 2020  
**Author:** Erin Greaves, Governance Officer & Helen Sternick, Senior Finance Officer  
**Authorising Officer:** Jeremy Clapham, Finance and Administration Manager  
**Voting Requirements:** Simple Majority

#### Summary

A review of the Shire of Mingenew's Administration and Finance policies within Council's Policy Manual has been undertaken to ensure compliance and relevance to the community's current and future needs and is available for Council's consideration.

#### Key Points

- Council adopted a Policy Manual schedule in September 2019 that identified Administration Policies to be reviewed biennially and Finance Policies to be amended annually
- This review includes a review of the Policy Manual Review Schedule
- Policies within the Council Policy Manual may be reviewed and amended or revoked at any time by Council decision, as required

#### **OFFICER RECOMMENDATION AND COUNCIL DECISION – 12.3 RESOLUTION# 17161220**

**MOVED:** Cr HR McTaggart

**SECONDED:** Cr AR Smyth

That Council;

1. Notes the review of Council's Administration and Finance policies and accepts the following amended policies, as presented in the Attachment Booklet:
  - a) 1.2.1 Records Management Policy
  - b) 1.2.2 Risk Management Policy
  - c) 1.2.3 Legal Representation – Costs Indemnification Policy
  - d) 1.2.6 Gratuities Policy
  - e) 1.2.8 Information & Communications Technology (ICT) Usage Policy
  - f) 1.2.9 Pre-qualified Suppliers Policy
  - g) 1.3.2 Asset Management Policy
  - h) 1.3.3 Investment of Surplus Funds Policy
  - i) 1.3.4 Significant Accounting Policies Policy
  - j) 1.3.5 Corporate Credit Card Policy
  - k) 1.3.6 Related Parties Disclosure Policy
  - l) 1.3.8 Employee Superannuation Policy
  - m) 1.3.9 Debt Collection Policy; and

2. Adopts the amended policy review schedule:

Policy Area	When	Next Review	Comment
Elected Members	Biennially	November 2021	Following each local government election
Administration	Biennially	November 2022	Reviewed as above November 2020
Finance	Annually	October 2021	Scheduled to allow for any recommended improvements to be made from the annual audit process
Community	Triennially	July 2022	To be reviewed in consultation with Community Development Officer
Works	Triennially	March 2021	To be reviewed in consultation with new Works Manager

VOTING REQUIREMENT:

CARRIED BY SIMPLE MAJORITY 6/0

*NOTE: 1.3.1 Purchasing Policy was removed from the recommendation and report provided in the original Agenda issued, following advice from the CEO that the Policy was still under review and was included within the report in error.*

**Attachment**

12.3.1 Amended Administration and Finance Council Policies

**Background**

Whilst there is no statutory requirement for Council to review its Policy Manual (with the exception of certain elected member policies), it is considered better practice to ensure Council have a relevant and current policy stance that reflects the ongoing changes within local government and our community.

With the review of the Local Government Act, there have been several new inclusions that require formal adoption by Council: 'Policy for attendance at events' [s5.90A] which is to be adopted by Council and may be amended by Absolute Majority as required, and 'Policy for continuing professional development' [s5.128] – which must be reviewed after each ordinary election or as required, and any amendments adopted by Absolute Majority. These policies will be reviewed following the 2021 local government Election.

Many of the policies have been developed using WALGA's model policies or are based on other local government's policies that have been recognised for good governance. Some policies may have been developed or modified to suit our individual or local circumstances.

**Comment**

The policies within the Policy Manual are strategic, outcome focused and set governing principles, guiding the direction of the organisation, and are to be considered for endorsement by Council.

The management procedures included, following the relevant Council Policy, are developed for administrative and operational purposes and endorsed by the Chief Executive Officer.

A summary of any changes made to the Policy Manual is provided in the table below:

Policy Number	Policy Title	Description of Change
1.2.1	Records Management	Amended policy provides guidance to elected members and employees on recordkeeping requirements.
1.2.2	Risk Management	Amended reference to Audit & Risk Committee and increase risk appetite to “or higher”.
1.2.3	Legal Representation – Costs Indemnification	Formatting and amended numbering error.
1.2.4	Appointment of Acting Chief Executive Officer	Reviewed, no changes required.
1.2.5	Occupational, Health, Safety and Environment	Reviewed, no changes required.
1.2.6	Gratuities	Amended policy provides clarity for gratuity payment entitlements and updated employee positions. Legislation requires a local government to adopt a policy that provides for payments made to employees in addition to any entitlements in their contract or applicable award. Noting that any payments proposed to be made outside of the Policy requiring local public notice.
1.2.7	<i>Discrimination, Harassment and Bullying</i>	Revoked in 2019 and incorporated in the Shire’s HR Policies and Procedures Manual
1.2.8	Information & Communications Technology (ICT) Usage	Updated employee position.
1.2.9	Pre-qualified Suppliers	Amended to apply all the purchasing activities objectives and updated employee position.
1.3.2	Asset Management	Amended to current Integrated Planning and Reporting plans, updated Department’s name, updated employee position and minor grammar errors.
1.3.3	Investment of Surplus Funds	Grammar, numbering error and employee position.
1.3.4	Significant Accounting Policies	Amended to refer to the Australian Accounting Standards and the Local Government (Financial Management) Regulations 1996, to ensure compliance with significant accounting policies and updated employee position.
1.3.5	Corporate Credit Card	Increase Shire’s credit card limit, update reference to Audit & Risk Committee, deleted name of financial institution and updated employee position.
1.3.6	Related Parties Disclosure	Amended review responsibility and employee key management personnel to the leadership team.
1.3.7	Regional Price Preference	Reviewed, no changes required.
1.3.8	Employee Superannuation	Amended review responsibility and deleted name of default superannuation fund.

1.3.9	Debt Collection	Updated employee position.
1.3.10	Fees and Charges Policy and Procedure	No changes proposed
1.3.11	Financial Hardship Policy	New policy adopted in April 2020 therefore no changes proposed.

A consolidated version of the Policy Manual will be issued to Councillors following this meeting.

### **Consultation**

- Leadership Team
- Concept Forum

### **Statutory Environment**

Local Government Act 1995

### **Policy Implications**

As outlined.

### **Financial Implications**

There are no direct financial implications.

### **Strategic Implications**

Community Strategic Plan

Strategy 1.2.1 Manage organisation in a financially sustainable manner

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

Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness

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

The Council Policy Manual has been developed to complement existing legislation and guide decision making. Guidance on local application is provided where required.

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

Nil.

15.0 CONFIDENTIAL ITEMS

15.1 CONFIDENTIAL [S5.23(2)(C)] - MINGENEW HILL LAND DEVELOPMENT PROCESS

As a potential land development around Mingenew Hill may result in a contract being entered into, it is proposed that the matter be dealt with behind closed doors.

**PROCEDURAL MOTION – ITEM 15.1 RESOLUTION# 18161220**

**MOVED: Cr JD Bagley**

**SECONDED: Cr HR McTaggart**

That Council close the meeting to the public at 5:40 pm in order to discuss a matter which may relate to a contract being entered into, in accordance with s5.23(2)(c) of the Local Government Act 1995.

**VOTING REQUIREMENTS**

**CARRIED BY SIMPLE MAJORITY 6/0**

**OFFICER RECOMMENDATION – ITEM 15.1**

That Council:

1. Endorses the Mingenew Hill, 10-lot subdivision layout as shown in attachment 15.1.1;
2. Endorses the proposed Mingenew Hill Land Tenure Process as outlined in attachment 15.1.4; and
3. Directs the Chief Executive Officer to submit the endorsed design to the Department of Planning, Lands and Heritage and progress investigations/discussions and return this matter to Council for further consideration upon receipt of a land valuation response.

**COUNCIL DECISION – ITEM 15.1 RESOLUTION# 19161220**

**MOVED: Cr RW Newton**

**SECONDED: Cr JD Bagley**

That Council:

1. Endorses the Mingenew Hill, 8-lot subdivision layout as shown in attachment 15.1.1;
2. Endorses the proposed Mingenew Hill Land Tenure Process as outlined in attachment 15.1.4; and
3. Directs the Chief Executive Officer to submit the endorsed design to the Department of Planning, Lands and Heritage and progress investigations/discussions and return this matter to Council for further consideration upon receipt of a land valuation response.

**VOTING REQUIREMENTS:**

**CARRIED BY SIMPLE MAJORITY 6/0**

**16.0 TIME AND DATE OF NEXT MEETING**

Next Ordinary Council Meeting to be held on Wednesday 17 February 2021 commencing at 4.30pm.

**17.0 CLOSURE**

The Presiding member closed the meeting at 5:50pm.

These minutes were confirmed at an Ordinary Council meeting on 17 February 2021.

Signed \_\_\_\_\_  
Presiding Officer

Date: \_\_\_\_\_



# MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING

8 FEBRUARY 2021

## TABLE OF CONTENTS

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS.....	3
2.0	RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE .....	3
3.0	DECLARATIONS OF INTEREST .....	3
4.0	CONFIRMATION OF PREVIOUS MEETING MINUTES.....	3
	4.1 AUDIT & RISK COMMITTEE MEETING HELD 9 DECEMBER 2020 .....	3
5.0	OFFICERS' REPORTS.....	4
	5.1 AUDIT & RISK COMMITTEE TERMS OF REFERENCE REVIEW.....	4
	5.2 AUDIT & RISK COMMITTEE – INDEPENDENT MEMBER.....	8
	5.3 SHIRE OF MINGENEW 2020 COMPLIANCE AUDIT REPORT .....	11
	5.4 SHIRE OF MINGENEW INTERNAL AUDIT PLAN – TENDERING AND PROCUREMENT REPORT .	16
	5.5 INTERNAL AUDIT PLAN AND RISK REGISTER REVIEW AND UPDATE .....	20
6.0	CLOSURE.....	24



**MINUTES FOR THE AUDIT AND RISK COMMITTEE MEETING OF THE SHIRE OF MINGENEW TO BE HELD IN COUNCIL CHAMBERS ON 8 FEBRUARY 2021 COMMENCING AT 4:30PM**

**1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The meeting opened at 4:35pm.

**2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

Cr Robert Newton (Chairperson)  
Cr Hellene McTaggart  
Cr Anthony Smyth  
Mr Maurice Battilana

Mr Nils Hay, Chief Executive Officer  
Ms Erin Greaves, Governance Officer  
Mr Jeremy Clapham, Finance and Administration Manager (attended via phone from 4:37pm)

**3.0 DECLARATIONS OF INTEREST**

Ms Erin Greaves disclosed an impartiality interest in relation to Items 5.3 and 5.4, as the reporting officer and employee conducting the internal audits.

Mr Maurice Battilana disclosed an impartiality interest in 5.2, being the subject of consideration for selecting the independent member.

**4.0 CONFIRMATION OF PREVIOUS MEETING MINUTES**

**4.1 AUDIT & RISK COMMITTEE MEETING HELD 9 DECEMBER 2020**

**OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 4.1**

**MOVED: Cr Hellene McTaggart      SECONDED: Cr Anthony Smyth**

That the minutes of the Audit & Risk Committee Meeting of the Shire of Mingenew held in the Council Chambers on 9 December 2020 be confirmed as a true and accurate record of proceedings.

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY 4/0**

## 5.0 OFFICERS' REPORTS

### 5.1 AUDIT & RISK COMMITTEE TERMS OF REFERENCE REVIEW

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
File Reference:	ADM0512
Disclosure of Interest:	Nil
Date:	8 January 2021
Author:	Erin Greaves, Governance Officer
Authorising Author:	Nils Hay, Chief Executive Officer
Voting Requirements:	Simple Majority

#### Summary

The Audit & Risk Committee Terms of Reference was prepared in December 2018 and a review has since been conducted for the Audit & Risk Committee to consider and recommend to Council endorsement of the Terms of Reference.

#### Key Points

- The Audit & Risk Committee and Council considered the originally drafted Terms of Reference (TOR) in December 2018 and February 2019 but did not formally adopt them
- The TOR outlines the Committee's objectives, powers, membership, duties and responsibilities, reporting requirements and internal audit activities.
- The TOR for which the Audit & Risk Committee have been operating under requires that a new Chairperson must be appointed for a period of no more than 12 months (the same person may be reappointed).
- The reviewed TOR amends the term of Chairperson to align with the timing of Council elections
- Adjustments are also proposed for the process of appointing an independent member

#### OFFICER RECOMMENDATION - ITEM 5.1

That the Audit & Risk Committee recommends to Council that it endorses the Shire of Mingenew Audit & Risk Committee Terms of Reference as attached.

#### AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.1

MOVED: Cr Anthony Smyth                      SECONDED: Cr Hellene McTaggart

#### That Council:

1. Endorses the reviewed Shire of Mingenew Audit & Risk Committee Terms of Reference; and
2. Appoints Cr \_\_\_\_\_ to the Audit & Risk Committee until Council reviews its appointment of committee members following the next local government election.

#### VOTING DETAILS:

CARRIED UNANIMOUSLY 4/0

#### Committee Comments

The Committee recommended the following amendments the Terms of Reference presented:

- The included selection criteria be classified as 'desirable' to ensure it reflects the requirements of an ideal candidate but does not limit the pool.
- The evaluation of potential members to be "administered" by the CEO rather than "reviewed"
- Added "within budgetary constraints" for reimbursements for independent member to ensure compliance with legislation and policy relating to incurring expenditure.

- Removed minimum number of meetings per year to allow for flexibility in meeting as required but maintained a reference to the typical number of meetings held in year to raise awareness of the commitment required.
- Whilst minimum membership remains appropriate (minimum 4 members), the Committee recommended that Council appoint an additional elected member (5 voting members) to assist with meeting an appropriate quorum and majority voting.

NOTE: Whilst it was generally desired by the Committee that some form of remuneration for the independent member be provided for (in addition to reimbursement of travel expenses), further advice needs to be sought regarding capacity to do so as advice received is that a "sitting fee" cannot be paid for non-elected members.

### Attachment

#### 5.1.1 Audit & Risk Committee Terms of Reference with tracked changes

### Background

The Audit & Risk Committee Terms of Reference were prepared and presented to the Audit & Risk Committee meeting in December 2018 and subsequently recommended to Council in December 2018 for adoption. It is noted that Council deferred consideration of the Terms of Reference adoption to the February 2019 Ordinary Council meeting, at which the Terms of Reference were not endorsed. An extract of the relevant officer's recommendation and Council decision are provided below:

#### OFFICER RECOMMENDATION AND COUNCIL DECISION- RESOLUTION 20021903

Moved: Cr Lucken / Seconded: Cr McGlenn

That Council:

1. Adopt the attached Audit Committee Terms of Reference, with the following modifications:
  - i. Audit Committee Membership is made up of <4-8> members with <3-7> elected and one external person; and
  - ii The Audit Committee shall meet <4> times per year; and
2. Directs the Chief Executive Officer to release an Expression of Interest campaign to recruit a suitably qualified independent Audit Committee member; and
3. Directs the Chief Executive Officer to provide Council with details of applicants and an assessment framework so that Council may select an independent Audit Committee member at the March 2019 Ordinary Meeting of Council.

#### AMENDMENT

Moved: Cr Newton / Seconded: Cr Eardley

That point 1 be removed from the motion.

CARRIED 7/0

#### SUBSTANTIVE MOTION

That Council:

1. Directs the Chief Executive Officer to release an Expression of Interest campaign to recruit a suitably qualified independent Audit Committee member; and
2. Directs the Chief Executive Officer to provide Council with details of applicants and an assessment framework so that Council may select an independent Audit Committee member at the March 2019 Ordinary Meeting of Council.

VOTING DETAILS:

CARRIED 6/1

It is presumed that Council at the time intended to delay the formal adoption of the Terms of Reference to await the outcome of the Expressions of Interest for an independent member and then revisit although, no clarification was provided at the time of the decision. Notwithstanding a formal endorsement of the Terms of

Reference, the Audit & Risk Committee has been operating under the Draft Terms of Reference presented in December 2018.

### **Comment**

There is no formal requirement for the Audit & Risk Committee to adopt Terms of Reference however, it does give guidance to members and staff in how it should function. Now that the Committee has been operating under the Draft TOR for two years and it has had the opportunity to test these guidelines, there are a number of matters that can be clarified or amended to ensure the Committee's operations are efficient and appropriate.

Consideration of the Department of Local Government, Sport and Cultural Industries (DLGSCI) – 'Audit on Local Government' Guidelines has guided the review and amendments to the TOR.

A summary and justification of the proposed changes, as per the TOR headings, are provided below:

### **INDEPENDENT MEMBERS**

The existing TOR outline that the term of the Independent Member is to be for a maximum two years, which seems to imply that the same independent member cannot be reappointed. There are benefits to both seeking a new member each term to gain fresh perspective and retaining the services of a valuable independent member if they are willing to continue. Therefore, the TOR have been amended to provide the Council with discretion, based on recommendation and justification from the Committee.

It is proposed that the Independent member's term be extended to three years to have some continuity of membership over the Election period.

A set of selection criteria has also been included to provide the Committee with measurement for evaluating applications. The criteria are not intended to restrict membership but provide a guide for the 'ideal candidate' so that the Committee and Council can determine the most advantageous candidate.

Reimbursement of 'approved' expenses has been clarified to be reasonable expenses as approved by the CEO.

### **CHAIRPERSON**

Aligning the timing of electing the Chairperson after each Ordinary Council election minimises the impact of the Local Government Election on Committee appointments. Extending the term to two years (rather than one currently) also provides some consistency in leadership for the Committee and aligns with other Councillor appointments.

The Chairperson was last elected at the previous Audit & Risk Committee in December 2020, as per the existing TOR. Cr Robert Newton was re-elected Chairperson.

### **MEETINGS**

The calling of additional meetings should require coordination with the Shire's CEO to ensure administrative duties and support can be coordinated, including meeting notices, agendas, venue availability and the preparation of any supporting documentation. The discretion of the '*presiding member*' has been replaced with '*Chairperson or by request from a majority of voting members, in consultation with the CEO to ensure the timely preparation of meeting notices, agendas and any other information required for the meeting*'.

## **REPORTING**

It is also proposed that the stated requirement to report to Council on its activities for the financial year be removed, given that the information is already presented through the receipt of Committee Minutes at Ordinary Council meetings as a requirement of the current TOR. Making this change will not reduce the information and transparency of Committee activities but will ensure that Committee Minutes are appropriately detailed to provide the summary of activities and increase efficiency for administration staff in presenting to Council.

## **Consultation**

Leadership Team

## **Statutory Environment**

Local Government Act 1995

Local Government (Audit) Regulations 1996

### **16. Functions of audit committee**

*An audit committee has the following functions —*

- (a) to guide and assist the local government in carrying out —
  - (i) its functions under Part 6 of the Act; and*
  - (ii) its functions relating to other audits and other matters related to financial management;**
- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;*
- (c) to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
  - (i) report to the council the results of that review; and*
  - (ii) give a copy of the CEO's report to the council;**
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
  - (i) regulation 17(1); and*
  - (ii) the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);**
- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;*
- (f) to oversee the implementation of any action that the local government —
  - (i) is required to take by section 7.12A(3); and*
  - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
  - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
  - (iv) has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);**
- (g) to perform any other function conferred on the audit committee by these regulations or another written law.*

## **Policy Implications**

There are no policy implications to be considered as part of this report.

## **Financial Implications**

There are no financial implications to be considered as part of this report.

## **Strategic Implications**

Strategic Community Plan

Strategy 1.2.1 Manage organisation in a financially sustainable manner

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

Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness

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

*Prior to consideration of Item 5.2, Mr Maurice Battilana disclosed an impartiality interest in the item, being the subject of the recommended appointment. Mr Battilana remained in the meeting.*

## 5.2 AUDIT & RISK COMMITTEE – INDEPENDENT MEMBER

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0057  
**Disclosure of Interest:** Nil  
**Date:** 11 January 2021  
**Author:** Erin Greaves, Governance Officer  
**Authorising Author:** Nils Hay, Chief Executive Officer  
**Voting Requirements:** Simple Majority

### Summary

The current Audit & Risk Committee Terms of Reference (not accounting for the amended TOR presented at this meeting for review) require that the appointment of an external independent member has a maximum term of two years. Mr Maurice Battilana has been a member since May 2019 therefore the Committee and Council need to determine the process for appointing a new independent member.

### Key Points

- Mr Maurice Battilana was appointed by Council in March 2019 following a state-wide and local public notice advertising campaign for Expressions of Interest
- Mr Battilana has expressed that he is happy to continue as the Shire's Audit Independent member
- The Committee will need to decide the process for appointing the next independent member

### **OFFICER / AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.2**

**MOVED: Cr Hellene McTaggart      SECONDED: Cr Anthony Smyth**

**That Council, by Absolute Majority, appoints Mr Maurice Battilana as an Independent Member to the Shire of Mingenew Audit & Risk Committee for a further one (1) year term.**

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY 4/0**

### Attachment

5.2.1 Copy of Mr Battilana's Expression of Interest submission from 2019

### Background

In March 2019, Council considered submissions from an Expressions of Interest for an independent member to join the Shire's Audit & Risk Committee. Three submissions were received and, following an evaluation, the following decision was made:

### **OFFICER RECOMMENDATION AND COUNCIL DECISION – RESOLUTION 20031910**

**Moved: Cr Newton / Seconded: Cr McGlenn**

**That Council:**

- 1. Note that Expressions' of Interest were called via state-wide and local public notice; and**
- 2. Endorse Mr Maurice Battilana's application to join the Shire of Mingenew's Audit and Risk Committee as an independent member; and**
- 3. Appoint Mr Maurice Battilana to the Shire of Mingenew's Audit and Risk Committee for a two-year term.**

**VOTING DETAILS:**

**CARRIED 6/0**

As indicated in the Terms of Reference report, the existing Terms of Reference provide the following terms in relation to appointing an independent member to the Committee:

***Independent Members***

*External persons appointed to the Committee will have business or financial management/reporting knowledge and experience and be conversant with financial and other reporting requirements.*

*Appointments of external independent persons will be made following a public advertisement and be for a maximum term of two years. The evaluation of potential members will be reviewed by the CEO and appointments will be approved by Council.*

*Council may terminate the appointment any member prior to the expiry of his/her term, if:*

- *The Chairperson considers that the member is not making a positive contribution to the committee; or*
- *The member is found to be in breach of the Shire of Mingenew Code of Conduct or a serious contravention of the Local Government Act 1995; or*
- *A member's conduct, action or comments brings the Shire of Mingenew into disrepute.*

*The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives.*

*Reimbursement of approved expenses will be paid to each external person who is a member of the committee.*

The recommendation of the previous report is to provide the Audit & Risk Committee and Council flexibility in appointing members by proceeding with an Expressions of Interest process or by other means as determined by Council.

**Comment**

Mr Battilana's experience in both local government and familiarity with the local community (having previously served as CEO at the Shire of Mingenew from 1993 to 1998) has been invaluable, and he continues to meet the criteria for which the Committee has set and has firsthand knowledge of the evolving audit requirements and themes required for local government auditing.

Keeping in mind the Committee's Internal Audit Plan, and priorities for the next 12 months as well as Office of the Auditor General (OAG) focus areas, Mr Battilana, as the current Chief Executive Officer at the Shire of Chapman Valley, is considered to have the necessary skill set to provide advice and insight on any relevant matters that may arise, particularly with regard to general finance management and more specifically tendering and procurement.

Notwithstanding Mr Battilana's value to the Committee, it is open to the Committee/Council to consider testing the market and calling for Expressions of Interest which might offer a new perspective for the role.

The OAG recommends that the membership of the committee should maintain a balance between continuity of membership, the contribution of fresh perspectives and a suitable mix of qualifications, knowledge, skills and experience. Given that the Audit & Risk Committee have only been operating in its current form for approximately two years, it is suggested that Mr Battilana's continued membership will allow the Committee to mature further over the next 12 months and will have the opportunity to reconsider membership needs following the next local government election.

**Consultation**

Nils Hay – Chief Executive Officer  
Maurice Battilana – current Independent Member

**Statutory Environment**

Local Government Act 1995 Section 7.13  
Local Government (Audit) Regulations 1996

**Policy Implications**

There are no policy implications to be considered as part of this report.

**Financial Implications**

There are no financial implications to be considered as part of this report.

**Strategic Implications**

Strategic Community Plan  
Strategy 1.2.1 Manage organisation in a financially sustainable manner  
Strategy 1.2.3 Provide sound corporate governance of Shire and create an attractive work environment  
Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness  
Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource-efficient manner

*Prior to consideration of Item 5.3, Ms Erin Greaves disclosed an impartiality interest in the item, being the responsible officer for preparing the report and undertaking the Audit. Ms Greaves remained in the meeting.*

### 5.3 SHIRE OF MINGENEW 2020 COMPLIANCE AUDIT REPORT

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0057  
**Disclosure of Interest:** Erin Greaves - Impartiality Interest (auditor for this report)  
**Date:** 15 January 2021  
**Author:** Erin Greaves, Governance Officer  
**Authorising Author:** Nils Hay, Chief Executive Officer  
**Voting Requirements:** Simple Majority

#### Summary

The 2020 Compliance Audit Return (CAR) is presented for the Audit & Risk Committee to consider and recommend to Council for endorsement so that it may be submitted to the Department.

#### Key Points

- The Shire is required to complete and submit, to the Department of Local Government, Sport and Cultural Industries (DLGSCI), a Compliance Audit Return annually for each previous calendar year
- Section 7.13(i) of the *Local Government Act 1995* requires that the Local Government carry out an annual audit on their compliance with specific statutory obligations prescribed in the *Local Government (Audit) Regulations 1996*.
- Regulation 13 prescribes the scope of the Compliance Audit Return
- Regulation 14 requires the local government's Audit Committee to review the CAR and report the result to Council prior to adoption and submission to the Department by the 31 March each year
- Regulation 15 refers to the requirement for a certified copy of the compliance audit return to be presented to the Director General of the Department by the 31 March each year.

#### **OFFICER/AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.3**

**MOVED: Mr Maurice Battilana                      SECONDED: Cr Anthony Smyth**

#### **That Council:**

- 1. Adopts the 2020 Compliance Audit Return (CAR) for the period 1 January to 31 December 2020 as presented in the Attachment Booklet; and**
- 2. Authorises the Shire President and Chief Executive Officer to sign the certification of the CAR, and lodge it with the Department of Local Government, Sport and Cultural Industries as required.**

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY 4/0**

#### Attachment

5.1.1 Compliance Audit Return 2020

#### Background

The aim of the Compliance Audit Return is to build good governance by identifying and enforcing compliance and maintaining a transparent system of reporting. It is a checklist of a local government's compliance with the requirements of the *Local Government Act 1995* (the Act) and its regulations, and it focuses on areas considered high risk as determined by the Department.

Each year local governments are required to complete the Compliance Audit Return for the period 1 January to 31 December. The CAR is to be reviewed by the Audit Committee, adopted by Council and submitted to the Director of the Department of Local Government, Sport and Cultural Industries (DLGSCI) by 31 March each year.

For the year 2020, the CAR focused on the following areas:

- Commercial Enterprises by Local Government
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Elections
- Finance
- Integrated Planning and Reporting
- Local Government Employees
- Official Conduct
- Optional Questions (relating to Regulation 17 Audit and Financial Management Review requirements)
- Tenders for Providing Goods and Services

### Comment

The annual Compliance Audit Return for the Shire of Mingenew was completed internally by the Governance Officer, noting that an Impartiality Interest has been disclosed due to a portion of the audit review relating to matters that are key responsibility areas for the officer.

The audit required sourcing of evidence of compliance for each legislative requirement on the return. Evidence was found through source documents such as, but not limited to, minutes of meetings and resolutions of Council, declarations of interest forms, annual/primary returns, registers, financial reports, synergy records and newspapers / public notices. Links to such evidence have been recorded on the CAR for easy reference should it be required in future.

An overview of the findings for each focus area is provided below:

### Commercial Enterprises by Local Government

The Shire did not participate in any major trading or land transactions for the reporting period, as defined within s3.59 of the *Local Government Act 1995* and *Local Government (Functions and General) Regulations 1996*. The classification of "major" trading or land transaction refers to a value set out in the Regulations, which, for the Shire of Mingenew, has a lower threshold of 10% of operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

### Delegation of Power / Duty

Council last adopted its Delegations Register, by Absolute Majority, in May 2020, which included the review of delegations to Committees, the CEO and all other personnel. No matters of non-compliance were found. The Delegations are scheduled for review again prior to 30 June 2021.

### Disclosure of Interest

The Shire has maintained a Register of Financial Interests that captures any financial, proximity and impartiality interests disclosed prior to or during Council meetings through completion of the relevant Disclosure of Interest form. The disclosed interests are then recorded in the relevant meeting Minutes. All known interests have been adequately captured within the Register and recorded in the relevant Council Minutes. Primary and Annual Returns have been completed, returned, and acknowledged in accordance with the Act.

### Disposal of Property

The Act outlines that *disposal* for the purposes of s3.58, includes to sell, lease, or otherwise dispose of, whether absolutely or not, and *property* includes the whole or any part of the interest of a local government in property, but does not include money. The leasing of residential property is excluded from this requirement.

Whilst the Shire has disposed of property by lease, organisations considered to be "*charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature*" may be deemed exempt from disposal requirements under the Act as per Regulation 30 of the *Local Government (Functions and General) Regulations 1996*. For example, the Mingenew-Irwin Group lease for its office is considered to fit under the "other" category, for which the Shire sought advice from WALGA on.

### Elections

The Shire of Mingenew did not hold any elections (ordinary or extraordinary) during the reporting period. Therefore, the response to all questions for this section were noted as 'Not Applicable (N/A)'.

### Finance

This section generally refers to the establishment and conduct of the Audit Committee and auditing responsibilities. The Shire's auditor is the Auditor General and Butler Settineri was contracted to carry out the Shire's external audit in 2020. Any actions raised from the audit were addressed in the Shire's Management Report. The local government has not been required to prepare a report relating to any significant matters reported through the external audit.

### Integrated Planning and Reporting

The Shire has met its requirements under the s5.56 relating to the establishment and review of a plan for the future, more commonly known as a Strategic Community Plan. The Shire's Plan is up-to-date and has added an updated Corporate Business Plan to its suite of Integrated Planning documents. Progress in being made on the review of the Long-Term Financial Plan, Asset Management Plan and Workforce Plan, which are not legislated requirements but essential informing documents to assist in preparing its key Plan for the Future documents.

### Local Government Employees

This section relates to the recruitment and appointment of a CEO and senior employees. As Council did not seek to recruit or appoint a CEO or any senior employees during the reporting period, responses provided were 'Not Applicable (N/A)'. The Shire does not have any defined class of employees designated as 'senior employees' as per s5.37 of the Act.

### Official Conduct

The Shire's Complaints Officer for the purposes of s5.37 is the CEO. The questions within the CAR refer to the Complaints Officer's responsibilities in maintaining a register of complaints that are classified as a minor breach under the Act. There were no complaints received during the CAR review period.

### Optional Questions

The questions in this section were optional depending on applicability for the local government. As the Shire did not conduct its Financial Management Review, in accordance with the *Local Government (Financial Management) Regulations 1996* and a Regulation 17 Audit in accordance with the *Local Government (Audit) Regulations 1996*, within the review period, these questions were responded as 'Not Applicable'. The Shire has been compliant in its requirements to conduct the FMR and Reg 17 Audit within the required timeframe, having conducted both in 2019.

### Tenders for Providing Goods and Services

The Shire has an adopted Purchasing Policy that complies with legislative requirements but has identified that it requires review – this has been addressed in the Internal Audit Report – Tendering and Procurement.

The Shire called for public tenders on three occasions during 2020 (CAR reporting period):

RFT2 – 2019/20 Management of Mingenew Transfer Station and Landfill

RFT1 – 2020/21 Purchase and Disposal of Backhoe Loader

RFT2 – 2020/21 Disposal of Residential Land

Each tender met the public notice requirements and have been entered into the Shire's Tender Register. It has been noted that the Shire's Tender Register has not been published on the Shire's website for the full period. However, this has since been rectified, with a Governance section now including the Tender Register.

There were no expressions of interest invited in 2020.

The Shire reviewed and adopted its Regional Price Preference Policy in March 2020, after giving local public notice in accordance with Regulations 24E and 24F of the *Local Government (Functions and General) Regulations 1996*.

### Consultation

Jeremy Clapham- Finance Manager

Nils Hay – Chief Executive Officer

### Statutory Environment

Local Government Act 1995 Section 7.13

Local Government (Audit) Regulations 1996

#### **14. Compliance audits by local governments**

- (1) *A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.*
- (2) *After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.*
- (3A) *The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.*
- (3) *After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —*
  - (a) *presented to the council at a meeting of the council; and*
  - (b) *adopted by the council; and*
  - (c) *recorded in the minutes of the meeting at which it is adopted.*

#### **15. Certified copy of compliance audit return and other documents to be given to Departmental CEO**

- (1) *After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —*
  - (a) *a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and*
  - (b) *any additional information explaining or qualifying the compliance audit, is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.*
- (2) *In this regulation — certified in relation to a compliance audit return means signed by —*
  - (a) *the mayor or president; and*
  - (b) *the CEO.*

**Policy Implications**

There are no direct policy implications to be considered as part of this report.

**Financial Implications**

There are no financial implications to be considered as part of this report.

**Strategic Implications**

Strategic Community Plan

Strategy 1.2.1 Manage organisation in a financially sustainable manner

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

Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness

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

*Prior to consideration of Item 5.4, Ms Erin Greaves disclosed an impartiality interest in the item, being the responsible officer for preparing the report and undertaking the Audit. Ms Greaves remained in the meeting.*

#### 5.4 SHIRE OF MINGENEW INTERNAL AUDIT PLAN – TENDERING AND PROCUREMENT REPORT

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0512  
**Disclosure of Interest:** Erin Greaves – Impartiality Interest (auditor for this report)  
**Date:** 11 January 2021  
**Author:** Erin Greaves, Governance Officer  
**Authorising Author:** Nils Hay, Chief Executive Officer  
**Voting Requirements:** Simple Majority

#### Summary

The Shire has established an Internal Audit Plan which identifies and schedules Audit focus areas for the following three financial years. As the first project scheduled for 2020/21, an internal audit has been undertaken on the Shire's tendering and procurement policies, procedures and risk management activities (and related control measures for misconduct), and a report is presented for the Committee's consideration and recommendation to Council.

#### Key Points

- The first action item scheduled for the first quarter of 2020/2021 is to audit the Shire's policies, procedures and risk management of Tendering and Procurement
- Procurement is a key focus area for the OAG in performing external audits of local government activities, and has historically been an area of some deficiency across the sector
- The Shire's compliance with regard to procurement is considered to have an overall risk rating of 'Moderate' with 'Adequate' control measures in place however, there are a number of system improvements and control measures recommended to ensure effectiveness

#### **OFFICER/AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.4**

**MOVED:** Cr Hellene McTaggart

**SECONDED:** Mr Maurice Battilana

**That Council:**

- 1. Receives the Tendering and Procurement Internal Audit Report as per Item 1 audit risk theme '1. Tendering and Procurement and 2. Misconduct' of the Internal Audit Plan; and**
- 2. Notes the recommendations from the Tendering and Procurement Internal Audit Report.**

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY 4/0**

#### Committee Comments

The Committee discussed the implications of the report in regards to the review of its Purchasing Policy, (acknowledging that the Policy requirements were not specifically addressed in the Report presented and will be subject to a separate review and presentation to a future Council meeting for consideration and adoption).

The matter of replacing the word "obtain" with "seek" in respect to the requirements for the number of quotes sought for each purchasing threshold was discussed, with it being clarified that the change does not loosen controls but stipulates requirements for justification and evidence where reasonable non-compliance with the

required number of quotes being obtained occurs. Mr Battilana confirmed this is an issue for his local government and he would be looking to review this.

As part of the implementation of the Internal Audit Report's recommendations, the Procurement Policy will be brought back to Council for consideration. Potential topics flagged by the Committee for consideration include:

- Lifting the threshold for three quotes (suggested from \$40,000 to \$70,000)
- Determining any evidentiary/timing requirements around demonstrating that a legitimate effort was made to 'seek' a quote

### **Attachment**

5.4.1 Tendering and Procurement Internal Audit Report

5.4.2 Western Australian Auditor General's Report – Local Government Procurement Report 5: Oct 2018-19

### **Background**

The Shire of Mingenew Internal Audit Plan, as adopted in July 2020, identified Tendering and Procurement (and Misconduct) as the risk theme to be audited in the first quarter of 2020/21. As such, an Internal Audit Report has been prepared.

The Auditor General prepared a performance audit of Local Government Procurement in October 2018 which focused on compliance with legislation, public sector policies and accepted good practice to determine if local governments have effective procurement arrangements in place. The result of this audit determined that there were weaknesses in procurement practices across all local governments that were reviewed. Therefore, the recommendation from the report was that all local governments should review their policies, processes and controls against the focus areas of this audit (see Appendix 1: Audit focus areas on page 16 of the OAG Report).

The Report has not delved into the financial management risks assessed and reported on through the external audit process. However, it is noted that the most recent 2019/20 external audit conducted by Butler Settineri found:

- No issues in relation to the above Legislation and Regulations
- No findings or indications of suspected fraud
- 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

### **Comment**

The Shire has conducted an internal audit of its Tendering and Procurement activities, cross examining with the OAGs Report focus areas of:

- Policy
- Training
- Seeking quotes
- Tendering
- Conflict of interest
- Purchase orders and approvals
- Segregation of duties
- Reviewing invoices and payments

The Tendering and Procurement Report has determined that generally, the Shire's policy, processes and controls are adequate however, a number of recommendations have been prepared to assist with maintaining good systems or implement improvements where gaps or issues exist. The recommendations include:

- The Shire reviews its Purchasing Policy to ensure consistency with better practice standards and advice provided by WALGA.

- Review its Pre-qualified Suppliers Policy following the establishment of a Panel to ensure effectiveness and appropriateness.
- Review its Pre-qualified Suppliers procedures following the establishment of a Panel to ensure effectiveness and appropriateness.
- Review procurement skills and training needs in the Training Needs Analysis to establish a Training Plan that reflects individual and organisational procurement training needs.
- Includes Procurement as an Employee Induction item to ensure all staff are aware of performance expectations and activities in relation to Procurement and Tendering and their role, mitigating misconduct risk for the organisation.
- Maintain a Tender Register on its website
- Establish formal Tender procedures, checklist and templates to ensure compliance with legislative requirements and internal controls.
- Develop a Tender agenda template to ensure compliance with legislation and better practice to assist Elected members in their decision making.
- Shire inductions (Employee and Elected Member) include adequate coverage of the requirement and means to disclose Conflicts of Interest.
- Elected Members participate in training modules relevant to financial interests and conflicts of interest.
- Tender evaluations include a declaration to ensure that employees are aware of the requirement to disclose conflicts of interest (actual and perceived) when conducting an evaluation for assessing quotes / tenders received and are accountable for doing so.
- The Shire explores the introduction of the 'Requisitions' function within its Purchase Order module to delineate between those requesting purchase orders and those authorising.
- Staff be provided internal training to ensure they are familiar with system requirements and internal policies and procedures relating to purchasing activities.
- Ensure applicable delegations are listed within any Council policies to ensure any policy review includes review of any affected delegations.
- The Shire seeks advice from other local governments / external parties to determine a more efficient system for managing and reviewing contracts.
- Adopt a Fraud and Misconduct Framework
- Include fraud prevention and awareness in inductions (Employee and Elected Members).

Whilst there is an extensive list of recommendations included in the report, many are already underway and can be undertaken through internal adjustments. Internal resourcing limitations mean that not all recommendations could be achieved immediately but are intended to be prioritised internally and achieved over the next 12 months.

Urgent actions will be to ensure the tender register is made available on the Shire's website to comply with legislated requirements and review the Shire's Purchasing Policy.

### Consultation

Leadership Team  
Finance Team

### Statutory Environment

Local Government Act 1995  
Local Government (Financial Management) Regulations 1996  
Local Government (Functions and General) Regulations 1996

### Policy Implications

Policy implications have been outlined within the Tendering and Procurement Internal Audit Report which include recommendations for updating policies and procedures.

### **Financial Implications**

The only financial cost implication for implementing the recommendations from the report is in adding the 'Requisitions' module to the Shire's SynergySoft system. Costings have not been obtained for the purpose of this report, however, may be prepared for consideration in the 2021/22 Budget.

### **Strategic Implications**

Strategic Community Plan

Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness

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

## 5.5 INTERNAL AUDIT PLAN AND RISK REGISTER REVIEW AND UPDATE

**Location/Address:** Shire of Mingenew  
**Name of Applicant:** Shire of Mingenew  
**File Reference:** ADM0512  
**Disclosure of Interest:** Nil  
**Date:** 29 January 2021  
**Author:** Erin Greaves, Governance Officer  
**Authorising Author:** Nils Hay, Chief Executive Officer  
**Voting Requirements:** Simple Majority

### Summary

The Shire's Internal Audit Plan was last reviewed in July 2020. Since then, the Shire's staff have progressed with a number of items within the Plan and an updated version is therefore presented for Committee and Council consideration.

The Shire's Risk Register was last updated in March 2020 however, many of the actions from within the Register have been achieved. Therefore, an updated Risk Register is presented for the Committee to consider; to assist with its risk management responsibilities.

### Key Points

- A reordering of priorities within the Internal Audit Plan is proposed and presented for consideration
- The Risk Register Dashboard Report provides an overview of the overall risk rating and how and when the Shire intends to take action to mitigate any identified risks
- Item 6 of the plan, scheduled for quarter 3 of 2022/23, to conduct an Efficiency Audit with regard to the Shire's human resource management practices and ability to achieve Strategic Community Plan and Corporate Business Plan objectives. This has recently been done by Rafa Recruitment and the presentation of an Efficiency Audit to the Committee at its last meeting

### **OFFICER RECOMMENDATION - ITEM 5.5**

**MOVED: Cr Anthony Smyth**

**SECONDED: Cr Hellene McTaggart**

#### **That Council:**

1. Endorses the reviewed Internal Audit Plan as attached
2. Receives the updated Shire of Mingenew Risk Register as attached
3. Acknowledges that in receiving the Efficiency Audit report from Rafa Recruitment, it has achieved Item 6 risk theme 'HRM, ability to achieve SCP and CBP objectives' of the Internal Audit Plan, bringing forward any subsequent items in the timeline.

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY 4/0**

### Attachment

5.5.1 Updated Internal Audit Plan and Timeline – February 2021

5.5.2 Updated Risk Register – January 2021

### Background

Internal audit is a key component of the Shire's governance framework and provides management with the opportunity to review control effectiveness, mitigate risk and provide council with a level of assurance on the systems, processes and procedures employed by management in the control of its daily operations. Internal audit, by definition, is an objective assurance activity designed to add value and improve an organisation's operations. To meet such a definition and collect independently verified data, the Shire would need to engage

external contractors to undertake the auditing function, which would be associated with a significant financial burden. Whilst City Councils have the ability to financially resource such an area, smaller shires such as Mingenew do not. That being so, it has become acceptable practice for smaller shires to conduct a series of 'control assuredness' reviews to validate, to both council and management, the effectiveness of existing risk control measures.

The theory and methodology behind control assuredness review is that risk themes which have been noted in the Shire's Risk Register as having a *low-moderate* residual risk ranking (meaning that management have noted controls are in place mitigating the risk theme, therefore the residual risk is considered low), are selected for auditing to reaffirm the effectiveness of the existing controls.

Areas with high risk ratings first require treatment to reduce their residual risk, which then allows for control assuredness reviews to take place. Conducting such a review without established controls will only confirm the prevailing understanding that controls require improvement.

The results of the reviews, including any recommendations for action, are presented to the Audit & Risk Committee for noting. The role of the Committee would then be oversight of the implementation of any outcomes and the recommendation to Council should any financial resources be required to address any outcomes.

The Leadership Team reviewed the Risk Register at an internal workshop in January 2021.

With the development of a Draft Workforce Plan 2020-2024 and receiving the Efficiency Audit Report from Rafa Recruitment in December 2020, the Internal Audit Plan item 6 has somewhat been achieved.

### Comment

As an overview, the Risk Register has been updated to note achieved or progressing goals, amend timelines where required, and add any new identified actions. The Dashboard provides an overview of the identified risk priorities. Each risk theme tab then provides detail on the risk profile and control ratings, any key performance indicators, and proposed treatment actions.

The following table provides a snapshot of the Dashboard from the Risk Register, summarising the risk themes, their risk rating and effectiveness of controls, and has been colour coded to demonstrate areas of focus,; with an aim to reducing the risk in these areas over the next 12 months.

Risk Profile Theme	Risk Rating	Control Measures	Comment
Misconduct	Moderate	Effective	The Shire has good control measures in place that are relatively effective. Educating staff on fraud and misconduct is a key preventative measure that requirements further improvement.
Errors, Omissions, Delays	Low	Adequate	Again, staff training would improve the Shire's control measures, with a treatment proposal to evaluate training needs and develop a Plan.
Business Disruption	Moderate	Adequate	Key action to train appointed fire wardens and review emergency procedures, and also conduct a review of all emergency documentation will make the Shire's control measures effective. The Shire's capacity to respond to business disruption remains reliant on cloud-based system.
External Theft & Fraud	Moderate	Adequate	Accounting for facility keys remains a challenge/risk under the current system, so a new electronic system is

			proposed (pending budget capacity). Staff training and vehicle monitoring is also proposed.
IT or Communication systems and infrastructure	Moderate	Effective	The effectiveness of the Shire's controls is heavily dependent on maintaining a cloud-based system. System reviews will be imperative to maintaining effective systems
Governance & Compliance	Moderate	Effective	Training of Elected Members and staff are essential measures for maintaining awareness and knowledge
Asset Management Practices	High	Inadequate	Improved planning for asset renewal and maintenance is required to improve the effectiveness of controls.
Document Management	Moderate	Adequate	Further progress on the Shire's recordkeeping planning, systems and training is required.
Procurement & Contracts	Moderate	Adequate	Tighter controls for contract management is proposed and improved procurement procedures to assist staff in maintaining compliance
Environment Management	Moderate	Adequate	Actions from the previous Risk Register remain, whilst an update of the Shire's Asbestos Register has been identified as a new action, as well as developing a policy for road verge clearing.
Facilities / Venues / Events / Properties	Moderate	Adequate	A review of procedures and processes for bookings/hire of the Community Bus and formalising agreements for facility use is proposed and ongoing.
Safety & Security	High	Adequate	Actions from the Shire's latest Safety Audit have been listed for actioning, with significant improvements already made in this area.
Projects / Change Management	Moderate	Adequate	No actions are proposed, small internal improvements to templates may be made.
Employment Practices	Moderate	Adequate	Actions align with current Workforce Plan and strategies.
Community Engagement	Moderate	Effective	Developing a community satisfaction survey will assist the Shire to gauge how well it is communicating with the community and provide guidance for future strategies.

Safety & Security and Asset Management Practices remain 'High' risk areas for the Shire. The 'High' risk rating and 'Inadequate' control measures highlighted for Asset Management practices reflects the expectation that the Shire maintain its Asset Ratios in accordance with Department of Local Government, Sport and Cultural Industry's (DLGSC's) basic standard (this was identified as a significant adverse trend noted in the Shire's external audit report for 2017/18, 2018/19 and 2019/20). Improved planning in this area will improve the Shire's control. Given that the risk areas in this area are fairly well identified, it is not proposed that an Internal Audit action be listed.

Similarly, the Shire's most recent Safety Audit (conducted in 2018) has an established list of priority areas and actions already identified and no Internal Audit item is listed. The Shire's insurer's LGIS, provide a level of oversight and assistance to the Shire, through the Regional Risk Coordinator scheme, to improve safety controls, and ongoing internal audits to improve system in preparation for future Worksafe safety audits.

As a result of the Risk Register, it is therefore recommended that the Internal Audit Plan be updated to remove Item 6 Audit theme 'HRM, ability to achieve SCP and CBP objectives' (noting it has been actioned) and Item 1 Audit theme 'Tendering and Procurement and Misconduct' (as per the report presented with this agenda); bringing forward audit themes.

### Consultation

Leadership Team

### Statutory Environment

Local Government Act 1995

**Policy Implications**

Policy implications have been outlined within the Tendering and Procurement Internal Audit Report which include recommendations for updating policies and procedures.

**Financial Implications**

Any financial implications from proposed actions will be achieved through current budget allocations or proposed through the 2021/22 Budget at an operational level.

**Strategic Implications**

Strategic Community Plan

Strategy 1.2.1 Manage organisation in a financially sustainable manner

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

Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness

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

**6.0 CLOSURE**

The Chairperson closed the meeting at 5:32pm.



## ATTACHMENT BOOKLET FOR AUDIT & RISK COMMITTEE MEETING

8 February 2021 at 4:30pm

### INDEX

4.1 Audit & Risk Committee Minutes for meeting held 9 December 2020	1
5.1.1 Audit & Risk Committee Terms of Reference (updated at meeting)	17
5.2.1 Copy of Mr Battilana's Expression of Interest submission from 2019	23
5.3.1 Compliance Audit Return 2020	31
5.4.1 Tendering and Procurement Internal Audit Report	42
5.4.2 Western Australian Auditor General's Report – Local Government Procurement Report	51
5.5.1 Updated Internal Audit Plan and Timeline – February 2021	71
5.5.2 Updated Risk Register – January 2021	77



# MINUTES FOR THE AUDIT AND RISK COMMITTEE MEETING

## 9 DECEMBER 2020

**TABLE OF CONTENTS**

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS.....3

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE .....3

3.0 ELECTION OF CHAIRPERSON .....3

4.0 DECLARATIONS OF INTEREST .....3

5.0 CONFIRMATION OF PREVIOUS MEETING MINUTES.....4

**5.1 AUDIT & RISK COMMITTEE MEETING HELD 13 JULY 2020 .....4**

6.0 OFFICERS' REPORTS.....5

**6.1 DRAFT ANNUAL REPORT AND ANNUAL FINANCIAL REPORT 2019/20.....6**

**6.2 DRAFT WORKFORCE PLAN 2020-2024 AND INDEPENDENT EFFICIENCY AUDIT REPORT .....12**

6.0 CLOSURE.....16



**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 Ratio 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

### Attachment

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 from 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 Officer  
**Authorising Officer:** Nils Hay, Chief Executive Officer  
**Voting Requirement:** Simple Majority

### Summary

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 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 that the 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: \_\_\_\_\_



## TERMS OF REFERENCE

### Audit and Risk Committee

1.0.1

<b>Title:</b>	<b>1.0.1 – AUDIT AND RISK COMMITTEE TERMS OF REFERENCE</b>
<b>Adopted:</b>	19 December 2018
<b>Last Reviewed:</b>	8 February 2021
<b>Associated Legislation:</b>	Sections 7.1A, of the Local Government Act A1995. Regulations 16 of the Local Government (Audit) Regulations 1996
<b>Associated Documents:</b>	Shire of Mingenew Standing Orders Local Law 2017 1.2.2 Risk Management Policy v1 Risk Management Framework & Procedures v1 Shire of Mingenew Risk Profile 1.2.8 Code of Conduct
<b>Review Responsibility:</b>	Audit & Risk Committee
<b>Delegation:</b>	-

---

## OBJECTIVES

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.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the local government's affairs, determining the local government's policies and overseeing the allocation of the local government's finances and resources. The Committee will ensure transparency in the Local Government's reporting and will liaise with the CEO to ensure the effective and efficient management of the local government's systems and processes.

The Committee is to facilitate –

- the enhancement of the credibility and objectivity of internal and external financial reporting
- effective management of financial and other risks and the protection of Council assets
- compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance
- the coordination of the internal audit function with the external audit; and
- the provision of an effective means of communication between the external auditor, any internal auditor/s, the CEO and the Council.

## POWERS OF THE AUDIT AND RISK COMMITTEE

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 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 is a formally appointed Committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the



CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

#### **MEMBERSHIP**

- The Committee will consist of at least four members, including one independent member, with a recommended four elected members and one external person. All Council-appointed members shall have full voting rights.
- The CEO and employees are not members of the Committee.
- The CEO or his/her nominee is to be available to attend meetings to provide advice and guidance to the Committee.
- The local government shall provide secretarial and administrative support to the Committee.

#### **QUORUM**

A quorum shall consist of at least 50% of the number of offices of Committee members, unless a reduction is approved by the local government under s5.15 of the *Local Government Act 1995*.

#### **INDEPENDENT MEMBERS**

Appointments of external independent persons will be made following a public advertisement/expressions of interest process or as otherwise determined by Council and be for a maximum term of three years. An independent member is eligible to reapply and be appointed for an additional term but may be subject to the requirements of the recruitment / expressions of interest process each term expiry.

The following selection criteria is desirable to assist in appointing an Independent Member to the Committee:

- Financial literacy and, ideally with qualifications or extensive experience in business management and/or accounting
- Knowledge of local government operations and the environment within which councils operate
- Strong communication skills
- High level of personal and professional integrity and ethics; and
- Demonstrated knowledge of risk management principles and practices.

The evaluation of potential independent members will be administered by the CEO and appointments will be approved by Council.

Council may terminate the appointment of any member prior to the expiry of his/her term, if:

- The Chairperson considers that the member is not making a positive contribution to the Committee; or
- The member is found to be in breach of the Shire of Mingenew Code of Conduct or a serious contravention of the Local Government Act 1995; or
- A member's conduct, action or comments brings the Shire of Mingenew into disrepute.

The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership, despite changes to Council's elected representatives.



By approval of the CEO and within budgetary constraints, reimbursement of reasonable out of pocket expenses, such as travel costs, will be paid to each external person who is a member of the Committee upon application within the relevant financial year.

### **CHAIRPERSON**

The position of Chairperson shall be appointed by a majority vote of the Committee following a call for nominations for the position at the next meeting following an Ordinary Local Government Election and after which Committee delegates have been formally appointed by Council or following the resignation of the Chairperson. A Chairperson may be reappointed.

### **MEETINGS**

The Committee shall meet as circumstances require in order to meet its internal and external auditing responsibilities (commonly 3-4 times per year).

Meetings shall be convened at the discretion of the Chairperson or by request from a majority of voting members, in consultation with the CEO to ensure the timely preparation of meeting notices, agendas and any other information required for the meeting.

### **REPORTING**

Reports and recommendations of each Committee meeting shall be presented to the next ordinary meeting of the Council.

### **DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee will be -

- a. Provide guidance and assistance to Council as to carrying out the functions of the local government in relation to audits.
- b. Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions.
- c. Liaise with the CEO to ensure that the local government does everything in its power to –
  - o assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
  - o ensure that audits are conducted successfully and expeditiously.
- d. Examine the reports of the auditor after receiving a report from the CEO on the matters to –
  - o determine if any matters raised require action to be taken by the local government; and
  - o ensure that appropriate action is taken in respect of those matters.
- e. 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;
- f. Review the scope of the audit plan and program and its effectiveness.
- g. Review the appropriateness of special internal audit assignments undertaken by an external auditor at the request of Council or Chief Executive Officer.
- h. Review allocation of risk and audit resources in conjunction with the Shire's Risk Profile.
- i. Review the level of resources allocated to internal audit and the scope of its authority.
- j. Review risk management policies, procedures and guidelines.



- k. Review reports of internal audits, external audits and control assurance reviews, monitor the implementation of recommendations made by the audit and review the extent to which Council and management reacts to matters raised
- l. Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs
- m. Review the local government's annual financial report prior to Council receiving the final report for adoption, focusing on –
  - o accounting policies and practices
  - o changes to accounting policies and practices
  - o the process used in making significant accounting estimates
  - o significant adjustments to the financial report (if any) arising from the audit process
  - o compliance with accounting standards and other reporting requirements; and
  - o significant variances from prior years
- n. 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.
- o. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.
- p. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.
- q. Review the annual Compliance Audit Return and report to Council the results of that review, and
- r. Consider the CEO's reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to Council the results of those reviews.

## INTERNAL AUDIT

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of an internal audit would be determined by the Audit & Risk Committee, with input from the Chief Executive Officer and senior staff, based on the size of the local government's internal operations and the level of compliance to be achieved. The role differs from that of the external auditor who is appointed to report independently on the annual financial statements. The external auditor's primary role is to decide whether the annual financial statements of a local government are free of material misstatement.

There are certain functions of the internal audit that complement the external auditor's role. As the external auditor plans for an effective audit they need to assess and determine whether to include the scope, procedures and outcomes of the internal audit. The CEO must refer all internal audit reports to the Audit & Risk Committee for consideration.

An internal auditor's activities should typically include the following:

- a. review of the internal control structure, monitoring the operations of the information system and internal controls and providing recommendations for improvements.



- b. review relevant internal systems and processes, providing recommendations for efficiency or productivity gains.
- c. a risk assessment with the intention of minimising exposure to all forms of risk on the local government.
- d. examination of financial and operating information that includes detailed testing of transactions, balances and procedures.
- e. a review of the efficiency and effectiveness of operations and services including non-financial controls of a local government.
- f. a review of compliance with management policies and directives and any other internal requirements.
- g. review of the annual Compliance Audit Return.
- h. assist in the CEO's triennial reviews of the appropriateness and effectiveness of the local government's systems and procedures regarding risk management, internal control and legislative compliance; and
- i. specific tasks requested by management.

For local government, an internal auditor should report functionally to the Audit & Risk Committee and administratively to the CEO. It should be remembered that pursuant to section 5.41 of the Act, the CEO is responsible for the day-to-day management of Council activities including the direction of staff and implicitly the internal audit function. The CEO may choose to delegate this responsibility provided always that the delegation does not directly or indirectly interfere with the ability of the Internal Auditor to conduct an internal audit function free from interference.

A clear and properly defined reporting relationship ensures that the internal auditor is empowered to perform their role working with management. The direct reporting line to the Audit & Risk Committee also acts as an adequate safeguard in the event of a serious breakdown in internal controls or internal control culture at senior levels in the organisation.

While it is recognised that smaller Councils may not be able to justify a full-time internal auditor, a small size of operation does not justify forgoing internal audit altogether. If the Audit & Risk Committee or management is of the view that the employment of an independent internal auditor either full-time or part-time is not warranted, it may request the Council to have the internal audit function undertaken as necessary by an external contractor or expand the role of its external auditor.

The internal auditor or his or her professional company should only undertake internal audit functions that complement the internal audit and do not cloud the objectivity and independence of the external audit. An external auditor must not audit information prepared by them or their accounting practice, as this is considered incompatible with the standard of independence.

Local governments that do not establish an internal audit process but require a review of the financial management systems and procedures, may decide to use the services of the external auditor for that purpose. Such reviews are to be undertaken every four years in accordance with regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

The review of financial management systems and procedures provides the external auditor with greater assurance of systems and procedures used to prepare the annual financial statements, and whether they provide information free of material misstatement.



## Curriculum Vitae

**Name:** Maurice Battilana

**Date of Birth:** 4<sup>th</sup> November 1958

**Marital Status:** Married (38 years) – Elaine

**Family:** Three children - Nathan, 37 years  
- Kristopher, 35 years  
- Sarah-Louise, 30 years

**Contact Details:** Work Ph: 0899 205011  
Mobile: 0429 205 011  
Email: [ceo@chapmanvalley.wa.gov.au](mailto:ceo@chapmanvalley.wa.gov.au)

**Address:** 56 Arnold Rd  
Waggrakine  
Geraldton WA 653-

## 2. QUALIFICATIONS

### ***Completed Qualifications***

Diploma in Local Government (Clerk) – 1994

Municipal Clerk's Certificate of Qualification – 1994

Member of Local Government Management Australia/Local Government Professionals (LGMA/LGPro) – 1994 - 2016

### ***Part Completed Qualifications***

i. Diploma in Computer Programming –

I had completed the following eight subjects in this course when I decided to discontinue this Diploma and concentrate on the Local Government (Clerk) Diploma:

- Data processing Systems 1A
- Data processing Systems 1B
- Programming 1A – Basic
- Programming 1B – Basic
- Accounting 1A
- Accounting 1B
- Communications 1

ii. Diploma in Transport Management

I had completed the following subjects in this course when I decided to discontinue this Diploma and concentrate on the Local Government (Clerk) Diploma:

- Transport Law 1A
- Warehouse Management
- Accounting 1A
- Business Communications 1A
- Business Communications 1B
- Business Communications 2

### **3. PRIOR LOCAL GOVERNMENT OCCUPATIONS**

#### **3.1.1 *Local Government 1988 – 2019 (present)***

##### *3.1.1.1 Assistant Shire Clerk – Shire of Mullewa (1988 – 1993)*

This was my first Local Government position and in addition to performing the duties of the Assistant Shire Clerk I was responsible for introducing new computer Accounting/Administration hardware and software into the shire.

##### *3.1.1.2 Shire Clerk/Chief Executive Officer – Shire of Mingenew (1993 – 1998)*

This was my first Shire Clerk/Chief Executive Officer position, which again included introducing new computer Accounting/Administration hardware and software into the shire.

##### *3.1.1.3 Chief Executive Officer – Shire of Chapman Valley (1999 – 2006)*

After a short period of employment with the Mid West Development Commission (9 months) I returned to local government as the Chief Executive Officer with the Shire of Chapman Valley.

##### *3.1.1.4 Chief Executive Officer – Mid West Regional Council (2006 – 2008)*

I took on this position because I am a true believer in regional cooperation and collaboration amongst groups of local government, rather than amalgamations being the only structural reform option. After two years it became evident not all local governments participating in the Mid West

Regional Council wanted to work together to make it work, hence I decided to move to Carnarvon.

#### *3.1.1.5 Manager Corporate Services – Shire of Carnarvon (2008 – 2010)*

I moved to Carnarvon in the position of Manager Corporate Services, which included the following as part of the position's portfolio:

- ~ Town Planning (Strategic & Development)
- ~ Environmental Health
- ~ Building
- ~ Finance
- ~ Legal
- ~ Corporate Compliance
- ~ Records Management
- ~ Emergency Management
- ~ Bush Fire Control
- ~ Council Support
- ~ Customer Services
- ~ Human Resources/OSH
- ~ Information & Communication Technology

#### *3.1.1.6 Chief Executive Officer – Shire of Carnarvon (2010 – 2013)*

I was in the position of Chief Executive Officer with the Shire of Carnarvon for three years and found the position both challenging and rewarding.

The first task I undertook and CEO was to restructure the management portfolios to ensure skills and resources were maximised to provide improved service delivery to the Council and community.

#### *3.1.1.7 Chief Executive Officer – Shire of Chapman Valley (1999 –Present)*

I returned to the Shire of Chapman valley predominantly to be back in the Midwest and closer to parents, children & grandchildren.



## Mingenew - Compliance Audit Return 2020

### Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

<b>Commercial Enterprises by Local Governments</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A	No major undertakings in 2020	Erin Greaves
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A	No major land transactions that were not exempt in 2020	Erin Greaves
3	s3.59(2)(c) F&G Regs 7,8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2020?	N/A	As above.	Erin Greaves
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A	As above.	Erin Greaves
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	As above.	Erin Greaves



<b>Delegation of Power/Duty</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.16	Were all delegations to committees resolved by absolute majority?	Yes	Annual Delegations Register Review and Update resolved at Ordinary Council Meeting on 20 May 2020 (Resolution#20052003)	Erin Greaves
2	s5.16	Were all delegations to committees in writing?	Yes		Erin Greaves
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	Yes		Erin Greaves
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes	Annual Delegations Register Review and Update resolved at Ordinary Council Meeting on 20 May 2020 (Resolution#20052003)	Erin Greaves
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	Yes	Annual Delegations Register Review and Update resolved at Ordinary Council Meeting on 20 May 2020 (Resolution#20052003)	Erin Greaves
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Erin Greaves
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Annual Delegations Register Review and Update resolved at Ordinary Council Meeting on 20 May 2020 (Resolution#20052003)	Erin Greaves
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Erin Greaves
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Erin Greaves
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes	Amendment at Ordinary Council Meeting on 16 December 2020 (Resolution# 11161220)	Erin Greaves
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Erin Greaves
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes		Erin Greaves
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes		Erin Greaves

**Disclosure of Interest**



No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Erin Greaves
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	N/A		Erin Greaves
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Erin Greaves
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Erin Greaves
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Erin Greaves
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Erin Greaves
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Erin Greaves
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Erin Greaves
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Erin Greaves
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Erin Greaves
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes	See record NCR211533	Erin Greaves
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Erin Greaves



No	Reference	Question	Response	Comments	Respondent
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	N/A	No disclosures made during reporting period.	Erin Greaves
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	N/A	No disclosures made during reporting period.	Erin Greaves
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes	As recorded in relevant Council Minutes.	Erin Greaves
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11 (2) was the nature of the interest recorded in the minutes?	Yes	As recorded in relevant Council Minutes.	Erin Greaves
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	As recorded in relevant Council Minutes.	Erin Greaves
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	No application to Minister made.	Erin Greaves
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A	As above.	Erin Greaves
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes	Scheduled within 3 months for review in light of recent Act Amendments.	Erin Greaves
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes	See record NCR211533, also available on the Shire's website.	Erin Greaves



<b>Disposal of Property</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes		Erin Greaves
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Erin Greaves

<b>Elections</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	N/A		Erin Greaves
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A		Erin Greaves
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A		Erin Greaves

<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Appointed by Absolute Majority 20 November 2019 (Resolution S20111901)	Erin Greaves
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	No powers or duties are delegated to the audit committee.	Erin Greaves
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	N/A	Audit conducted by Butler Settineri on behalf of the Auditor General.	Erin Greaves



No	Reference	Question	Response	Comments	Respondent
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	Yes	Audit conducted by Butler Settineri on behalf of the Auditor General.	Erin Greaves
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	Yes	Auditor's report was received by Council 16 December 2020 (Resolution# 09161220)	Erin Greaves
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A	No matters were raised requiring action.	Erin Greaves
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	N/A	No matters were identified as significant.	Erin Greaves
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	The local government was not required to prepare a report under s.7.12A(4)(a).	Erin Greaves
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A	As above.	Erin Greaves
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	N/A	Audit conducted by Butler Settineri on behalf of the Auditor General.	Erin Greaves
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes	Audit completed and received within 30 days.	Erin Greaves



<b>Integrated Planning and Reporting</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Strategic Community Plan adopted by Absolute Majority 17 July 2019 (Resolution# 17071905)	Erin Greaves
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Corporate Business Plan adopted by Absolute Majority 17 June 2020 (Resolution# 15072009)	Erin Greaves
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Erin Greaves

<b>Local Government Employees</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	CEO recruitment did not occur during review period.	Erin Greaves
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A	No CEO or senior employee vacancies during review period.	Erin Greaves
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	CEO recruitment did not occur during review period.	Erin Greaves
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A	CEO or senior employee recruitment did not occur during review period.	Erin Greaves
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	CEO or senior employee recruitment did not occur during review period.	Erin Greaves
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	Senior employee recruitment did not occur during review period.	Erin Greaves



<b>Official Conduct</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	Under s.5.120(2), the CEO is the designated complaints officer.	Erin Greaves
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes	No complaints received for review period.	Erin Greaves
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2)?	Yes	No complaints received for review period.	Erin Greaves
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	No complaints received for review period.	Erin Greaves

<b>Optional Questions</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	N/A	Financial Management report received and accepted in 2019.	Erin Greaves
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	Regulation 17 Report accepted 18 March 2020 (Resolution# 18032006).	Erin Greaves
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	N/A	No gift disclosures made during review period.	Erin Greaves
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	N/A	No gift disclosures made during review period.	Erin Greaves
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes	Adopted 18 December 2019 (Resolution# 20111903).	Erin Greaves



No	Reference	Question	Response	Comments	Respondent
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes		Erin Greaves
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes		Erin Greaves
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Adopted 18 December 2019 (Resolution# 20111903).	Erin Greaves
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes		Erin Greaves
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	Yes		Erin Greaves

**Tenders for Providing Goods and Services**

No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	Purchasing Policy adopted and reviewed 15 April 2020 (Resolution# 15042007).	Erin Greaves
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Erin Greaves
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Erin Greaves
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Erin Greaves



Department of  
**Local Government, Sport  
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	No multiple contracts entered into.	Erin Greaves
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	N/A	No variations made.	Erin Greaves
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Erin Greaves
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	No	Whilst a register has been maintained in accordance with all other requirements of Reg 17, it has not been published on the Shire's website. This has since been remedied.	Erin Greaves
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A	No tender submissions received that did not comply with requirements.	Erin Greaves
10	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes		Erin Greaves
11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Erin Greaves
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A	No expressions of interest sought in reporting period.	Erin Greaves
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	No expressions of interest sought in reporting period.	Erin Greaves
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A	No expressions of interest sought in reporting period.	Erin Greaves
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	N/A	No expressions of interest sought in reporting period.	Erin Greaves
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A	No expressions of interest sought in reporting period.	Erin Greaves



Department of  
**Local Government, Sport  
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
21	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	No invitations issued for panel of pre-qualified suppliers.	Erin Greaves
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes	Supplied with Request for Tender information for each tender.	Erin Greaves

I certify this Compliance Audit Return has been adopted by council at its meeting on \_\_\_\_\_

\_\_\_\_\_  
Signed Mayor/President, Mingenew

\_\_\_\_\_  
Signed CEO, Mingenew

# Internal Audit Report – Tendering and Procurement and Misconduct



## Objective

The Shire of Mingenew Audit & Risk Committee have identified that the objective of this internal audit is to examine if the Shire has established sound policies and procedures for procurement of goods and services. It also aims to establish if there is effective oversight and control of procurement activities and adequate processes in place for reporting suspected fraud or misconduct.

## Internal Audit – Identified Risks

- Breach of probity standards and/or Local Government Act 1995.
- Loss of reputation due to a lack of transparency, accountability, impartiality, confidentiality, and security of information in the procurement process.
- Failure to obtain the best value for money.

## Scope

This internal audit reviewed policies, procedures and activities that occurred at the Shire of Mingenew from January 2020 to January 2021.

## Policies

### Policy Reviews

The Shire has adopted the following policies relating to tendering and procurement:

POLICY	DESCRIPTION	LEGISLATIVE REQUIREMENTS	LAST REVIEWED
Purchasing Policy	Makes provision for the purchase of goods and/or services below the tender threshold of \$250,000 or less, the form and number of quotations acceptable, and record keeping requirements.	R.11A Local Government (Functions and General) Regulations 1996	April 2020
Regional Price Preference Policy	Outlines the definitions, eligibility, and procedure for applying preferences to local or regional tenderers.	R.24E Local Government (Functions and General) Regulations 1996	January 2020
Pre-qualified Suppliers Policy	Provides a process for the establishment and management of panels of prequalified suppliers, including how quotations are to be sought and assessed.	Division 3 (R.24 to R24AJ) Local Government (Functions and General) Regulations 1996	December 2020
Corporate Credit Card Policy	Outlines the process of issuing and use of the corporate credit card	R.11 Local Government (Financial Management) Regulations 1996	December 2020

Upon reviewing the Purchasing Policy in December 2020, it has been identified that the Policy does not explicitly provide for circumstances where it may not be reasonable to obtain the required number of quotes for a particular threshold.

### EXAMPLE

For an item valued at approximately \$45,000, at least 3 written quotations are required to be obtained. An issue may arise where the local government has sought quotes from 5 different suppliers and 3 have declined to quote (meaning only 2 quotes have been obtained).

Based on circumstances of each case and following a risk assessment, it may be reasonable to make a procurement decision to accept based on the quotes sought and obtained (including the suppliers that have declined), rather than just how many have been obtained, assuming all actions and decisions can be evidenced.

It is proposed that the requirement to “obtain” a certain number of quotes be replaced with “seek” and a clause be included to deal with these situations, such as “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” be included in the Policy, as per advice from WALGA.

WALGA have also provided some feedback on the current Purchasing policy that may require actioning, and this is currently under review. A summary of the suggestions made by WALGA include:

- Provide for at least one verbal or written quote for the \$4,999 and under purchasing threshold (in reality this occurs to create a purchase order anyway);
- Clarifying the wording around the final purchasing threshold to align with legislation for purchasing \$250,000 and above;
- Clarify when panels of pre-qualified suppliers are the first preference for procurement and at what values

The Shire’s other Policies that related to purchasing activities and decisions are compliant with legislative requirements and they are considered to adequately reflect the Shire’s practices and needs.

*Misconduct Controls*

As part of the Shire’s procedures for notifying employees of CEO Authorisations, all employees with purchasing authority are provided with a letter outlining obligations to comply with the Shire’s Purchasing Policy, their limits and any applicable internal procedures.

The Shire’s Purchase Ordering process has built-in check points / accountability measures to ensure compliance with purchasing thresholds and quotation requirements. This includes a check on Purchase Orders (POs) to be completed by the authorising officer and provision within the electronic system to upload copies of all quotes received into the system. The purchase order process requires that one person may create a PO but another authorised officer must authorise/sign.

Purchase Orders also include a feature requiring the completing officer to confirm that the requisite number of quotes for the purchase have been obtained (or to provide explanation if this has not happened).

*OAG Expectations*

The Office of the Auditor General (OAG) have produced a report outlining its findings regarding procurement activities within Local Government in WA and its expectation regarding purchasing policies are outlined below:

- LGs regularly review policy to assess if value thresholds and quote requirements reflect current needs
- Policies are clear about when and how to apply exemptions

*(Western Australian Auditor General’s Report – Local Government Procurement Report 5: October 2018-19)*

Recommendations
1. The Shire review its Purchasing Policy to ensure consistency with better practice standards and advice provided by WALGA.
2. Review its Pre-qualified Suppliers Policy following the establishment of a Panel to ensure effectiveness and appropriateness

**Procedures**

*Procedure Reviews*

As part of the review of Council Policies, officers also internally reviewed any Procedures to ensure they align with policy amendments, legislation changes and continuous improvement of internal processes. A summary of the reviews is provided below:

PROCEDURE	DESCRIPTION	LEGISLATIVE REQUIREMENTS	LAST REVIEWED
-----------	-------------	--------------------------	---------------

Procurement / Creditors Procedure Manual	This manual has been developed to address Purchasing Policy and thresholds, purchasing practices, quotations, purchase orders, invoices, payments, recordkeeping requirements, segregations of duties, forms, and other resources.	S6.10 Local Government Act 1995 R.5 Local Government (Financial Management) Regulations 1996	January 2021
Pre-qualified Suppliers Procedures	To assist in the application of the Council Policy, the procedure sets out what specifically will be required to establish a panel, the approved purpose for creating a panel and how it will operate.	Division 3 (R.24 to R24AJ) Local Government (Functions and General) Regulations 1996	December 2020
Corporate Credit Card Management Procedure	Provides direction for authorised use and limits, purchasing procedures, approved financial institution, dealing with breaches, evidence requirements, responsibilities of card holders, management oversight and required forms.	R.11 Local Government (Financial Management) Regulations 1996	December 2020

The Shire's Purchasing system is managed through its electronic financial management system, SynergySoft.

Whilst the procedures are considered adequate and have recently been reviewed, the Shire has yet to test application of the Pre-qualified Suppliers Policy and Procedure as no panels have been established to-date. It is suggested that a review be conducted following a Panel establishment to ensure the relevant policies and procedures are effective.

Recommendations
<b>1. Review its Pre-qualified Suppliers procedures following the establishment of a Panel to ensure effectiveness and appropriateness</b>

### Training

Two officers within the organisation have completed any formal training in relation to purchasing; with both officers having completed an IT Vision course on 'Requisitions and Purchase Orders' to use the Purchase Order system within SynergySoft at previous local governments.

All officers responsible for authorising purchase orders have received some internal training when commencing in a role or when the system was first established (this is not currently formally captured).

Employee inductions do not explicitly cover purchasing and tendering however, officers are provided an informal overview upon commencing in a role and are advised of Council's Policy Manual and internal procedures. It is suggested that a more in-depth program be developed to ensure employees understand the relevant policies, procedures and their responsibilities based on the requirements of their role.

The Shire's Governance Officer has completed WALGA's Local Government Act Advanced course which includes a general overview of local government legislative requirements which provides some assurance that the Shire has adequate skills in understanding and implementing process to ensure compliance.

### OAG Expectations

- LGs provide all staff involved in the procurement process with training in relevant policy and processes
- Training emphasises personal accountability and how probity and transparency relate to procurement
- LGs provide staff with refresher training

Recommendations
<b>1. The Shire review procurement skills and training needs in a Training Needs Analysis to establish a Training Plan that reflects individual and organisational procurement training needs.</b>

**2. The Shire includes Procurement as an Employee Induction item to ensure all staff are aware of performance expectations and activities in relation to Procurement and Tendering and their role; mitigating misconduct risk for the organisation.**

### Seeking Quotes

The Shire's Purchasing Policy, as identified above, requires further review to clarify requirements around seeking quotes and evidencing those requirements. All other policies and procedures are considered adequate, subject to review following the review of the Purchasing Policy, in outlining the requirements for seeking quotes, and its internal management systems effectively minimize any fraud risk.

The OAG Procurement report identifies examples of local governments determining a 'sole supplier' but not evidencing the exemption from policy requirements and procedures. The Shire's internal process does have provision for evidencing this when authorising purchase orders (option is provided to check 'Yes', 'No', 'N/A' and 'Tender' when asked if the required number of quotes have been obtained, and provides for a comment). This would ideally be clarified in any handover/induction process (for those authorising POs) to ensure employee awareness and understanding. A form has also been recently established to capture this information more completely and prompts the person completing the form to acknowledge other requirements, such as: ensuring the purchasing policy and thresholds have been considered, the expenditure is within budget, whether any conflicts of interest exist, evaluation of quotes received and justification of decision. This form has not been rolled out across the organisation for use as yet.

### OAG Expectations

- That business requirements were determined prior to engaging suppliers
- LG staff used the right purchasing method, as required by their own policies and the Regulations
- That the use of exemptions was justified and documented

### Recommendations

**Nil – the current review of policies and procedures is considered to be an appropriate action for reducing any risk associated with seeking quotations.**

### Tendering

In reviewing the Shire's tendering activities in 2020, the following tools and compliance requirements are in place to assist staff in meeting its legislative and internal requirements:

- Tender Register
- Tender Evaluation Template

The Shire is heavily reliant on current officer knowledge and experience and does not have any established procedures or checklists in place.

Generally, the Shire's reports and templates are fit for purpose but sometimes lack consistency in application or adequate systems for capturing evidence for meeting compliance requirements.

The Shire has maintained a Tender Register, in accordance with the Local Government (Functions and General) Regulations 1996 which includes the following information:

- a description of the goods and/or services
- details advertising requirements met (including a copy of the advert)
- details of who opened tenders and when (including date and time notified)
- tenderers
- successful tenderer's and amount

The following table demonstrates the Shire's compliance with regard to legislated requirements for Tenders invited during 2020 (which reflect reporting in the Shire's Compliance Audit Return 2020):

## TENDER COMPLIANCE REVIEW 2020

Evidence requirements met for compliance	RFT2 – 2019/20 Management of Mingenew Transfer Station and Landfill	RFT1 – 2020/21 Purchase and Disposal of Backhoe Loader	RFT2 – 2020/21 Disposal of Residential Land
Decision to Tender	Delegated Authority by CEO (CD04)	Delegated Authority by CEO (CD04)	Council Decision – August 2020
Regional Price Preference (copy provided in tender)	Yes – RFT document includes Policy	Yes - RFT document includes Policy	Yes - RFT document includes Policy (Appendix)
State-wide public notice	Yes – newspaper clipping present	Yes – newspaper clipping present	Yes –newspaper clipping present
Variations and notice	N/A	N/A	N/A
Opening Tenders [R.16 F&G]	No evidence of tender register being completed upon opening and 2 employees present (although this does occur)	No evidence of tender register being completed upon opening and 2 employees present (although this does occur)	No evidence of tender register being completed upon opening and 2 employees present (although this does occur)
Tender evaluation	No evaluation documented – only one tender received.	Yes - Evaluation Matrix	Yes – Evaluation Matrix
Tender Register (publicly available)			
Hard Copy Register	Yes	Yes	Yes
Website	No	No	No
Notice of awarded tender			
Successful	Yes	Yes	Yes
Unsuccessful	Yes	Yes	Yes
Decision to Accept Tender	Council – April 2020 (tender not accepted)	Delegated Authority by CEO (CD04)	Council – November 2020

The above evidence is not consistently captured within the Shire's recordkeeping system, therefore a procedure is recommended to ensure a wholistic and methodical approach is taken to any tender process so that evidence can be accessed more easily and recordkeeping requirements are met. The procedure should address the statutory process as per legislation, as well as recordkeeping, conflicts of interest, panel assessments, approval processes and anything else that might be appropriate.

It is noted that whilst a tender register is maintained, it has not been uploaded to the Shire's website in accordance with Regulations. The Shire has taken steps to address this by incorporating the tender register under its Governance page (which is being reviewed to specifically ensure all legislated documents to be published are available).

To ensure that the Shire complies with the requirements around calling for tenders when the CEO is not the responsible officer, it is suggested that a template authorisation memo/email be developed to ensure the decision to call for tenders by the CEO is captured (if outside a decision of Council). Similarly, the development of an Agenda template specifically for Tenders would be beneficial in ensuring the decision-making process is appropriately captured and all information required of Council to make an informed decision is addressed within the report and clarification of confidentiality in dealing with tenders is maintained. This should be based on better practice models (WALGA have a template available).

#### OAG Expectations

- that tenders were advertised, opened, assessed, and recorded in line with the Regulations
- documentation was retained to support open, fair, and transparent decisions, and show that processes have been followed
- that a Tenders Register was maintained in line with Regulations

Recommendations
1. The Shire maintains a Tender Register on its website.
2. The Shire establish formal Tender procedures, checklist, and templates to ensure compliance with legislative requirements and internal controls.
3. Develop a Tender Agenda template to ensure compliance with legislation and better practice to assist Elected members in their decision making

#### Conflicts of Interest

The Shire has a number of processes that provide for the adequate capture and reporting of conflicts of interest, such as:

- Financial Interest Disclosure Register
- Primary and Annual Returns
- Disclosure of Interests in Meetings
- Elected Member Inductions

Shire Inductions, in relation to Conflicts of Interest, do provide an overview however this is a complex field to navigate and a more in-depth coverage of the topic may be needed to ensure staff and elected members follow the correct procedure, along with relevant training. Given that most interest disclosures are dependent on individual circumstances, it is important that an appropriate level of training is provided based on relevant responsibilities e.g. Elected Member training for decision making (now covered through mandatory training), for employees when evaluating undertaking procurement evaluations or other decisions.

#### OAG Expectations

- That tender evaluation panel members provide positive assurance declarations
- That declarations were retained and there was a record of how they were assessed and how any conflicts were addressed

Recommendations
1. Shire Inductions (Employee and Elected Member) include adequate coverage of the requirement and means to disclose Conflicts of Interest
2. Elected Members participate in training modules relevant to Financial and Conflicts of Interest.
3. Tender evaluations include a declaration to ensure that employees are aware of the requirement to disclose conflicts of interest (actual and perceived) when conducting an evaluation for assessing quotes/tenders received and are accountable for doing so.

## Purchase Orders

In 2018/19 the Shire implemented an electronic purchase ordering system to streamline and better capture records relating to purchase activities. Since then, this system has achieved:

- Appropriate controls to limit approvals for POs based on authority limits
- Accountability check point for ensuring compliance with the Shire's Purchasing Policy
- Improved recordkeeping and tracking

In reviewing the existing system one gap was identified that increases risk of fraud and/or non-compliance. Currently POs can be printed prior to them being authorised; creating an opportunity for POs to be created and issued to suppliers prior to authorisation being given (although this is against current internal procedures). The SynergySoft system does have the capacity to close this gap by introducing an additional step in which any officer can create a 'requisition' but it doesn't become a PO until the appropriate officer has authorised it, and then a PO can be printed.

Again, staff awareness and education play a significant role in ensuring compliance and reducing fraud risk, therefore it is also suggested that users (employees) of any purchasing system receive training relevant to their role and responsibilities.

The Shire's most recent external audit found 1 (out of a sample of 60) instances where a purchase order was not issued prior to an invoice being received therefore, it is assumed that generally, employees are aware of their requirements. Whilst this is a rare occurrence and related to a minor value purchase, staff are educated on the requirement to obtain a PO first; feedback from staff indicate that there is sometimes issue with job urgency and ability to gain estimates and create the purchase order. Introducing the requisitions system may improve efficiency and accountability.

### OAG Expectations

- That purchase orders were raised for the full expected amount of the procurement
- Purchase orders were approved by staff with appropriate authority
- Internal approvals were obtained before goods and services were purchased

Recommendations
1. The Shire explores the introduction of a 'Requisitions' function within its Purchase Order module to delineate between those requesting purchase orders and those authorising
2. Staff be provided internal training to ensure they are familiar with system requirements and internal policies and procedures relating to purchasing activities.

## Delegations and Council Decisions

The Shire's current Delegations Register is largely based on WALGA's model delegations register and is therefore considered to be adequate. It has been identified that the Delegations Register is not always considered and updated to align with any policy or process changes, and this may, inadvertently, impact the practicality of implementing a decision. This could be managed by ensuring the policy changes include a reference to the relevant delegation (within the policy) as a prompt to review.

Recommendations
1. Ensure applicable delegations are listed within any Council policies to ensure any policy review includes review of any affected delegations.

## Segregation of Duties

An assessment of the Shire's segregation of duties highlights that the Shire's systems are appropriate for the size. As indicated in the Auditor General's report, the major issues found in local government relate to insufficient records to demonstrate controls however, the Mingenew Shire

process includes physical or electrical signing of documents through the two or three-tiered approval processes i.e. payment processing, purchase orders, credit card reconciliations etc.

OAG Expectations

- Appropriate segregation of duties across the procurement process

Recommendations
-----------------

Nil – the Shire’s processes for ensuring appropriate segregation of duties is considered adequate.
--

### Reviewing Invoices and Payments

Any changes between quotes and invoices are reviewed and justified, with the electronic PO system providing a tab for including such information thereby, providing an appropriate record and audit trail.

Prior to processing any payment, the invoice must be signed by the appropriate employee receiving the goods or service, confirming the amount and condition is as expected. The authorising officer then provides a signature to the PO reconfirming the invoice for approval.

The officer responsible for processing Creditors does not have authority to create / approve purchase orders.

The Shire has a three-tiered approval system for processing payments, with the officer responsible for creditors checking invoice details match what is provided in the system (and querying/verifying where there is a mismatch) uploading the invoices into the system for authorisation. The batch is then authorised by another officer and uploaded to the bank for processing. Another officer (cannot be the same as creditor officer or approval officer) then authorises the bank payment.

The Shire has a robust Procurement / Creditor Procedure Manual that supports staff in adhering to risk controls. The Manual is up-to-date and has been reviewed at least twice in the last 18 months.

OAG Expectations

- Any differences between invoice charges and quoted or contracted rates had been reviewed and appropriately justified
- Goods and services were received and approved by staff with appropriate authority
- That there were strong controls around payment of suppliers and access to bank accounts
- Documentation was retained to support open, fair, and transparent decisions, and show that processes have been followed

Recommendations
-----------------

Nil – the Shire’s processes for ensuring appropriate segregation of duties and reviewing invoices and payments is considered adequate.
--

### Contract Management

The Shire maintains a contract Register which lists all major contracts entered into by or with the Shire, including: Purchasing contracts, Service Agreements, Leases and MOU’s, and Grants.

The Register captures information such as:

- Contractor name
- Particulars of the project, goods, service/s, or property
- Contract Manager details
- Contract commencement and expiry date
- Extension options
- Contract value

- Method of procurement
- Variations
- Important notes

Currently, the Register is cross referenced with expenditure relevant to that contract on an ad-hoc basis, but expenditure allocations are distributed across various accounts making this a time-consuming activity. It has been proposed that a schedule be developed for reviewing individual contracts which is added to a calendar as a reminder to review contract values and create a report within the internal system to reference. Attempts have been made to create a reporting system but, because of the complexity of the accounting system, a workable solution is yet to be found. The Shire may benefit from liaising with other local governments to determine an efficient way of tracking contract expenditure.

To assist Council in understanding its grant contract liabilities and linking those to budgeted projects / expenditure, a Contract Liabilities Report is presented to the monthly Concept Forum.

Recommendations
-----------------

- |   |
|---|
| <b>1. The Shire seeks advice from other local governments / external parties to determine a more efficient system for managing and reviewing contracts.</b> |
|---|

### Fraud and Misconduct

As per the Shire's Risk Register, the Shire's overall controls regarding misconduct and fraud are considered to be effective, having in place the following control measures:

- A regularly reviewed delegations register
- Decision making processes provide clarity on disclosure of interests
- IT security systems, including cyber threat defense, profiling, and password protection
- Adequate financial management systems (segregation, supplier info validations) for scale and size
- Effective procedures for procurement
- Ongoing improvement of inductions
- Suite of HR Policies and Procedures (provided to staff prior to induction)
- Improved screening measures of job applicants and validating credentials
- Regularly reviewed Code of Conduct (provided to staff prior to induction)
- Reviews of other policies and procedures (by Council and internally)

As there are various measures across the organisation's systems it is difficult to pinpoint any resource that would clearly guide and educate employees and/or Elected Members on fraud risks, control measures and reporting procedures. Rather than an ad-hoc approach, it is suggested that a Fraud and Misconduct Framework be developed to consolidate information for planning, preventing, detecting, and responding to fraud risks and improving fraud awareness. This suggestion has been recommended to local governments by the Auditor General in the Fraud Prevention in Local Government Report 5: August 2019/20. This would assist in identifying fraud risk (Risk Register) and determining any further system improvements for implementation in future.

The Shire may be able to liaise with other local governments to determine a model that is appropriate for our organisation.

Recommendations
-----------------

- |   |
|---|
| <b>1. Adopt a Fraud and Misconduct Framework</b>  |
| <b>2. Include fraud prevention and awareness in inductions (Employee and Elected Members)</b> |

*Prepared by Erin Greaves, Governance Officer, Shire of Mingenew  
January 2021*

# Western Australian Auditor General's Report



## Local Government Procurement



Report 5: October 2018-19

## Office of the Auditor General Western Australia

7<sup>th</sup> Floor Albert Facey House  
469 Wellington Street, Perth

**Mail to:**

Perth BC, PO Box 8489  
PERTH WA 6849

**T:** 08 6557 7500

**E:** [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

**W:** [www.audit.wa.gov.au](http://www.audit.wa.gov.au)

National Relay Service TTY: 13 36 77  
(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for those with visual impairment.

© 2018 Office of the Auditor General Western Australia. All rights reserved. This material may be reproduced in whole or in part provided the source is acknowledged.

ISSN: 2200-1913 (Print)  
ISSN: 2200-1921 (Online)

## **Local Government Procurement**

---

Report 5  
October 2018-19



**THE PRESIDENT  
LEGISLATIVE COUNCIL**

**THE SPEAKER  
LEGISLATIVE ASSEMBLY**

### **LOCAL GOVERNMENT PROCUREMENT**

This report has been prepared for Parliament under the provisions of section 25 of the *Auditor General Act 2006*.

This was a narrow scope performance audit, conducted under section 18 of the *Auditor General Act 2006* and in accordance with Australian Auditing and Assurance Standards. Narrow scope performance audits have a tight focus and generally target compliance with legislation, public sector policies and accepted good practice.

The audit objective was to determine if local governments have effective procurement arrangements in place.

I wish to acknowledge the cooperation of staff at the local governments included in this audit.

A handwritten signature in black ink, appearing to read "C Spencer".

CAROLINE SPENCER  
AUDITOR GENERAL  
11 October 2018

# Contents

- Auditor General’s overview..... 4
- Executive summary ..... 5
  - Introduction ..... 5
  - Background..... 5
  - Audit conclusion ..... 6
  - Summary..... 7
  - Findings per local government ..... 8
  - Recommendations ..... 9
  - Response from local governments .....10
- Audit focus and scope ..... 11
- Findings ..... 12
  - While all LGs had procurement policies and procedures, they are not always effectively and consistently used .....12
  - LGs need better procurement oversight and controls .....13
  - Procurement decisions and conflict of interest considerations need to be better documented .....14
- Appendix 1: Audit focus areas ..... 16

## Auditor General's overview

I am pleased to present this performance audit on aspects of local government procurement that require close attention.

Local governments in Western Australia manage more than \$40 billion in community assets and spend over \$4 billion annually on community infrastructure and services such as roads and footpaths, public halls, recreation facilities and rubbish collection.



Good procurement practices centred around the principles of probity, accountability and transparency are key to managing procurement risks and the delivery of good outcomes for ratepayers. When procurement processes are not followed, or local governments are seen not to be acting in the best interests of their communities, they face reputational damage and expose themselves to the risk of fraud and misconduct. Unfortunately, there are numerous recent reports from integrity agencies which highlight the very real consequences when procurement activities in the public sector are not managed effectively.

My report highlights weaknesses in procurement controls, processes and documentation across the 8 local governments we audited, as well as the need for them to build procurement capability to give staff the knowledge and skills to effectively carry out their jobs. These generally reflect areas for improvement identified in our previous audit reports about State Government entities as well as other public reports.

Some local governments disagreed with the significance of a number of control weaknesses identified. Local governments considered that a finding was not worthy of a 'significant' rating if the control weakness did not result in a breach of regulations or the audit did not find evidence of wrongdoing. While legislation places minimum specific requirements on local governments, they still need to ensure they have strong internal controls and good governance. Controls prevent things going wrong and are particularly important in financial management processes, where there is an inherent risk of financial misappropriation. I welcome discussion on this matter and am pleased all local governments have committed to amending their policies and procedures and improving internal controls over purchases, where required.

The findings from this audit have helped me identify areas worthy of future audit attention. Fostering enhanced understanding in the local government sector about the importance of strong internal control frameworks, around not only procurement, but over a wide range of areas, including information system security and regulatory functions, will be prioritised in our future work. I encourage all local governments to review their procurement practices against the focus areas of this audit.

# Executive summary

## Introduction

The objective of this audit was to assess the effectiveness of procurement arrangements at 8 local government entities (LGs) of varying sizes in both metropolitan and regional Western Australia.

## Background

There are currently 148<sup>1</sup> LGs in WA. The population and geographical spread of each LG varies significantly, from small regional LGs like the Shire of Sandstone with a population of around 90, to large metropolitan LGs like the City of Stirling with a population of around 220,000.

LGs in WA employ around 15,000 people and manage more than \$40 billion in community assets. In 2016-17, the total expenditure across all Western Australian LGs was over \$4 billion.

Procurement activities in LGs are primarily governed by the Local Government (Functions and General) Regulations 1996 (the Regulations). The Regulations require LGs to have policies for purchases that are expected to be less than \$150,000. LGs develop their own policies, which are required to cover things like the form (verbal or written) and minimum number of quotes that must be obtained, and how procurement information will be recorded and retained.

For purchases over \$150,000, the Regulations set specific requirements for public tender. These include advertising, acceptance and rejection of tender applications, notification of outcomes, and maintaining a tenders' register.

The Regulations also allow for exemptions from the public tender process, these include, but are not limited to:

- certain emergency situations
- if a contract is to be awarded through auction (with Council approval)
- if goods and services are obtained through the WA Local Government Association's (WALGA) Preferred Supplier Program – a program of suppliers that have been pre-qualified to supply certain goods and services. WALGA members, of which most LGs are, can access the program.

LGs that are members of WALGA can also access a procurement toolkit that includes purchasing and contract management templates. LGs that use WALGA services are still required to meet their own policy and probity requirements and comply with the Regulations.

There are a number of procurement processes and controls that help reduce broader procurement risks and support value for money (Figure 1). Some of these are covered in Regulations, others are based on sound practice.

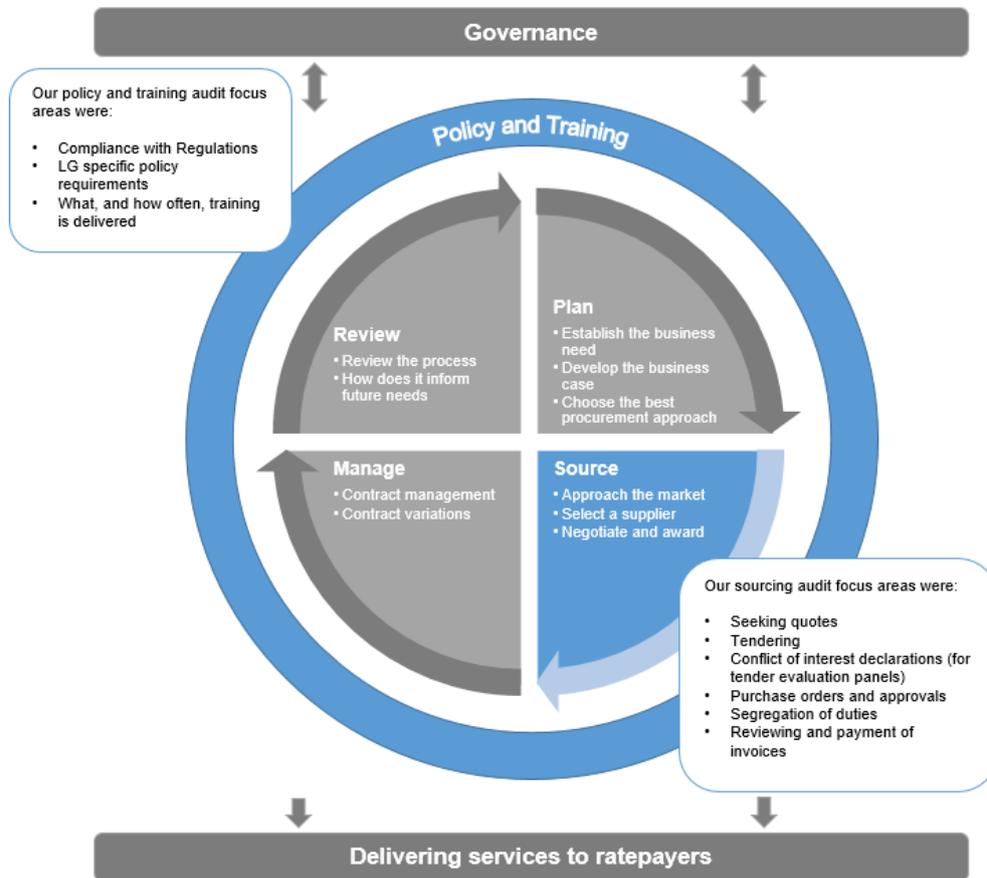
Due to a variety of factors affecting the way that LGs procure, we did not expect to find identical procurement practices across the LGs included in our audit. The audit therefore required significant judgement when assessing proper procurement practices. However, we did expect them to meet the principles of the *Local Government Act 1995* which places obligations on councils to oversee the allocation of the LG's finances and resources, and for determining the LG's policies, as well as for LGs to keep proper accounts and records.

---

<sup>1</sup> This includes 137 LGs, 2 Indian Ocean territories and 9 regional councils.

Furthermore, LGs are required to establish efficient systems and procedures for financial management which includes procurement.

Our audit focus areas are set out in Appendix 1. We reviewed the processes and controls used by LGs, but we did not review if procurement decisions attained the best value for money or outcomes for LG communities.



Source: OAG, with blue shading showing areas within audit scope

**Figure 1: Procurement framework**

## Audit conclusion

All 8 local governments we reviewed had shortcomings in their procurement practices, most related to weak procurement controls, processes and documentation for tendering, purchase orders and approvals, and reviewing invoices and payment. However, we did not identify any evidence of misconduct.

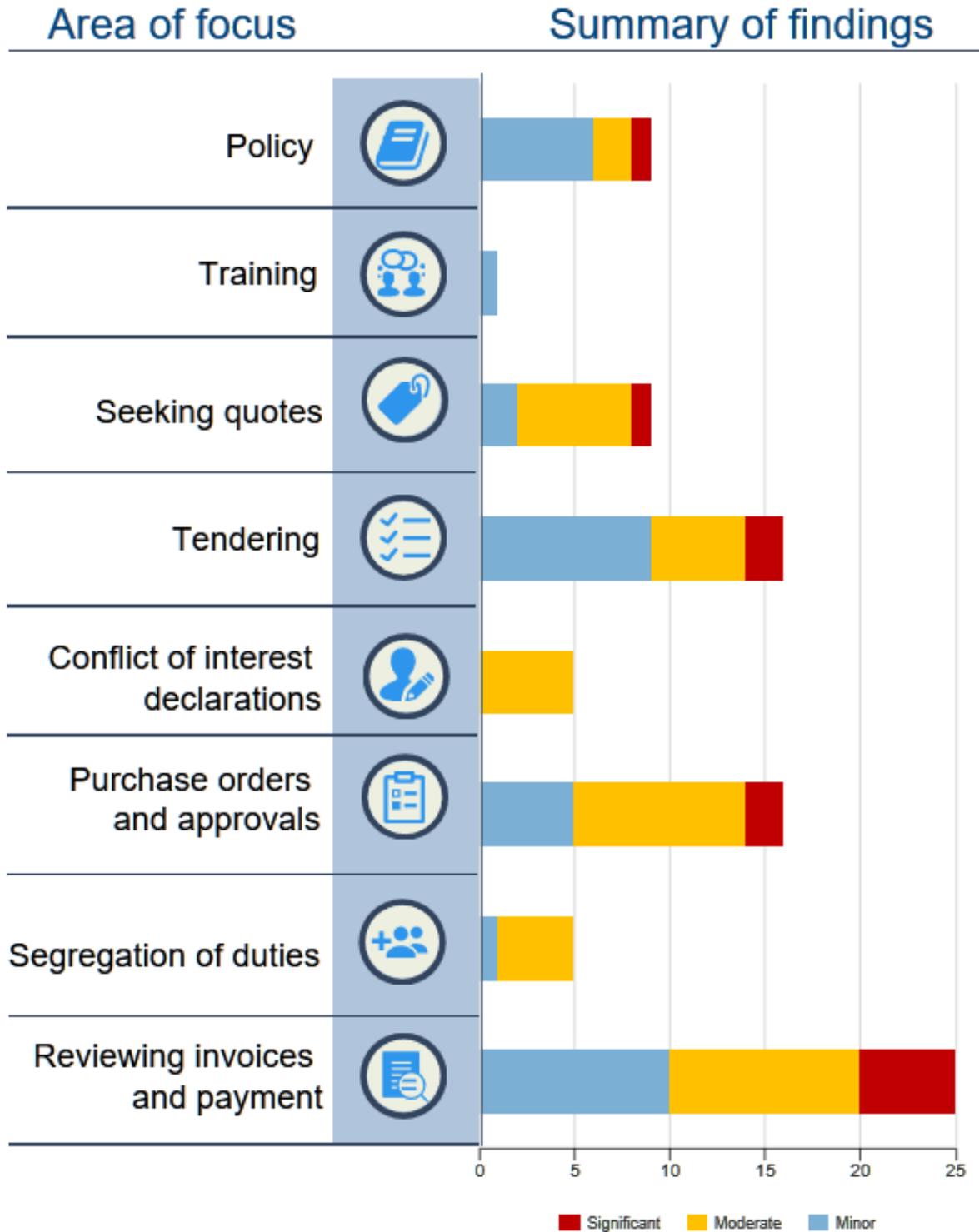
Local governments varied in how well they complied with legislation and their own procurement policies. While local government’s policies broadly met regulatory requirements, they need to do more to monitor procurement controls and the effectiveness of processes. We saw no notable difference in the effectiveness of controls between the regional and metropolitan, and the small and large local governments we examined.

Having policies and controls that are appropriate, and monitoring their effectiveness is essential if local governments, and the ratepayers that they serve, are to have confidence in local government procurement activities. Procurement practices that focus solely on minimum compliance with legislation are unlikely to provide local governments with the oversight and control they need to address risks and ensure value for money in their procurement.

The issues identified in this audit are relatively simple to fix. By addressing them, governance of this important local government function can be strengthened.

## Summary

We reported 86 detailed findings across the 8 LGs. This included 11 significant findings across 5 LGs, and 41 moderate and 34 minor across all 8 LGs. Figure 2 shows the findings against all our audit focus areas.

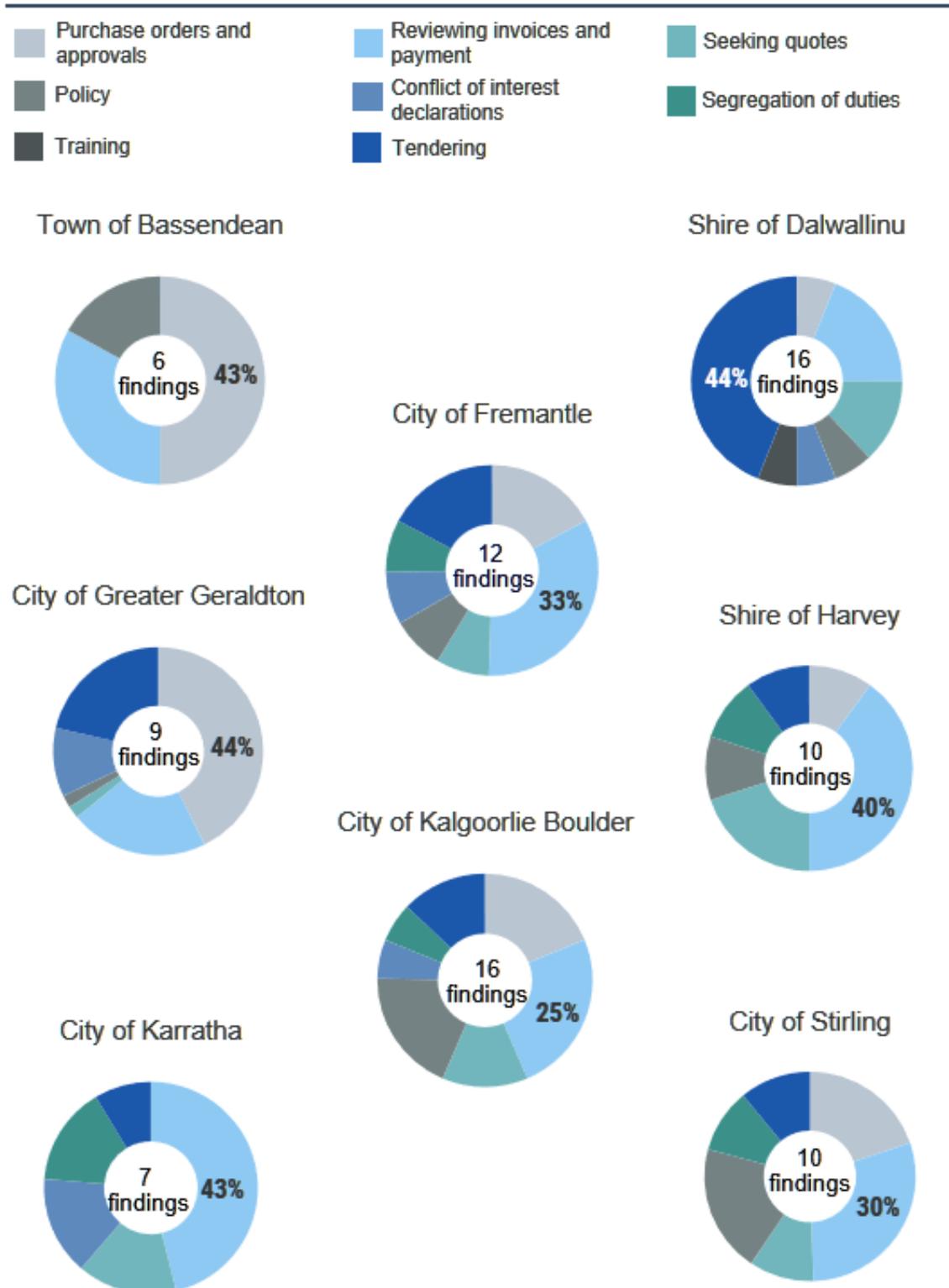


Source: OAG

Figure 2: Summary of key findings

## Findings per local government

The issues we identified represent weaknesses in key policy and control principles. Figure 3 shows the breakdown of findings for each of the 8 LGs we reviewed, and shows no specific trends across size or location of the LG.



Source: OAG

Figure 3: Key findings by LG

---

## Recommendations

All LGs, including those not sampled in this audit, should review their policies, processes and controls against the focus areas of our audit in Appendix 1.

Each LG we audited should provide an action plan to address this recommendation, table it with their Council, and make it available on their website, as per the *Local Government Act 1995*.

## Response from local governments

Local governments in our sample generally accepted our recommendations and confirmed that, where relevant, they have either amended their policies, procedures or administrative systems or will improve controls for monitoring and managing procurement activities.

## Audit focus and scope

The audit objective was to determine if LGs have effective procurement arrangements in place.

The specific lines of inquiry were:

- Have LGs established policies and procedures for procurement of goods and services?
- Is there effective oversight and control of procurement activities?

We visited and reviewed the following LGs:

- Town of Bassendean
- Shire of Dalwallinu
- City of Fremantle
- City of Greater Geraldton
- Shire of Harvey
- City of Kalgoorlie Boulder
- City of Karratha
- City of Stirling.

We assessed LGs against the policy, training, and sourcing audit focus areas shown in Appendix 1. This audit did not review if procurement decisions attained the best value for money or outcomes for LG communities.

At each LG we selected 20 transactions with a value under \$150,000. For these items we reviewed recordkeeping of procurement activities, segregation of duties, quote processes, decision and approval delegations, LG policy and compliance with the Regulations. We also reviewed LGs use of WALGA's Preferred Suppliers as a procurement route, but did not review the arrangements in place at WALGA.

We reviewed a separate sample of 5 tenders from each LG. We assessed them against the requirements in the Regulations, including where and how long they were advertised, how submissions were recorded, if assessments were completed and recorded and if tenderers were notified of outcomes. We also reviewed how LGs recorded and assessed declarations of interests for tender evaluation panels and where applicable, council agendas, minutes and reports.

This was a narrow scope performance audit, conducted under section 18 of the *Auditor General Act 2006* and in accordance with Australian Assurance Standards ASAE 3500 Performance Engagements. We complied with the independence and other relevant ethical requirements related to assurance engagements. Performance audits primarily focus on the effective management of agency and LG programs and activities. The approximate cost of undertaking and tabling of this audit was \$470,000.

## Findings

### **While all LGs had procurement policies and procedures, they are not always effectively and consistently used**

All LGs had policies and training in place to support staff in the procurement process. However, we found examples where LG procurement activity did not comply with their own policies, either because staff did not understand the policy requirements, or the policy did not meet the LG's needs. This included instances where the purchasing method used did not comply with the LG's own policies:

- 5 of the 8 LGs had instances of staff not seeking and recording quotes in line with their own policies
- 2 LGs had purchases that should have gone to tender, but did not.

#### **LGs do not always purchase in line with their own policies**

We found 23 purchases across 5 LGs, one of which had 8 instances where staff did not obtain quotes or failed to record them in accordance with their policies. Seeking and recording quotes promotes open and effective purchasing. When LGs do not comply with their own policies it reduces the likelihood they will get value for money and increases the potential for misappropriation of funds.

We also identified 2 purchases at 2 LGs that should have gone to tender, but did not. One LG sought quotes for the purchase from a number of suppliers, but did not tender. The other accepted a quote from a single supplier. Neither process met the tender, or exemption requirements under the Regulations. Tendering for high value purchases supports LGs in understanding the market and encourages open and effective competition for suppliers.

#### **All LGs had procurement policies but there is opportunity to improve**

All 8 LGs we reviewed had purchasing policies. At the time of our audit, 1 LG had a high level policy which did not meet the requirements of the Regulations. The LG has since updated its policy to meet requirements.

LGs should review their policies to ensure things like purchasing thresholds and quote requirements reflect current needs. In doing this LGs demonstrate they meet regulatory requirements and their policies are fit for their purpose. The issues identified above, around non-compliance with policy, also highlight an opportunity for LGs to review the appropriateness of their policies. Non-compliance can indicate a lack of understanding by staff, or that policies no longer meet the needs of the LG.

#### **LGs provided staff with procurement training**

All 8 LGs provided procurement training to staff. Three LGs delivered procurement training programs that included both induction and set refresher sessions. We found the training content to be sound as it not only covered policy and legislative requirements, process and procedures, but also provided essential context around procurement compliance and probity.

The other 5 LGs provided training at induction, through on-the-job activities or as a result of policy updates. We found this training covered policy requirements, but provided less context around procurement risks and individual accountability. These LGs also lacked a clear approach to providing refresher training.

The Corruption and Crime Commission's 2015 *Report on Misconduct Risk in Local Government Procurement*<sup>2</sup> (CCC report) identified inadequate training as one of the risks common to procurement related misconduct in LGs. Structured training and regular refresher training helps LGs manage this risk and reduce the number of instances of non-compliance with LG policies.

## **LGs need better procurement oversight and controls**

We found weaknesses in key controls around approvals, segregation of duties, and checking of invoices at the 8 LGs. This exposes LGs to unnecessary procurement risks, such as improper use of funds or paying for goods and services not received.

### **Controls over raising and approving purchase orders could be improved**

We saw a range of control weaknesses over purchase orders across all LGs, these included:

- 5 purchase orders across 4 LGs that were approved by staff without the appropriate authority to do so. All LGs maintained lists of the role, position and dollar value limits of staff that are authorised to approve purchase orders. However, these approval limits were not always complied with, which increases the risk that goods or services are procured by someone without the proper experience or authority to determine the best value purchase for the LG.
- 13 instances across 5 LGs where purchase orders were raised after invoices were received. Purchase orders act as an internal approval and control mechanism to proceed with a purchase. These controls are ineffective if purchase orders are raised after goods and services have been received. It is not possible for the LG to determine who approved the initial request for the goods or services, and if they had the proper authority to do so.
- We found a small number of purchase orders at 3 LGs that were raised for \$0 or for a nominal value (e.g. \$0.91) that did not reflect the expected spend. This was despite there being a known budget, quote or existing contracts for many of these items. Purchase orders should be raised for the full, expected amount prior to the purchase being made and approved by someone with appropriate delegation. This increases the likelihood that expenditure will be capped or monitored.

### **LGs should strengthen processes for checking goods and services when receiving them**

We identified 36 invoices across 8 LGs that could not be verified against purchase orders, quotes or contracts. The invoices contained insufficient detail to reconcile them against agreed contract milestones and price schedules, but had still been approved for payment by the LG. The invoices included instances of LGs being overcharged and undercharged. Verifying invoices for payment is an important control to ensure that LGs have received the expected goods and services and that they have been correctly charged.

It is important that even small variances are checked as these are more likely to go undetected for long periods of time. The CCC Report identified supervisors not checking payment processes and work actually done on contracts as common risks to procurement related misconduct.

Sound practice is to ensure that there is evidence to support all transactions and that a clear audit trail exists. This includes documentation for contract payments, any variations, and reviewing supplier invoices for accuracy.

---

<sup>2</sup> Corruption and Crime Commission. 2015. *Report on Misconduct Risk in Local Government Procurement*.

## LGs had weaknesses in their segregation of duties

Five of 8 LGs had not effectively segregated key steps in the procurement process or had insufficient records to show controls had been followed. For example:

- In 9 of the 20 purchases we reviewed at 1 LG, the same person had approved purchase orders, checked that goods and services had been received, and approved invoices to progress for payment. The 9 purchases totalled less than \$150,000.

Four LGs captured insufficient information for us to independently verify who was receiving goods and services and approving invoices to progress to payment. Without clear records the risk of inappropriate payments is increased and the effectiveness of monitoring controls is reduced.

Stronger controls would include, where possible, the implementation of automated systems that require segregation across the different procurement functions.

Segregation of duties is a key internal control which assumes the risk of two or more people making the same error or colluding to defraud is less than an individual acting alone<sup>3</sup>. The CCC Report identified failure to separate duties as a risk common to procurement related misconduct. The report cited the example of one person being able to be involved in various stages of organising contracts and authorising payments. Segregating duties is one key way LGs can reduce this risk.

In smaller LGs, where resources are limited and full segregation is more difficult, the increased involvement of other senior staff in checking purchases and controls can mitigate this risk.

While we identified weaknesses in individual segregations, we did not identify any purchases where one person was the sole approver for all steps in the process, including payment.

## Procurement decisions and conflict of interest considerations need to be better documented

To ensure accountable and transparent procurement activities LGs need to document key processes. This includes justifying the use of sole supplier exemptions, tendering decisions and potential conflicts of interests.

### Exemptions from seeking quotes are regularly used, but are poorly documented and not always justified

All 8 LGs claimed exemptions from procurement policies for purchases we reviewed. Exemptions can improve efficiency in procurement activities, but need to be properly managed and sufficiently justified. They should not be used to avoid testing the market. Of the 8 LGs:

- 5 LGs did not have sufficient records to support sole supplier exemptions, 3 LGs did.
- 1 LG used the sole supplier provisions 5 times for purchases totalling nearly \$150,000 but did not keep records to support these exemptions in line with its own policy. In 1 instance, when we requested support for the use of the sole supplier provision the LG advised that the supplier was an authorised distributor of a product, not that they were a sole supplier.

There are opportunities for LGs to be more transparent and efficient around when exemptions can be applied. For example, 1 LG achieved this by including a list of purchase types that were exempt from policy requirements (e.g. legal fees, utilities). Ideally this list

---

<sup>3</sup> Western Australian Local Government Accounting Manual, Section 7 – Internal Control Framework, p 27.

would be approved by Council. Reporting higher value exemptions to Council, or a committee of Council (such as the Audit Committee) would also improve transparency and accountability. One LG already included this reporting mechanism in its policy.

### Recording of tender processes and conflict of interests could be improved

Under the Regulations tenders have a number of specific requirements. We found 7 LGs could improve the information they captured on tender processes, for example:

- proof of when and where tenders have been advertised
- individual tender panel assessments
- sufficient detail in individual panel member workbooks to support awarding of scores.

Complete records provide transparency that tenders are handled and assessed in line with regulatory requirements and the LG’s policy. All LGs are required to maintain a Tenders Register and make it available for public inspection. All LGs maintained a public register but only 1 had the information available on its website. Making the register available online can reduce barriers to how the public accesses the information and increase confidence in tender processes.

We found 1 LG did not have a clear record to support why Council did not accept the tender evaluation panel’s recommendation. Evaluation panels only make a recommendation to Council, who are not obliged to accept the recommendation. However, keeping a record of Council’s reasons for not following a tender panel’s recommendation supports the principle of transparent and accountable decision making and the requirement to keep proper records of the affairs of the LG.

We also identified weaknesses in how 5 LGs recorded declarations of interest for tender evaluation panel members. Declaring an interest doesn’t automatically exclude someone from taking part in the evaluation process. However, there should be a clear record that a declaration has been made and signed, reviewed by someone with appropriate authority, and assessed as to whether it results in an actual, potential or perceived conflict of interest. The decision made on how to remove or manage the conflict should be clearly recorded. Weaknesses we identified are shown in Figure 4.

#### Declarations of interest and management of conflicts – Tender panels

Four of the 8 LGs we reviewed had weak processes:

- 2 LGs required panel member declarations of interest, but for some samples none were recorded and for other samples some panel member declarations were retained, but others were missing
- 1 LG had instances of incomplete and unsigned panel member declarations
- 1 LG had 3 instances where panel members had declared interests and they were appropriately recorded. However, it was not clear how the interests were addressed. In all but 1 instance the panel member remained on the evaluation panel.

One LG only required panel members to complete a declaration if a conflict existed. Providing positive assurance by requiring declarations from all panel members is a sound approach that encourages all staff to engage with the process and consider if any real or perceived conflicts of interest exist.

**Figure 4: Weaknesses in the management of conflict of interest declarations**

## Appendix 1: Audit focus areas

The following table shows our audit focus areas. They cover a number of sound procurement practices and controls, and are not intended as an exhaustive list.

Procurement Framework	Focus Area	What we expected to see:
<b>Policy</b>	<i>Policy</i>	<ul style="list-style-type: none"> <li>• LGs regularly review policy to assess if value thresholds and quote requirements reflect current needs</li> <li>• policies are clear about when and how to apply exemptions</li> </ul>
<b>Training</b>	<i>Training</i>	<ul style="list-style-type: none"> <li>• LGs provide all staff involved in the procurement process with training in relevant policy and processes</li> <li>• training emphasises personal accountability and how probity and transparency relate to procurement</li> <li>• LGs provide staff with refresher training</li> </ul>
<b>Sourcing</b>	<i>Seeking quotes</i>	<ul style="list-style-type: none"> <li>• that business requirements were determined prior to engaging suppliers</li> <li>• LG staff used the right purchasing method, as required by their own policies and the Regulations</li> <li>• that the use of exemptions was justified and documented</li> </ul>
	<i>Tendering</i>	<ul style="list-style-type: none"> <li>• that tenders were advertised, opened, assessed and recorded in line with the Regulations</li> <li>• documentation was retained to support open, fair and transparent decisions, and show that processes have been followed</li> <li>• that a Tenders Register was maintained in line with Regulations</li> </ul>
	<i>Conflict of interest</i>	<ul style="list-style-type: none"> <li>• that tender evaluation panel members provide positive assurance declarations</li> <li>• that declarations were retained and there was a record of how they were assessed and how any conflicts were addressed</li> </ul>
	<i>Purchase orders and approvals</i>	<ul style="list-style-type: none"> <li>• that purchase orders were raised for the full expected amount of the procurement</li> <li>• purchase orders were approved by staff with appropriate authority</li> <li>• internal approvals were obtained before goods and services were purchased</li> </ul>
	<i>Segregation of duties</i>	<ul style="list-style-type: none"> <li>• appropriate segregation of duties across the procurement process</li> </ul>
	<i>Reviewing invoices and payments</i>	<ul style="list-style-type: none"> <li>• any differences between invoice charges and quoted or contracted rates had been reviewed and appropriately justified</li> <li>• goods and services were received and approved by staff with appropriate authority</li> <li>• that there were strong controls around payment of suppliers and access to bank accounts</li> <li>• documentation was retained to support open, fair and transparent decisions, and show that processes have been followed</li> </ul>

## Auditor General's reports

Report number	2018-19 reports	Date tabled
4	Opinions on Ministerial Notifications	30 August 2018
3	Implementation of the GovNext-ICT Program	30 August 2018
2	Young People Leaving Care	22 August 2018
1	Information Systems Audit Report 2018	21 August 2018
Report number	2018 reports	Date tabled
13	Management of Crown Land Site Contamination	27 June 2018
12	Timely Payment of Suppliers	13 June 2018
11	WA Schools Public Private Partnership Project	13 June 2018
10	Opinions on Ministerial Notifications	24 May 2018
9	Management of the State Art Collection	17 May 2018
8	Management of Salinity	16 May 2018
7	Controls Over Corporate Credit Cards	8 May 2018
6	Audit Results Report – Annual 2017 Financial Audits and Management of Contract Extensions and Variations	8 May 2018
5	Confiscation of the Proceeds of Crime	3 May 2018
4	Opinions on Ministerial Notifications	11 April 2018
3	Opinion on Ministerial Notification	21 March 2018
2	Agency Gift Registers	15 March 2018
1	Opinions on Ministerial Notifications	22 February 2018

## Office of the Auditor General Western Australia

7<sup>th</sup> Floor Albert Facey House  
469 Wellington Street, Perth

Mail to:  
Perth BC, PO Box 8489  
PERTH WA 6849

T: 08 6557 7500

E: [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

W: [www.audit.wa.gov.au](http://www.audit.wa.gov.au)



Follow us on Twitter [@OAG\\_WA](https://twitter.com/OAG_WA)



Download QR Code Scanner app and scan code to access more information about our Office

Audit Plan with Timeline										2020/21				2021/22				2022/23				
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>2020/21</b>																						
1	Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness. Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	1. Tendering and Procurement 2. Misconduct	Examine if the Shire has established policies and procedures for procurement of goods and services? Is there effective oversight and control of procurement activities? Is there a process in place for reporting suspecting fraud or misconduct?	* Breach of probity standards and/or Local Government Act 1995; * Loss of reputation due to a lack of transparency, accountability, impartiality, confidentiality and security of information in the procurement process; * Failure to obtain the best value for money.	Scope-To examine if the Shire has effective procurement arrangements in place. Documented evidence in the focus areas below: Policies and procedures * Training Seeking quotes * Tendering ; * Conflict of interest declarations and documentation * Purchase orders and approvals. * Segregation of duties and delegations *Reviewing invoices and payments register procedure *Contract *Whistleblowing	1. Moderate (3) 2. Major (4)	Unlikely (2) Unlikely (2)	Moderate (6) Moderate (8)	OAG has conducted a audit/report which could be used as the basis for review & OAG Better Practice Guidelines													
1			Development/Implementation of outcomes from the above audit		Tender procedure																	
2	Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness. Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	1. Employment Practices 2. Fraud Management 3. Misconduct	Does the Shire have suitable policies and procedures in place for screening employees? Is the Shire adequately screening new employees to verify their identify, employment history and education / professional qualifications and perform risk based criminal record checking? Is the Shire monitoring existing employees for changes in their status (new criminal convictions or discontinuance of essential qualifications)?	* Incidents of fraud may result in financial loss and/ or reputation damage to the Shire * Poor processes/ control weaknesses could impact the quality of employees in, and the integrity of, the Shire. *Misconduct risks such as inappropriate behaviour at work, inappropriate use of plant or machinery, accessing systems and or data without correct authority to do so,	Scope- To examine the Shire's controls for verifying the identity and credentials of new employees and monitoring the status of existing employees? Documented evidence in the focus areas below: * Policies and procedures Qualifications verification Past work history verification Identity check and right to work verification * Criminal background checks * Recordkeeping Positional requirements- declarations and monitoring of licenses/qualifications. (keys/ licenses/ delegations / passwords) * Employee exit process	1. Major (4) Major (4) 3. Major (4)	2. Unlikely (2) Unlikely (2) Unlikely (2)	Moderate (8) Moderate (8) Moderate (8)	OAG has conducted a audit/report which could be used as the basis for review & OAG Better Practice Guidelines													
2			Development/Implementation of outcomes from the above audit																			

Audit Plan with Timeline											2020/21				2021/22				2022/23			
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>2021/22</b>																						
3	Strategy 1.2.1 Manage organisation in a financially sustainable manner	<b>1. Assessment Management</b> <b>2. Misconduct</b>	To assess if the Shire has policies and processes in place for effectively recording and monitoring the use of fleet motor vehicles? Is there fleet management plans in place to provide for a cost effective balance of fleet composition and utilisation to achieve operational needs? Is motor vehicle use effectively monitored and is there safeguarding of the assets by way of regular inspections?	Usage of the Shire's motor vehicles is not optimised.	<b>Scope- 1. To assess the adequacy of fleet processes in relation to:</b> * monitoring and managing of vehicle maintenance and usage * the management of vehicle assets and disposal / purchasing processes, <b>2. The assess the extent to which the Shire is complying with policies, procedures and legislation pertaining to fleet management- fuel rebate, fringe benefit tax, gst etc</b> Documented evidence in the focus areas below: * Recordkeeping- service dates, fuel consumption reports * Financial costs relating to fleet management. * Fleet purchase in consideration of whole of life costings and business needs. * Review fringe benefits tax reporting by users and monitoring of same. Review procedures for acquisition and disposal of vehicles including: *Acquisition and disposal criteria and timing of changeover; * Preparing vehicles for disposal; and * Replacement policy;	Catastrophic (5) 2. Major (4)	Unlikely (2) Unlikely (2)	High (10) Moderate (8)	<a href="https://www.zurich.com.au/content/dam/risk/features/sedan_and_light_commercial/fleet_safety_resource_kit.pdf">https://www.zurich.com.au/content/dam/risk/features/sedan_and_light_commercial/fleet_safety_resource_kit.pdf</a>													
3			Development/Implementation of outcomes from the above audit																			
4	Strategy 1.4.2 Manage and reduce waste Strategy 1.1.2 Provide buildings, facilities and services to meet community needs Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	<b>Environment</b>	The Audit is to assess: 1. Are waste services planned to minimise waste and meet community expectations? 2. Does the Shire have effective and economical arrangements in place to collect and transport domestic kerbside waste to maximise recycling rates and minimise costs?	The Shire fails to manage its responsibilities in relation to compliance with the Waste and Resource Recovery Act	<b>Scope- To assess whether the Shire's has effective waste managements, practices and services in place to reduce waste.</b> Documented evidence in the focus areas below: Residents satisfaction survey results Corporate plans Contractual arrangements procedures * Finances * OSH * Policies,	Catastrophic (5)	Rare (1)	Moderate (5)	Waste Avoidance & Resource Recovery Strategy 2030 [Waste Authority]													
4			Development/Implementation of outcomes from the above audit																			

Audit Plan with Timeline										2020/21				2021/22				2022/23			
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>2022/23</b>																					
5	Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness. Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	<b>1. Document Management Process</b> <b>2. Misconduct</b> <b>3. External Theft, Fraud and Damage</b>	1. To review the Shire's security and privacy policies and procedures and provide recommendations for any optimisations, cost reductions and efficiencies 2. To Assess the systems and processes in relation to records access, capture and retrieval, retention, storage and disposal. 3. To assess the Shire's performance in relation to fraud management and prevention, inclusive of: * Risk identification; * Opportunities reduction; * Awareness and Monitoring. 4. Is the current records management software enabling efficient records management? 5. Is the Shire providing adequate resourcing in terms of software, hardware, personnel and strategic planning?	* Inadequate records management could result in a breach of State Records Act 2000 and loss of information. * Records cannot be located in a timely and effective manner particularly in the event of appeal or litigation as well as operational requirements * Potential for records information inconsistency; files not retrieved, systems contain incorrect data on applicants and property. * Potential for illegitimate use of local government computers, or illegitimate access to local government property of power supplies	<b>Scope- Examine the Shire's Records Management internal control environment including:</b> <b>Information security, Record management and IT software, Change control, Physical security, Policies and procedures for record capture, storage, dissemination, access, and disposal</b> Documented evidence in the focus areas below: * Mail opening and distribution processes * File recording including emails * Access to records (both physically and electronically) * Retrieval, issuing, monitoring and control processes * security / manipulation / editability of electronic data held in synergy. * Storage and recording of vital documents 2. Procedures and practices in managing the electronic and hard copy records including: IT record management system, file archiving, storage security and access, file destruction. 3. Staff training on recordkeeping and awareness * Fraud risk assessment for records area * Code of Conduct. * Induction.	1. Moderate (3) 2. Major (4) 3. Major (4)	Possible (3) Unlikely (2) Unlikely (2)	Moderate (9) Moderate (8) Moderate (8)	OAG has conducted a records management in LG audit/report which could be used as the basis for review												
5			Development/Implementation of outcomes from the above audit																		
6	Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness. Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	<b>HRM, ability to achieve SCP and CBP objectives</b>	1. Develop a Project Plan that sets out the philosophy and methodology for achieving the proposed objectives. 2. Conduct a thorough review of the Shire's current service delivery models and identify areas for improvement. 3. Make recommendations aimed to improve the way the Shire provides services and operational activities	* The Shire is under/over resourced to achieve objectives * Loss of reputation due to delays in meeting community needs * Roles and responsibilities are unclear, affecting internal relationships and culture	The <b>Efficiency Audit</b> will focus on how each functional area is resourced and effective in attaining the goals and objectives of the organisation * assess * involve an external review of the organisational structure with particular emphasis on recent performance, current activities and planned future activities. * assess the direction, leadership, management, innovation and outcomes of organisational areas or activities. * identify bottlenecks or barriers to achieving the goals and the objectives of the organisation. * identify any changes required for human resource allocation																
6	Strategy 1.3.2 Provide services and processes to enhance public safety Strategy 1.3.1 Provide a high level of compliance with external regulation, in a resource efficient manner	<b>Business Disruption</b>	The objectives of the Internal Audit are to: 1. Assess the current controls, processes and policies to ensure the operation of a safe and effective <b>emergency management</b> service for prevention /mitigation and preparedness; and * Establish if responsibilities for the Shire in relation to the Emergency Management Act 2005 and the Emergency Management Regulations 2006 have been complied with, in particular, the LEM Committee and other associated responsibilities in respect of prevention/mitigation and preparedness	The Shire fails to manage its responsibilities in relation to compliance with the Emergency Management Act 2005 and the Emergency Management Regulations 2006 (1954)	1. Scope- Assess the current controls, processes and policies to ensure the operation of a safe and effective emergency management service for prevention /mitigation and preparedness; and * Establish if responsibilities for the Shire in relation to the Emergency Management Act 2005 and the Emergency Management Regulations 2006 have been complied with, in particular, the LEM Committee and other associated responsibilities in respect of prevention/mitigation and preparedness. Stakeholder engagement including MOUs and agreements with stakeholders such as DFES, Water Corporation, etc. * Management plans; * Bushfire Risk Management Plan; * Risk assessment * Roles and responsibilities. * Review efficacy of education/ community awareness * Record keeping.	Major (4)	Unlikely (2)	Moderate (8)													
6			Development/Implementation of outcomes from the above audit																		

Audit Plan with Timeline										2020/21				2021/22				2022/23			
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>OTHER</b>																					
4	Outcome 4.4 Long term planning and strategic management . Outcome 4.5 Achieve a high level of compliance.	Leases/ Land Management	To ensure that the Shire is managing the various leases that it is party to, or that are under it's control.	* Failure to renew leases in a timely fashion * Risk of missing out on either lease income, or strategic land access as a result of mismanagement of leases * Failure to meet Accounting Standards where relevant leases are not identified and reported	* Review existing lease register and associated management processes * Seek to identify any properties which do not appear on lease register, and update register * Ensure processes provide for timely reminders to renew/review leases and Land Management Agreements	Moderate (3)	Possible (3)	Moderate (9)													
5	Outcome 4.5 Achieve a high level of compliance.	FINANCIAL- Expenditure- Payroll	The audit will: 1. Test that only bona fide employees are paid for work performed, paid on time and are paid using correct pay rate. 2. Review and test the adequacy of the IT system controls including: * System access and profiles (at the application level); * Administrator access; * EFT controls, security of documentation and that there is adequate segregation of duties * Edit-ability of payroll data files (ABA file).	* Wages, salaries and/or conditions of employment are incorrectly paid to employees *	* Setting up of employees in Synergy * Payroll system- review access controls * Recovery of overpayment * Processing timesheets * Authorisation, including overtime approval * Reconciliation * Payment processing in accordance with LGIA, EBA's, policies. * Recording and paying employees for leave. * Review archiving practice for ex-employee records. * Cross-reference banking records against creditor/debtor modules.	Moderate (3)	Unlikely (2)	Moderate (6)	Can be performed internally, with some assistance potentially from IT Vision to assist with data gathering/ reporting from Payroll system												
6	Outcome 3.7 Maintain a safe community environment. Outcome 4.5 Achieve a high level of compliance.	Occupational Health and Safety Risk (OHS)	Assess the Shire's compliance with measures implemented in connection to OHS requirements and safe working practices.	* Injury or death from an unsafe work environment or systems of work; * The Shire and its employees do not comply with OHS legislation exposing the Shire to litigation.	* Safety Management Plan and related policies, procedures, templates, tools and guidelines. * Appointment of Safety Coordinator and Safety Advisors. * OHS induction training. * Review Tool box meeting. * LGIS OHS certification. * OHS Legislation and compliance * OHS Reporting and OHS Audits; * OHS Management Systems; * Pre-employment medicals. * Drug and alcohol testing.	Catastrophic (5)	Unlikely (2)	High (10)	Utilise LGIS as part of Three Steps to Safety Audit Program												
7	Provide good governance Outcome 4.5 Achieve a high level of compliance.	FINANCE- General Finance Controls (excluding procurements and tendering)	Assess the effectiveness of the process level controls within the following financial functions: * Credit cards * Bank reconciliations * Petty cash * Fees and charges * Investments * Fixed Assets * Receipting administration (library, rec centres, leases etc)	The risk is that the Shire has incomplete and/or inaccurate financial records. Fraud	* Financial management guidelines / procedures * Reconciliations * Electronic fund transfer security protocols * Segregation of duties including fraud management controls * Management reporting	Moderate (3)	Unlikely (2)	Moderate (6)													

### Audit Plan with Timeline

										2020/21				2021/22				2022/23					
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
8	Outcome 4.5 Achieve a high level of compliance. Outcome 3.7 Maintain a safe community environment.	Management of Licences	Assess the effectiveness of the controls over the management of licences, including obtaining an understanding of the type of licence held by the Shire- To include the following license types: IT software; Building statutory; Waste transfer station ; Depot fuel.	Licenses are not renewed in a timely manner or failure to obtain relevant licenses	* Register of licences. * Procedures/processes for recording, monitoring and renewing * Managing currency of staff qualifications and licences.																		
9	Provide good governance	Fraud Management Review	To assess the Shire's performance in relation to fraud management and prevention, inclusive of: * Risk identification; * Opportunities reduction; * Awareness and Monitoring.	Incidents of fraud may result in financial loss and/ or reputation damage to the Shire	* Fraud risk assessment * Public Interest Disclosure * Code of Conduct. * Induction. * Investigation and reporting procedures	Insignificant (1)	Possible (3)	Low (3)	OAG has conducted a fraud prevention in LG audit/report which could be used as the basis for review														
10	Outcome 4.4 Long term planning and strategic management . Outcome 4.5 Achieve a high level of compliance.	Planning Development	To ensure that Planning & Development services are being provided in line with statutory obligations. The audit will: 1. Assess the adequacy of control processes relating to planning services 2. Assess the management	* Delays in the planning approval process results in tribunal appeals * Inadequate internal quality assurance procedures results in poor outcomes binding the Shire * Systems do not support ease of use in relation to planning and development approvals	* Delegated authority * Policies and procedures * Archiving of information * Business continuity * Environmental, health, building approvals.	Moderate (3)	Unlikely (2)	Moderate (6)															
12	Outcome 2.5 Safe and functional road and ancillary infrastructure. Outcome 1.3 Protect and enhance economic infrastructure. Outcome 3.2 Maintain the provision of high quality community infrastructure.	Building Maintenance	Review and assess the effectiveness of the Shire's systems, processes and activities in relation to building infrastructure and maintenance services.	* Dilapidation of building leading to a lack of capital for services. * Increased building and more infrastructure will increase the costs of renewal & maintenance to such an extent that it will be unsustainable for the Shire into the future, resulting in reduced customer service.	* Inspections; Condition surveys and reporting (on a random basis, confirmation of the condition reports matching to physical site inspection) Budget and financial management; assessments. (e.g. evidence of test & tag, fire management, roof restraints); * Risk * OSH * Inductions;	Catastrophic (5)	Unlikely (2)	High (10)															
14	Outcome 3.7 Maintain a safe community environment.	Event Management	To ensure that any risks posed to the Shire through events are being managed effectively. To ensure each program is operating within and adhering to the required safety and risk management standards.	Non-compliance with relevant OSH legislation and DAIP requirements		Catastrophic (5)	Unlikely (2)	High (10)															

Audit Plan with Timeline											2020/21				2021/22				2022/23			
Project	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
15	Outcome 4.2 An open and accountable local government that is respected, professional and trustworthy.	Legislative Framework	Assess the framework / systems review for legislative compliance, which should include * a documented process to capture legislative changes * A system that documents legislative requirements and tracks the Shire's progress;	* The Shire fails to identify legislative compliance obligations leading to a reactive culture and increasing its likelihood of identifying legislative compliance obligations only in the event of an emerging problem. This has the potential to reduce the effectiveness of the administration as a whole, with respect to legislative compliance.	* Compliance Calendar																	
16	Outcome 4.2 An open and accountable local government that is respected, professional and trustworthy. Outcome 4.5 Achieve a high level of compliance.	FINANCIAL- Expenditure- Accounts Payable & Receivable inclusive of rates	To provide assurance that the function is being effectively managed and free of any risks of fraud. To provide recommendations (if any) for the improvements in efficiencies of the function and effectiveness of controls and procedures. The audit will: 1. Evaluate internal controls designed to prevent fraud and corruption in the payment processes; 2. Verify that the payments were made correctly, timely, and properly supported. 3. Review for duplicate payments 4. Evaluate compliance with policy, procedures and legislation.		* Financial management guidelines / procedures * Reconciliations Electronic fund transfer security protocols Segregation of duties including fraud management controls * Management reporting	Moderate (3)	Unlikely (2)	Moderate (6)														
17	Strategy 1.2.3 Provide sound corporate governance of Shire and create an attractive work environment. Strategy 1.3.2 Provide services and processes to enhance public safety	OSH	To assess the Shire's performance in relation to all procedures, processes and controls in relation to OSH matters	Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors.	* Policies and procedures Record keeping Education and training Adequate and safe plant, equipment, tools and PPE	Catastrophic (5)	Unlikely (2)	High (10)														
18	Outcome 4.5 Achieve a high level of compliance.	FINANCIAL- Expenditure- Payroll	The audit will: 1. Test that only bona fide employees are paid for work performed, paid on time and are paid using correct pay rate. 2. Review and test the adequacy of the IT system controls including:	Wages, salaries and/or conditions of employment are incorrectly paid to employees	* Setting up of employees in Synergy * Payroll system- review access controls * Recovery of overpayment * Processing timesheets * Authorisation, including overtime approval * Reconciliation * Payment processing in accordance with LGIA, EPA's policies	Moderate (3)	Unlikely (2)	Moderate (6)	Can be performed internally, with some assistance potentially from IT Vision to assist with data gathering/ reporting from Payroll system													
4	Strategy 1.2.4 Seek innovative ways to improve organisational efficiency and effectiveness. Strategy 1.3.1 Provide a high level of compliance with external regulation in a	1. External Fraud, Theft and Corruption 2. Misconduct	To review the Shire's practices and controls in fraud and corruption management.	* Incidents of fraud may result in financial loss and/ or reputation damage to the Shire * Poor processes/ control weaknesses could impact the quality of employees in, and the integrity of, the Shire	<b>Scope- Has the Shire implemented a coordinated approach to manage fraud risks?</b> <b>2. Does the Shire have adequate controls for preventing and detecting fraud?</b> <b>3. Can the Shire respond appropriately to suspected fraud?</b> Code of Conduct *Conflict of Interest Guidelines * policies and procedures reporting mechanisms and protection *risk	1. Major (4) Major (4)	Unlikely (2) Unlikely (2)	Moderate (8) Moderate (8)	OAG Fraud prevention audit. OAG employee screening audit.													
		Contract Extensions and Variations			* Policies and procedures governing contract extensions and variations * complete and accurate records complying with resolutions/delegations contractor performance				OAG has conducted a audit/report which could be used as the basis for review													

**Shire of Mingenew  
Risk Dashboard Report  
January 2021**

IT or communication systems and infrastructure	Risk	Control
	Moderate	Effective
Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.		
Actions	Due Date	Responsibility
Develop IT asset replacement plan	Apr-21	FAM
Review IT management services annually	Mar-21	FAM
Cyber safety - training for staff / inductions	Apr-21	GO

Document Management processes	Risk	Control
	Moderate	Adequate
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.		
Actions	Due Date	Responsibility
Review Records Management Process and Plan	Aug-21	CEO / FAM
Staff Training on synergy records management use	Sep-20	CEO / FAM
Incorporate records into induction	Nov-21	SFO / GO
Complete up-to-date archiving program	Dec-21	SFO

Errors, omissions & delays	Risk	Control
	Low	Adequate
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.		
Actions	Due Date	Responsibility
Staff Training Needs Analysis & Training Plan	Apr-21	GO
Create undocumented / update MOUs and contracts	Dec-21	CEO / GO
Review complaints management policy and procedures	May-21	GO

Misconduct	Risk	Control
	Moderate	Effective
Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.		
Actions	Due Date	Responsibility
Review Code of Conduct documents and processes	Feb-21	GO / CEO
Evidence tender evaluations by all panel members	Apr-21	GO
Prepare costings for budget consideration for improved key / card access for key buildings (Admin / Rec Centre)	May-21	FAM
Develop a fraud and misconduct framework	Jun-21	GO
Prepare PID Policy and Procedures	Sep-21	GO

Projects / Change management	Risk	Control
	Moderate	Adequate
Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.		
Actions	Due Date	Responsibility
Nil.		

Governance & Compliance risk (statutory, regulatory)	Risk	Control
	Moderate	Effective
Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes new or proposed regulatory and		
Actions	Due Date	Responsibility
Training Needs Analysis - Compliance	Apr-21	GO
Councillor training	Oct-20	COUNCIL / GO

Business disruption	Risk	Control
	Moderate	Adequate
Failure to adequately prepare and respond to events that cause disruption to normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism).		
Actions	Due Date	Responsibility
Established & Trained ECO's (Fire Wardens)	Feb-21	CEO / LGIS
Review Business Continuity Plan	Feb-21	Leadership Team
Review LEMA Plan	Mar-21	GO / LEMC
Conduct internal fire exercise	Apr-21	CEO
Review evacuation procedures	Aug-21	GO / LT
Review Bushfire Risk Management Plan	Sep-21	GO / CEO

Employment practices	Risk	Control
	Moderate	Adequate
Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and		
Actions	Due Date	Responsibility
Adopt workforce plan	Mar-21	CEO
Create an training needs analysis	Apr-21	CEO / GO
Develop Attraction and Retention strategy	Jun-21	GO
Develop a workforce survey to measure employee satisfaction	Dec-21	CEO / GO

External Theft & Fraud	Risk	Control
	Moderate	Adequate
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external		
Actions	Due Date	Responsibility
Review key register	Mar-21	FAM
Card access control system to be quoted for budget consideration	Jun-21	CEO
Vehicle monitoring system	Sep-21	GO
Fraud awareness training	Mar-21	GO

Asset management practices	Risk	Control
	High	Inadequate
Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from		
Actions	Due Date	Responsibility
Complete annual maintenance program for plant & equipment	Jun-21	WM / CEO
Develop Building Maintenance program (schedule / budget) for next financial year	Apr-21	WM / CEO
Develop a road maintenance program to support LTFP	Dec-21	WM / CEO
Housing Replacement Plan	Dec-21	CEO

Facilities / Venues / Events / Properties	Risk	Control
	Moderate	Adequate
Failure to effectively manage the day to day operations of facilities, venues and / or events.		
Actions	Due Date	Responsibility
Ensure budget allocation for improved key / card access for key buildings (Admin / Rec Centre)	Apr-21	FAM
Review Community Bus Policy and booking forms	May-21	CDO / GO
Establish formal hire agreements and leases for community facilities	Dec-21	GO

Environment management	Risk	Control
	Moderate	Adequate
Inadequate prevention, identification, enforcement and management of environmental issues.		
Actions	Due Date	Responsibility
Install a monitoring bore at landfill site.	Jun-21	CEO
Identify best approach to manage contaminated road reserve	Jun-21	EHO
Transfer Station management	Jun-21	CEO
Update Asbestos Register	Apr-21	EHO
Develop roadside clearing policy	Sep-21	WM

Procurement / Contract Management / Disposal / Tender Practices	Risk	Control
	Moderate	Adequate
Failures in the procurement, acquisition, acceptance or disposal process for goods (assets) or services as governed by the Local Government Act. This also includes inadequacies in the development and		
Actions	Due Date	Responsibility
Add Contract review dates to calendar	Dec-21	GO
Develop Contractor Management procedures	Feb-21	GO
Develop Tender and Procurement Procedures	Mar-21	GO
Appoint Contract Managers	Mar-21	GO
Incorporate procurement into inductions	Jun-21	GO

Safety and Security practices	Risk	Control
	High	Adequate
Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors.		
Actions	Due Date	Responsibility
Communicate the OSH Policy to all workers, contractors and other interested parties	Jun-21	CEO / WM
Develop a consultation and communication procedure	May-21	GO
Train workers in the consultation and communication procedure	Jun-21	GO / WM
Develop and implement a process for consulting with contractors. This should include inductions, onsite observations, contract evaluations - see LGIS Contractor Toolkit	May-21	GO / WM
Review the Risk Mitigation procedure and train workers in its use	Jul-21	GO / WM
Train workers in hazard identification, assessment and control, and appropriate records management	Jul-21	GO / WM
Identify work tasks with significant safety risks and ensure staff are trained in their use i.e. SWMS/SMP	Aug-21	GO / WM
Complete the review of the emergency management procedures	Aug-21	GO
Conduct annual emergency drills annually, document and review procedures as required	Mar-21	GO / WM
Appoint fire wardens and ensure they are appropriately trained	Feb-21	GO
Develop a process for managing contractors	May-21	GO / WM
Develop a training needs analysis (TNA) or register for all positions	Apr-21	GO / WM
Complete the review of the Hazard and Incident Reporting Procedure	May-21	GO / WM

Community Engagement	Risk	Control
	Moderate	Effective
Community satisfaction survey scoped for budget		
Actions	Due Date	Responsibility
Community satisfaction survey scoped for budget	May-21	CDO

# Misconduct

Jan-21

## Risk Description

Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.

This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Inappropriate use of plant, equipment or machinery
- Inappropriate use of social media.
- Inappropriate behaviour at work.
- Purposeful sabotage

*This does not include instances where it was not an intentional breach - refer Errors, Omissions or Delays.*

## Potential causes include;

Inadequate training of code of conduct \ induction	Greed, gambling or sense of entitlement
Changing of job roles and functions/authorities	Collusion between internal & external parties
Delegated authority process inadequately implemented	Password sharing
Disgruntled employees	Sharing of confidential information

Key Controls	Type	Date	Rating
Delegations Register	Detective	Nov-18	Effective
Segregation of Duties (Financial)	Preventative	Nov-18	Adequate
IT Security Access Framework (Profiles and passwords)	Preventative	Nov-18	Effective
Procurement Process (Purchase Order Process) - Electronic	Preventative	Nov-18	Effective
Confidentiality Agreement	Preventative	Oct-19	Adequate
Induction Process	Preventative	Ongoing	Adequate
PID Procedures, HR Policies and Procedures	Preventative	Aug-19	Adequate
Financial Reports/documentation to Council	Preventative	Aug-20	Effective
Code of Conduct	Preventative	Apr-19	Effective

**Overall Control Ratings:** Effective

## Residual Risk Rating

Consequence Categories	Consequence:	Major (4)
	Likelihood:	Unlikely (2)
Financial / Reputation	Moderate	

Key Performance Indicators	Tolerance	Latest Result	Trend
Incidents Reported, Public Interest Disclosure	0	0	No change
Induction paperwork on file to include signed Code of Conduct	2	100%	No change
Internal Audits of procurement process- negative findings (segregation of duties, authorisation, POs)	2	0	Findings reduced
Related Parties Disclosures received	0	100%	No change
Internal complaints and investigations	1	0	No change

Actions (Treatments)	Due Date	Responsibility
Review Code of Conduct documents and processes	Feb-21	GO / CEO
Evidence tender evaluations by all panel members	Apr-21	GO
Prepare costings for budget consideration for improved key / card access for key buildings (Admin / Rec Centre)	May-21	FAM
Develop a fraud and misconduct framework	Jun-21	GO
Prepare PID Policy and Procedures	Sep-21	GO

## Comments

Recent audit reports have not reported any misconduct. The Shire's financial and governance systems are appropriate for reducing the risk with regard to misconduct opportunities and the Shire's efforts to improve inductions to educate staff on appropriate behaviour and consequences of misconduct have improved. IT Security and procurement processes have been improved, and the supporting HR framework has also undergone major review. Segregation of duties remains a potential source of risk, due to small team size, but is managed effectively through a series of processes requiring dual sign-off on changes and payments.

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
Governance Officer	Yes	Yes	Yes	Yes	Yes	Review annually and as required
Finance and Admin Manager	Yes	Yes	Yes	Yes	Yes	Limited by number of staff
Finance and Admin Manager	Yes	Yes	Yes	Yes	Yes	Reviewed through IT service contract
Finance and Admin Manager	Yes	Yes	Yes	Yes	Yes	Procedure well documented and consistently used
Governance Officer	Yes	Yes	Yes	Yes	Yes	Completed as required and recorded
Governance Officer	Yes	Partial	Yes	Partial	Yes	Online and hard copy of completed inductions
Governance Officer	Partial	Partial	Yes	Partial	Yes	PID Procedures to be developed
Finance and Admin Manager	Yes	Yes	Yes	Yes	Yes	Monthly reports to Council
Governance Officer	Yes	Yes	Yes	Yes	Yes	Reviewed and adopted as part of Policy Manual

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Nil incidents reported at 27 Jan 2021
				All new employees inducted with signed Code of Conduct
				No negative audit results relating to segregation of duties
				All Related Party Disclosures recorded and reported on
				No internal complaints / investigations as at 27 Jan 2021

Original Due Date	# Extensions	Comments / Current Status
		Annual review required
		Clarify documentation requirements and add to procedure
		For Council consideration
		For drafting, review and adopted
		For drafting, review and adopted

# Errors, omissions & delays Jan-21

**Risk Description**  
 Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.  
 Examples include;  
 -Incorrect planning, development, building, community safety and Emergency Management advice  
 -Incorrect health or environmental advice  
 -Inconsistent messages or responses from Customer Service Staff  
 -Any advice that is not consistent with legislative requirements or local laws.  
 -Human error  
 -Inaccurate recording, maintenance, testing or reconciliation of data.  
 -Inaccurate data being used for management decision-making and reporting.  
 -Delays in service to customers  
*This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".*

**Potential causes include;**

Human error	Incorrect information
Inadequate formal procedures or training	Miscommunication
Lack of trained staff	Work pressure / stress
Poor use of check sheets / FAQ's	Lack of understanding

Key Controls	Type	Date	Rating
Staff Training and interaction	Preventative	Ongoing	Inadequate
Information sheets / FAQ's	Preventative	Ongoing	Adequate
Use of specialised professional consultants	Preventative	Ongoing	Effective
Regular meetings between various segments of employees	Preventative	Ongoing	Adequate
Management oversight	Preventative	Ongoing	Effective
Documented Procedures / Checklists	Preventative	Ongoing	Effective
Complaints Register	Detective	Ongoing	Adequate
Competitive wage and package levels	Preventative	Ongoing	Adequate
Complaints Procedure	Preventative	Ongoing	Adequate
Customer Service Charter	Preventative	Ongoing	Effective

**Overall Control Ratings:** Adequate

**Residual Risk Rating**

<b>Consequence Categories</b>	<b>Consequence:</b>	Minor (2)
Reputation	<b>Likelihood:</b>	Unlikely (2)
	<b>Low</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of serious complaints/issues regarding inaccurate advice/information	1 per year	1	Stable
Threat of litigation regarding inaccurate advice/information	0	0	Stable
Number of written complaints about same issue	3 per year	0	Stable
Average number of days for determining minor development applications	35 Days	less 35	Stable
% of planning applications determined within statutory timeframes	0%	100	Stable
% of building applications determined within statutory timeframes	0%	100	Stable
Response Times to customer request/complaints within Customer Service Charter requirements	0	90%	Stable
Workers Compensation	2 cases per year	1	Stable
% of staff performance reviews completed	5%	70%	Stable

Actions (Treatments)	Due Date	Responsibility
Staff Training Needs Analysis & Training Plan	Apr-21	GO
Create undocumented / update MOUs and contracts	Dec-21	CEO / GO
Review complaints management policy and procedures	May-21	GO

**Comments**  
*The short term focus is on improving staff training to ensure staff have the required knowledge and skills to complete their tasks. A training register has been developed and further analysis is required to identify any competency gaps. This will allow for a training needs analysis and training plan to follow. Contracts and MOUs for community groups and local businesses are being worked through to provide consistency and better capture arrangements.*

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
GO / CEO	Partial	Partial	Partial	Partial	Yes	Analysis required on current staff competencies
FAM	Yes	Yes	Yes	Yes	Yes	Will be reviewed and adjusted as required
CEO	Yes	Yes	Yes	Yes	Yes	Consultants engaged as required
CEO	Yes	Yes	Yes	Yes	Yes	Leadership Team, Staff Meetings and Toolbox meetings
LT	Yes	Yes	Yes	Yes	Yes	Leadership Team meetings
CEO	Yes	Yes	Yes	Yes	Yes	Generally, procedures and documents developed
CEO	Yes	Partial	Yes	Yes	Yes	Formal procedure to be developed
GO / CEO	Yes	Yes	Yes	Yes	Yes	Reviewed as vacancies arise, refer Workforce Plan
GO	Yes	Partial	Yes	Yes	Yes	Formal procedure to be developed
FAM	Yes	Yes	Yes	Yes	Yes	Reviewed annually

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Incident relating to planning advice provided - resolved
				Nil
				Nil
				Unknown exactly but all within 35 days
				All within statutory timeframes
				All within statutory timeframes
				Response in accordance with CSC
				One case PE107
				Some Works staff performance reviews outstanding for 2020/21

Original Due Date	# Extensions	Comments / Current Status
		Use Training Matrix to analyse staff needs and gaps, and develop training plan for budget
		Ongoing focus for 2021
		Review policy and procedures and educate staff

# Business disruption

Jan-21

## Risk Description

Failure to adequately prepare and respond to events that cause disruption to normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism).

This includes;

- Lack of (or inadequate) emergency response / business continuity plans.
- Lack of training for specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

*This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT & communication systems and infrastructure".*

## Potential causes include;

Cyclone, storm, fire, earthquake	Extended utility outage
Terrorism / sabotage / criminal behaviour	Economic Factors
Epidemic / Pandemic	Loss of key staff
Loss of suppliers	Loss of key infrastructure

Key Controls	Type	Date	Rating
Business Continuity Plan	Preventative	Mar-20	Adequate
LEMC Exercises	Detective	Oct-20	Effective
Local Emergency Management Committee	Preventative	Oct-20	Effective
LEMA & Recovery Plans	Preventative	Oct-19	Adequate
Bushfire Risk Management Plan & Response Plan	Preventative	Oct-19	Adequate
Established & Trained ECO's (Fire Wardens, First Aiders)	Preventative	Feb-21	Inadequate
Emergency Evacuation and Response Procedures	Recovery	Jun-21	Inadequate
COVID Risk Register	Prevent / Recovery	May-20	Adequate

**Overall Control Ratings:** Adequate

## Residual Risk Rating

Consequence Categories	Consequence:	Likelihood:
Service Interruption / Reputation / Financial	Major (4)	Unlikely (2)
	Moderate	

Key Performance Indicators	Tolerance	Latest Result	Trend
Complete Business Continuity Exercises	1 exercise per year	0	Inadequate
LEMC Meetings	2 per year	3	Adequate
Internal Evacuation Exercises	1 per year	1	Adequate
First Aid Training	1 per year	0	Inadequate
Staff Emergency Training	90%	95%	Adequate

Actions (Treatments)	Due Date	Responsibility
Established & Trained ECO's (Fire Wardens)	Feb-21	CEO / LGIS
Review Business Continuity Plan	Feb-21	Leadership Team
Review LEMA Plan	Mar-21	GO / LEMC
Conduct internal fire exercise	Apr-21	CEO
Review evacuation procedures	Aug-21	GO / LT
Review Bushfire Risk Management Plan	Sep-21	GO / CEO

## Comments

COVID-19 pandemic has delayed a number of projects/process improvements however, the Shire has had relatively good systems in place that now require building on. The LEMC is growing increasingly mature and effective. The current area of focus is training for ECO's and ensuring suitable supporting procedures are developed and implemented.

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Partial	Yes	Yes	BCP to be reviewed
CEO	Yes	Yes	Yes	Yes	Yes	Regular exercises held
CEO / GO	Yes	Yes	Yes	Yes	Yes	At least 2 meetings held per year
CEO / GO	Yes	Yes	Partial	Yes	Yes	Reviewed biennially
CEO / GO	Yes	Yes	Partial	Yes	Yes	Reviewed biennially
GO	Partial	Partial	Partial	Partial	Yes	Training scheduled
GO	Partial	Partial	Partial	Partial	Yes	Develop after Fire Warden training
GO	Yes	Yes	Partial	Yes	Yes	Review with BCP

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				No business continuity exercises due to COVID response priority
				Typically 2 meetings held but additional held for COVID response in 2020
				Not documented
				Delayed to July 2021 due to COVID
				Fire extinguisher training held, First Aid scheduled for July 2021

Original Due Date	# Extensions	Comments / Current Status
		ECO training schedule for Feb 2021 - Fire Wardens - Jasmine, Jeremy and Rocky (need to replace)
		consider COVID and cloud-based server in review
		Review and present to March 2021 LEMC meeting
		Conduct following Fire Warden training
		Base on outcomes of fire exercise
		Check with DFES on any updated compliance requirements

## External theft, fraud & damage (incl. cyber)

Jan-21

### Risk Description

Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic).

For the purposes of;

-Fraud: benefit or gain by deceit

-Malicious Damage

-Theft: stealing of data, assets or information

### Potential causes include;

Inadequate security of equipment / supplies / cash

Inadequate provision for patrons belongings

Robbery

Lack of Supervision

Scam Invoices

Collusion with internal staff

Key Controls	Type	Date	Rating
Security Access controls (Admin; Depot; Heritage Buildings, Rec Centres)- physical (locks, gates)	Preventative	Nov-18	Adequate
IT Security Arrangements (passwords, security levels etc)	Preventative	Nov-18	Effective
Fraud Risk Assessment as part of external audit	Detective	Ongoing	Adequate
Fuel monitoring equipment on portable fuel trailers	Detective	Aug-20	Adequate
Water standpipe locks	Preventative	Aug-20	Adequate
Financial Management practices and procedures	Preventative	Ongoing	Effective

### Overall Control Ratings:

Adequate

### Residual Risk Rating

Consequence Categories	Consequence:	Likelihood:
Service Interruption / Financial / Reputation	Major (4)	Unlikely (2)
	Moderate	

Key Performance Indicators	Tolerance	Latest Result	Trend
# Incidents/Breaches	1 per year	0	Stable
Cyber threat (no breach)	5 per year	3	Stable

Actions (Treatments)	Due Date	Responsibility
Review key register	Mar-21	FAM
Card access control system to be quoted for budget consideration	Jun-21	CEO
Vehicle monitoring system	Sep-21	GO
Fraud awareness training	Mar-21	GO

### Comments

With no incidents reported this is low risk but the organisation needs to ensure its systems remain effective. Upgrades to ICT management and systems in recent years are ensuring our cyber security remains current and professionally managed. Key management system remains a challenge with legacy systems - a new system would ensure a tighter control on access to buildings/facilities utilised by members of the public.

### Control Assurance

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
FAM / WM	Yes	Partial	Yes	Yes	Yes	Key register maintained, not all keys accounted for
FAM	Yes	Yes	Yes	Yes	Yes	As per IT agreement
GO / FAM	Yes	Yes	Yes	Yes	Yes	No issues identified through external audit
WM	Yes	Yes	Yes	Yes	Yes	Monitoring systems in place and captured
WM	Yes	Yes	Yes	Yes	Yes	Forms developed and access register in place
FAM	Yes	Yes	Yes	Yes	Yes	Reviewed and updated through statutory reporting and auditing

### KPI / Action Data

- 3	- 2	- 1	Current	Comments
				Nil reported
				Approx 3 detected

Original Due Date	# Extensions	Comments / Current Status
Jun-20	2	Audit of keys to be completed
		For Council consideration for 2021/22 Budget
Dec-20	2	Quotes to be prepared based on appropriate products available
		Consider as part of Induction

# IT or communication systems and infrastructure

Jan-21

**Risk Description**  
 Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.  
 Examples include failures or disruptions caused by:  
 -Hardware or software  
 -Networks  
 -Failures of IT Vendors  
 This also includes where poor governance results in the breakdown of IT maintenance such as;  
 -Configuration management  
 -Performance monitoring  
 This does not include new system implementations - refer "Inadequate Project / Change Management".

**Potential causes include;**

Weather impacts	Non-renewal of licences
Power outage on site or at service provider	Inadequate IT incident, problem management & Disaster Recovery
Out-dated, inefficient or unsupported hardware or software	Lack of process and training
Incompatibility between operating systems	Vulnerability to user error

Key Controls	Type	Date	Rating
Data Back-up Systems	Recovery	Nov-18	Effective
Outsourced Performance Monitoring (Infinitum) & Support	Detective	Nov-18	Effective
UPS / Generator	Recovery	Nov-18	Effective
Two-way comms / mobile phones / satellite phone	Preventative	Nov-18	Adequate
Telephony	Preventative	Nov-18	Adequate
IT Infrastructure Replacement Program	Preventative	Nov-18	Effective
Business Continuity Plan	Detective	Aug-20	Adequate
Cloud-based server	Recovery	Apr-20	Effective

**Overall Control Ratings:** Effective

**Residual Risk Rating**

<b>Consequence Categories</b>	<b>Consequence:</b> Major (4)
	<b>Likelihood:</b> Unlikely (2)
Service Interruption / Financial	Moderate

Key Performance Indicators	Tolerance	Latest Result	Trend
System outages	1 per month	<1	Improved with cloud
Number of customer complaints due to IT/Comms issues	5 per outage	<1	Stable
Vendor Help Desk (IT Vision and Infinitum) support requests	5 per month	5-10	Stable

Actions (Treatments)	Due Date	Responsibility
Develop IT asset replacement plan	Apr-21	FAM
Review IT management services annually	Mar-21	FAM
Cyber safety - training for staff / inductions	Apr-21	GO

**Comments**  
 The Shire's IT system controls remain effective while operating with cloud-based server. Minor issues with phone connection due to mobile coverage and internet service quality. Business Continuity Plan requires review following COVID.

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
FAM	Yes	Yes	Yes	Yes	Yes	Assuming cloud-based system remains
FAM	Yes	Yes	Yes	Yes	Yes	IT Managed Services contract
FAM	Yes	Yes	Yes	Yes	Yes	No fails reported
WM	Yes	Yes	Partial	Yes	Yes	Mobile coverage patchy
FAM	Yes	Yes	Partial	Yes	Yes	3CX app not always reliable
FAM	Yes	Yes	Yes	Yes	Yes	ICT Program incorporated in annual budget
GO / CEO	Yes	Yes	Yes	Partial	Yes	BCP requires review
FAM	Yes	Yes	Yes	Yes	Yes	Council to review

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Impact of outages reduced with cloud-based server
				No complaints recorded
				Various outages of minor nature

Original Due Date	# Extensions	Comments / Current Status
		In accordance with Asset Management Plan
		Contract Register
		Inclusion for Staff and Councillor Inductions

**Risk Description**  
 Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation.  
 It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.  
*It does not include Occupational Safety & Health Act (refer "Inadequate safety and security practices") or any Employment Practices based legislation (refer "Ineffective Employment practices").*

**Potential causes include;**

Lack of training, awareness and knowledge	Lack of Legal Expertise
Staff / Councillor Turnover	No Compliance Officer or person responsible for Compliance oversight
Inadequate record keeping/ failure of corporate electronic systems	Failure to govern, transparently & embrace good governance practices
Ineffective policies & processes	Ineffective monitoring of changes to legislation

Key Controls	Type	Date	Rating
Compliance Audit Return (DLGSC)	Detective	Nov-18	<b>Adequate</b>
Compliance Calendar	Preventative	Nov-18	<b>Effective</b>
Subscriptions (e.g. WALGA, IT Vision User Group)	Preventative	Nov-18	<b>Effective</b>
Documented Tender Process	Preventative		<b>Adequate</b>
Audit Committee	Detective		<b>Effective</b>
Financial Interest Return Register	Recovery		<b>Effective</b>
Training- Staff	Preventative		<b>Adequate</b>
Internal Audit/Control Reviews	Detective		<b>Effective</b>
External Auditor Review	Detective		<b>Effective</b>
FOI, PID Procedures	Preventative		<b>Adequate</b>
Councillor Training	Preventative		<b>Inadequate</b>
Code of Conduct	Preventative		<b>Adequate</b>
Councillor Attendance Record	Detective		<b>Effective</b>
Documented Risk Management Process, Control Review & Reporting	Preventative / Detective		<b>Effective</b>

**Overall Control Ratings:** **Effective**

**Residual Risk Rating**

Consequence Categories	Consequence:	Likelihood:
Compliance / Reputation	Moderate (3)	Unlikely (2)
	<b>Moderate</b>	

**Key Performance Indicators**

Key Performance Indicators	Tolerance	Latest Result	Trend
Fines or penalties	0 year	0	No change
No of failed audits	1 per year	0	No change
CAR- No of non compliances	2	0	Improved
Investigations for breaches	1 per year	0	No change
f% of FOIs and PIDs not actioned within timeframes	5%	0	No change
Number Councillors completing mandatory training in first year	up to 7	1	Inadequate
Councillor absence rate at Council Meetings and Committee meetings	<10%	less than 10	Improved
Failure to advertise	5%	0	Stable

**Actions (Treatments)**

Actions (Treatments)	Due Date	Responsibility
Training Needs Analysis - Compliance	Apr-21	GO
Councillor training	Oct-20	COUNCIL / GO

**Comments**  
 Mandatory training requirements not met in all cases - risk that not all Councillors have adequate skill set to perform their role effectively and face future reprimand from Department. At this stage no legislated penalties exist for non-compliance, however the Department have indicated that they will be reviewing completion rates/effectiveness of training in near future with expectation of increasingly stringent requirements.

**Control Assurance**

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
GO	Yes	Yes	Yes	Yes	Yes	2020 CAR currently being completed
GO	Yes	Yes	Yes	Yes	Yes	Review through LT meetings
FAM	Yes	Yes	Yes	Yes	Yes	Annual Budget consideration
GO	Yes	Partial	Yes	Yes	Yes	Procedures to be developed
CEO	Yes	Yes	Yes	Yes	Yes	Meet approx 4 times per year
GO	Yes	Yes	Yes	Yes	Yes	Updated as required, register maintained
CEO	Yes	Partial	Partial	Partial	Yes	Needs analysis required
GO	Yes	Yes	Yes	Yes	Yes	Internal Audit Plan
FAM	Yes	Yes	Yes	Yes	Yes	Annual external audit plus Reg 17 and FMR
GO	Yes	Partial	Yes	Yes	Yes	PID procedure to be developed, GO has FOI training
CEO / GO	Yes	No	Yes	No	Yes	Mandatory training not completed by all
GO	Yes	Partial	Yes	Yes	Yes	Awaiting review
GO	Yes	Yes	Yes	Yes	Yes	Register maintained
GO	Yes	Yes	Yes	Yes	Yes	Policy and framework reviewed, Risk Register updated

*Is it designed well (measured by completeness, accuracy, timeliness, fraud) and operated infectiveness (done by sampling)...is people using i*

**KPI / Action Data**

- 3	- 2	- 1	Current	Comments
				Nil
				Nil
				Nil compliance issues identified in 2020 CAR
				Nil
				Nil received
				Only 1 EM compliant
				Only 2 months where there were recorded absences
				Nil

Original Due Date	# Extensions	Comments / Current Status
		Training needs reviewed through Performance Reviews, Budget Planning and ongoing engagement with personnel
		Mandatory training not completed, regulated by DLGSC

## Asset management practices

Jan-21

### Risk Description

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal.

Areas included in the scope are;  
 -Inadequate design (not fit for purpose)  
 -Ineffective usage (down time)  
 -Outputs not meeting expectations  
 -Inadequate maintenance activities.

-Inadequate financial management and planning (capital renewal plan).

*It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.*

### Potential causes include;

Skill level & behaviour of operators	Unavailability of parts
Lack of trained staff	Lack of formal or appropriate scheduling (maintenance / inspections)
Outdated equipment	Unexpected breakdowns
Insufficient budget to maintain or replace assets	

Key Controls	Type	Date	Rating
Plant Replacement Program	Preventative	Nov-18	Inadequate
Asset Management Framework (Plan & Strategy)	Preventative	Nov-18	Adequate
Building Maintenance Program	Preventative	Nov-18	Adequate
Fleet Management System	Preventative	Nov-18	Inadequate
Road Asset Management System (RAMMS)	Preventative	Nov-18	Adequate
Housing Replacement Program	Preventative	Feb-21	Inadequate

**Overall Control Ratings:** Inadequate

### Residual Risk Rating

Consequence Categories	Consequence:	Likelihood:
Financial / Property	Catastrophic (5)	Unlikely (2)
	<b>High</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
Substantiated complaints against asset conditions	TBD		
Asset Consumption Ratio	0.60 - 0.75	0.93	Improving (0.95)
Asset Sustainability Ratio	0.90 - 1.10	1.69	Improving (2.68)
Asset Renewal Funding Ratio	0.95 - 1.05	0.79	Lessening (0.87)

Actions (Treatments)	Due Date	Responsibility
Complete annual maintenance program for plant & equipment	Jun-21	WM / CEO
Develop Building Maintenance program (schedule / budget) for next financial year	Apr-21	WM / CEO
Develop a road maintenance program to support LTFP	Dec-21	WM / CEO
Housing Replacement Plan	Dec-21	CEO

### Comments

*Housing Replacement program to be developed to ensure Shire housing stock is adequate for attraction and retention of staff and meets market needs. No formal fleet management being undertaken, but under review following introduction of Works Manager role. Plant replacement and fleet management require improved planning and budgeting.*

### Control Assurance

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
WM	Yes	Partial	Partial	Partial	Yes	Incorated into budget annually, lacking maintenance planning
FAM / CEO	Yes	Yes	Partial	Partial	Yes	AMP not aligned with other integrated planning documents
WM / CEO	Yes	Yes	Partial	Partial	Yes	Audit conducted to prioritise and budget requirements
WM / CEO	Partial	Partial	Partial	Partial	Yes	No formal management system in place
WM / CEO	Yes	Partial	Partial	Partial	Yes	Check system maintenance
CEO	No	No	No	No	Yes	Requires strategic planned approach

### KPI / Action Data

-3	-2	-1	Current	Comments
				No complaints identified
				Ratios being reviewed
				Ratios being reviewed
				Ratios being reviewed

Original Due Date	# Extensions	Comments / Current Status
Jun-20	2	Maintenance program to be developed
		Review building inspection reports and GRIP
		To be developed
		To be developed, prioritised in Workforce Plan

# Document Management processes

Jan-21

## Risk Description

Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.

This includes:

- Contact lists.
- Procedural documents, personnel files, complaints.
- Applications, proposals or documents.
- Contracts.
- Forms or requests.

## Potential causes include;

Incompatible systems	Outdated record keeping practices
Inadequate access and / or security levels	Lack of system/application knowledge
Inadequate Storage facilities (including climate control)	High workloads and time pressures
High Staff turnover	Standard Operating Policies not followed

Key Controls	Type	Date	Rating
Records Management Policy	Preventative	Nov-18	Effective
Procedural Documentation on Records Management	Preventative	Aug-20	Adequate
Records Management Framework	Preventative	Aug-20	Adequate
Staff Training	Preventative	Jan-20	Adequate

**Overall Control Ratings:** Adequate

## Residual Risk Rating

<b>Consequence Categories</b>	<b>Consequence:</b>	Moderate (3)
Compliance / Service Interruption / Financial	<b>Likelihood:</b>	Possible (3)
	<b>Moderate</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
% of Customer Service records actioned within agreed timeframes	100%	90%	N/A
# of outstanding / overdue records allocated	less 20 pp	<20	N/A
% of staff completing records training	90%	50%	N/A

Actions (Treatments)	Due Date	Responsibility
Review Records Management Process and Plan	Aug-21	CEO / FAM
Staff Training on synergy records management use	Sep-20	CEO / FAM
Incorporate records into induction	Nov-21	SFO / GO
Complete up-to-date archiving program	Dec-21	SFO

## Comments

The Shire has made progress in updating its management systems and improving staff knowledge. Future priorities to establish written procedures, formalise Record-Keeping Plan (RKP) and setup an ongoing retention and disposal system. Staff to be training appropriately in responsibilities for capturing and maintaining records in accordance with Plan.

## Control Assurance

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
FAM	Yes	Yes	Yes	Yes	Yes	Recently reviewed and adopted by Council
FAM	Partial	Yes	Yes	Yes	Yes	Being developed with RKP
FAM	Partial	Yes	Yes	Yes	Yes	Being developed with RKP
FAM	Partial	Yes	Yes	Yes	Yes	Being developed with RKP

## KPI / Action Data

- 3	- 2	- 1	Current	Comments
				No previous data available
				No previous data available
				No previous data available

Original Due Date	# Extensions	Comments / Current Status
Mar-19	1	Record Keeping Plan Report completed Aug 2020 - RKP update required
		Majority of admin staff completed, basic training to be provided to all staff
		Induction to be reviewed
		To be completed following file system update

# Procurement / Contract Management / Disposal / Tender Pr: Jan-21

## Risk Description

Failures in the procurement, acquisition, acceptance or disposal process for goods (assets) or services as governed by the Local Government Act. This also includes inadequacies in the development and execution of contracts together issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

- This also includes:
- Lack of formalised process to identify specific requirements prior to procurement.
  - Acceptance of assets without reference to a formalised process to ensure correct receipt and/or notification of receipt (transfer of ownership).
  - Disposing of Plant & Equipment (either through sale or decommissioning) that did not meet expectations from either a time or financial perspective.
  - Failures in the Tender process from RFT preparation, advertising, due diligence and awarding.
  - Concentration issues (contracts awarded to one supplier)
  - Vendor sustainability

## Potential causes include;

Funding	Inadequate contract management practices
Complexity and quantity of work	Ineffective monitoring of deliverables
Inadequate tendering process	Lack of planning and clarity of requirements
Contracts not renewed on time	Historical contracts remaining

Key Controls	Type	Date	Rating
Contract Management System	Detective	Nov-18	Adequate
Contract Templates / Approval process	Preventative	Nov-18	Adequate
Use of e-Quotes (WALGA)	Preventative	Nov-18	Effective
WALGA Specialist Procurement Advice	Preventative	Nov-18	Adequate
Procurement Process (Purchase Order Process) - Electronic	Preventative	Nov-18	Effective
Internal Audit & CAR	Detective	Annual	Effective
Policies & Procedures	Preventative	Annual	Effective
Delegation Register	Preventative	Annual	Effective
Tender / Disposal Register	Preventative	Annual	Adequate
Declarations of Interest	Preventative	Ongoing	Adequate
Contract Register	Preventative	Ongoing	Adequate

**Overall Control Ratings:** Adequate

## Residual Risk Rating

Consequence Categories	Consequence:	Likelihood:
Compliance / Financial	Moderate (3)	Unlikely (2)
	<b>Moderate</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
# Expired Contracts, not yet renewed	1 per year	0	Stable
Compliance Audit Report - procurement/disposal section	1 issue per year	0	Improved
Delegation Register reviewed	Annually	1	Stable
Purchase Orders issued for all procurement	95%	97%	Stable
Internal Audits as per schedule	95%	100%	Stable

Actions (Treatments)	Due Date	Responsibility
Add Contract review dates to calendar	Dec-21	GO
Develop Contractor Management procedures	Feb-21	GO
Develop Tender and Procurement Procedures	Mar-21	GO
Appoint Contract Managers	Mar-21	GO
Incorporate procurement into inductions	Jun-21	GO

## Comments

Contracts management to be more tightly managed with review dates set for contracts, and improved engagement to monitor progress of contracts. Support this with improved procedures based on internal audit outcomes (internal audit of procurement being undertaken in early 2021).

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
GO	Partial	Partial	Yes	Yes	No	Currently being updated and improved
GO	Partial	Partial	Yes	Yes	No	New templates to be rolled out with new and renewed contracts
CEO	Yes	Yes	Yes	Yes	No	eQuotes used regularly and effectively
CEO	Yes	Partial	Yes	Yes	No	Advice sought as required
FAM	Yes	Yes	Yes	Yes	No	No external audit issues raised
GO	Yes	Yes	Yes	Yes	No	Internal Audit Plan on tracked and CAR 2020 being completed
GO	Yes	Yes	Yes	Yes	No	Policies and procedures being reviewed regularly as per schedule
GO	Yes	Yes	Yes	Yes	No	Due for review prior to 30 June 2021
GO	Yes	Partial	Yes	Yes	No	Up to date - register to be uploaded to website
GO	Yes	Partial	Yes	Yes	No	Register maintained - no checks to ensure declarations declared when required
GO	Yes	Partial	Yes	Yes	No	Register maintained but requires adding to calendar for actioning

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				No expired contracts identified
				No issues identified
				Reviewed annually
				Only one incident of no PO found through annual external audit
				Internal Audit tasks on track

Original Due Date	# Extensions	Comments / Current Status
		To be worked through following finalisation of Contract Register review
		In Draft form and has been distributed to LT for review
		Await outcomes from Internal Audit Report - Tendering and Procurement
		Await procedures to be finalised
		Inductions to be developed (beyond current safety induction)

**Risk Description**

Inadequate prevention, identification, enforcement and management of environmental issues.

- The scope includes;
- Lack of adequate planning and management of erosion issues.
  - Failure to identify and effectively manage contaminated sites (including groundwater usage).
  - Waste facilities (landfill / transfer stations).
  - Weed & mosquito / Vector control.
  - Ineffective management of water sources (reclaimed, potable)
  - Illegal dumping.
  - Illegal clearing / land use.

**Potential causes include;**

Inadequate management of landfill sites	Inadequate reporting / oversight frameworks
Lack of understanding / knowledge	Community apathy
Inadequate local laws / planning schemes	Differing land tenure (land occupancy or ownership conditions)
Prolific extractive industry (sand, limestone, etc.)	Competing land use (growing population vs conservation)

Key Controls	Type	Date	Rating
Landfill Management / Oversight Process	Detective	Nov-18	Inadequate
Asbestos Management (Contaminated Sites)	Preventative	Nov-18	Adequate
Mosquito Management	Preventative	Nov-18	Adequate
Regular environmental health inspections	Preventative / Detective	Nov-18	Adequate

**Overall Control Ratings:** Adequate

**Residual Risk Rating**

<b>Consequence Categories</b>	<b>Consequence:</b>	Catastrophic (5)
Reputation / Financial	<b>Likelihood:</b>	Rare (1)
	<b>Moderate</b>	

**Actions (Treatments)**

Actions (Treatments)	Due Date	Responsibility
Install a monitoring bore at landfill site.	Jun-21	CEO
Identify best approach to manage contaminated road reserve	Jun-21	EHO
Transfer Station management	Jun-21	CEO
Update Asbestos Register	Apr-21	EHO
Develop roadside clearing policy	Sep-21	WM

**Comments**

Implementation of transfer station is progressing, but has lagged behind deadlines. Changeover to managed transfer station will assist to address a number of issues around the dumping of tyres and asbestos, but may also cause some illegal dumping problems in the short term, which will need to be managed.

**Control Assurance**

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
CEO / WM	Partial	Partial	Yes	Yes	Yes	Contract being finalised for Cleanaway
CEO / EHO	Partial	Partial	Yes	Yes	Yes	Needs to be reviewed and updated
CEO / EHO	Partial	Partial	Yes	Yes	Yes	Not formally documented
CEO / EHO	Partial	Partial	Yes	Yes	Yes	Records to be obtained as evidence

**KPI / Action Data**

Original Due Date	# Extensions	Comments / Current Status
Jun-20	2	Soil sample required first
Jun-20	2	Not prioritised whilst landfill project underway
		Contract being finalised
		Matter to be raised with EHO
		Currently being drafted

# Facilities / Venues / Events / Properties Jan-21

## Risk Description

Failure to effectively manage the day to day operations of facilities, venues and / or events.  
 This includes;  
 -Inadequate procedures in place to manage quality or availability.  
 -Poor crowd control  
 -Ineffective signage  
 -Booking issues  
 -Stressful interactions with hirers / users (financial issues or not adhering to rules of use of facility)  
 -Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)

## Potential causes include;

Double bookings	Traffic congestion or vehicles blocking entry or exit
Illegal / excessive alcohol consumption	Insufficient time between bookings for cleaning or maintenance
Bond payments poorly managed	Difficulty accessing facilities / venues.
Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)	Poor service from contractors (such as catering or cleaning)

Key Controls	Type	Date	Rating
Event Management Process (Internal)	Preventative	Nov-18	<b>Adequate</b>
Event Approval Process (External)	Detective	Nov-18	<b>Adequate</b>
Facility Maintenance Program	Preventative	Nov-18	<b>Adequate</b>
Key Management Process	Preventative	Nov-18	<b>Adequate</b>
Rental Property Register with Bond Section	Preventative / Detective	May-19	<b>Adequate</b>
New employee induction packages- include bond/lease forms	Preventative	Dec-19	<b>Adequate</b>
Booking Management	Preventative	Jan-20	<b>Effective</b>

**Overall Control Ratings:** **Adequate**

## Residual Risk Rating

<b>Consequence Categories</b>	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Unlikely (2)
Reputation / Financial	<b>Moderate</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of complaints regarding facilities	1 per year / facility	0	Improved

Actions (Treatments)	Due Date	Responsibility
Ensure budget allocation for improved key / card acces for key buildings (Admin / Rec Centre)	Apr-21	FAM
Review Community Bus Policy and booking forms	May-21	CDO / GO
Establish formal hire agreements and leases for community facilities	Dec-21	GO

## Comments

Minor procedural and process improvements to ensure consistent and clear application for commuity members and staff in implementing. Rental property management continues to improve with more consistent documentation and follow-up. Facility use and hiring information accessible on website. Legacy issues relating to unknown location of some facility keys remains.

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
CDO	Yes	Yes	Partial	Yes	Yes	Information available on request
CDO	Yes	Yes	Partial	Yes	Yes	Information available on request
WM	Yes	Partial	Yes	Yes	Yes	Requires a more strategic approach - AMP
FAM	Yes	Yes	Partial	Yes	Yes	Only adequate for recent issuing
CEO	Yes	Partial	Yes	Yes	Yes	Currently being reviewed
GO	Yes	Partial	Yes	Yes	Yes	Only recent employees
FAM	Yes	Yes	Yes	Yes	Yes	Requires review to ensure remains effective

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Reduced due to COVID / reduced facility use

Original Due Date	# Extensions	Comments / Current Status
Jun-20	2	For Council consideration in 2021/22 Budget
		Update to incorporate in Fees and Charges 2021/22
		Being reviewed and rolled out in more consistent format

# Safety and Security practices

Jan-21

## Risk Description

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors.

### Potential causes include;

Lack of appropriate PPE / equipment	Inadequate signage, barriers or other exclusion techniques
Inadequate first aid supplies or trained first aiders	Poor storage and use of dangerous goods
Inadequate security protection measures in place for buildings, depots and other places of work	Ineffective / inadequate testing, sampling or other health-related requirements
Inadequate or unsafe modifications to plant & equipment	Lack of mandate and commitment from senior management

Key Controls	Type	Date	Rating
OSH Management Framework	Preventative	Nov-18	<b>Adequate</b>
Workplace Inspections	Preventative	Jul-20	<b>Adequate</b>
Staff Individual Training Plans	Preventative	Aug-20	<b>Adequate</b>
Hazard Register	Detective	Aug-20	<b>Adequate</b>
Contractor / Site Inductions	Preventative	Jun-19	<b>Adequate</b>
Staff Inductions	Preventative	Jun-19	<b>Adequate</b>
Organisational Emergency Mgt (Evac plans & drills, Wardens,etc)	Preventative/Detective	Aug-20	<b>Inadequate</b>
Use of Regional Risk Coordinator services and expertise	Preventative/Detective	Ongoing	<b>Effective</b>
SWMS be developed and reviewed annually or as required	Preventative	Jan-21	<b>Inadequate</b>

**Overall Control Ratings:** **Adequate**

## Residual Risk Rating

Consequence Categories	Consequence:	Catastrophic (5)
Health / Financial / Service Interruption / Compliance	Likelihood:	Unlikely (2)
	<b>High</b>	

## Key Performance Indicators

Key Performance Indicators	Tolerance	Latest Result	Trend
Incidents(including near misses) reported	<3 p.a.	?	Stable
Workers Compensation Claims	<3 p.a.	1	Stable
Inductions completed prior to work commencing	100%	95%	Improved
Safety Assessment Action Plan implemented	60%	50%	N/A

## Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility
Communicate the OSH Policy to all workers, contractors and other interested parties	Jun-21	CEO / WM
Develop a consultation and communication procedure	May-21	GO
Train workers in the consultation and communication procedure	Jun-21	GO / WM
Develop and implement a process for consulting with contractors. This should include inductions, onsite observations, contract evaluations - see LGIS Contractor Toolkit	May-21	GO / WM
Review the Risk Mitigation procedure and train workers in its use	Jul-21	GO / WM
Train workers in hazard identification, assessment and control, and appropriate records management	Jul-21	GO / WM
Identify work tasks with significant safety risks and ensure staff are trained in there use i.e. SWMS/SMP	Aug-21	GO / WM
Complete the review of the emergency management procedures	Aug-21	GO
Conduct annual emergency drills annually, document and review procedures as required	Mar-21	GO / WM
Appoint fire wardens and ensure they are appropriately trained	Feb-21	GO
Develop a process for managing contractors	May-21	GO / WM
Develop a training needs analysis (TNA) or register for all positions	Apr-21	GO / WM
Complete the review of the Hazard and Incident Reporting Procedure	May-21	GO / WM

## Comments

Regional Risk Coordinator and program through LGIS provides valuable support in establishing good practices and educating staff on OSH requirements. Priority is to work through Safety Action Plan and implement. Improvements already underway, with regular staff/team meetings that capture OSH matters and concerted policy/procedure development efforts. Development of SWMS to be prioritised. Moved from overall 'Inadequate' rating to 'Adequate', with a number of actions in train to further improve.

## Control Assurance

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
GO	Yes	Partial	Yes	Yes	Yes	Consolidation of info required
GO / WM	Yes	Yes	Yes	Partial	Yes	Tools now developed but need to schedule
GO	Partial	Partial	Yes	Yes	Yes	
GO	Yes	Partial	Yes	Yes	Yes	Hazard register prepared but staff not trained
GO / WM	Yes	Partial	Yes	Yes	Yes	Site inductions not consistently completed
GO	Yes	Partial	Yes	Yes	Yes	Inductions to include broader range of topics
GO	Partial	Partial	Partial	Partial	Yes	Review following Warden training
GO	Yes	Yes	Yes	Yes	Yes	RRC utilised and met with regularly
GO	No	No	No	No	No	RRC to assist with development and training

## KPI / Action Data

- 3	- 2	- 1	Current	Comments
				Not previously measured
				One claim - remains outstanding
				All new employees undergo safety inductions - Part b not consistently
				Not previously measured

## Original Due Dat # Extensions Comments / Current Status

Original Due Dat	# Extensions	Comments / Current Status
		OSH Policy recently reviewed, incorporated into inductions (Part B) - need to consistly conduct Part B inductions
		Policy and procedure drafted - for LT to review and adopt
		Schedule for Toolbox meeting once adopted
		Policy and procedure drafted - for LT to review and adopt
		To be developed and reviewed
		Policy and procedure drafted for LT to review and adopt - schedule for Toolbox meeting once adopted
		Schedule for Toolbox meeting once SWMS developed. Assistance from RRC.
		Review following fire warden training and emergency drill to test knowledge and current systems
		Review following fire warden training
		Fire Warden / ECO Training scheduled for Feb-21
		Policy and procedure drafted - for LT to review and adopt
		Based on Training and Skills Matrix developed
		Policy and procedure drafted - for LT to review and adopt

# Projects / Change management Jan-21

## Risk Description

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.  
 This includes:  
 -Inadequate change management framework to manage and monitor change activities.  
 -Inadequate understanding of the impact of project change on the business.  
 -Failures in the transition of projects into standard operations.  
 -Failure to implement new systems  
 -Inadequate handover process  
*This does not include new plant & equipment purchases. Refer "Inadequate Asset Sustainability Practices"*

## Potential causes include;

Lack of communication and consultation	Excessive growth (too many projects)
Lack of investment	Inadequate monitoring and review
Ineffective management of expectations (scope creep)	Project risks not managed effectively
Inadequate project planning (resources/budget)	Lack of project methodology knowledge and reporting requirements

Key Controls	Type	Date	Rating
Project Management Approach	Preventative	Nov-18	Adequate
Project Status Reporting	Detective	Nov-18	Effective
Membership to WALGA and use of Procurement templates	Preventative	Ongoing	Adequate
Project reporting with financial breakdown	Detective	Jan-20	Effective
<b>Overall Control Ratings:</b>			<b>Adequate</b>

## Residual Risk Rating

<b>Consequence Categories</b>	<b>Consequence:</b>	Major (4)
Financial / Service Interruption / Reputation	<b>Likelihood:</b>	Unlikely (2)
	<b>Moderate</b>	

Key Performance Indicators	Tolerance	Latest Result	Trend
Overall capital budget overrun/underun (material)	10%	0%	N/A
Deviations from the project scope	2 per project	0%	N/A
Material contract variations	2 per project	0%	N/A
Failure to meet funding deadlines and milestones	0	0%	Stable

Actions (Treatments)	Due Date	Responsibility
Nil.		

**Comments**  
 No actions highlighted for actioning 2021

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
CEO / GO / WM	Partial	Yes	Yes	Yes	Yes	No consistent approach
CEO	Yes	Yes	Yes	Yes	Yes	
CEO / GO / WM	Yes	Partial	Yes	Yes	Yes	Not all services/templates utilised
CEO / FAM	Yes	Yes	Yes	Yes	Yes	Monthly reporting to Council

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Not previously measured
				Not previously measured
				Not previously measured
				Not previously measured

Original Due Date	# Extensions	Comments / Current Status

# Employment practices

Jan-20

## Risk Description

Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).

This includes:

- Not having appropriately qualified or experienced people in the right roles.
- Insufficient staff numbers to achieve objectives.
- Breaching employee regulations.
- Discrimination, harassment & bullying in the workplace.
- Poor employee wellbeing (causing stress).
- Key person dependencies without effective succession planning in place.
- Industrial activity.

## Potential causes include;

Leadership failures	Ineffective performance management programs or procedures
Key / single-person dependencies	Limited staff availability - labour market conditions
Poor internal communications / relationships	Inadequate induction practices
Ineffective Human Resources policies, procedures and practices	Inconsistent application of policies

Key Controls	Type	Date	Rating
HR Policies & Procedures	Preventative	Nov-18	Adequate
Training Needs Analysis & Training Register	Preventative	Nov-18	Inadequate
Staff Inductions (Code of Conduct Component)	Preventative	Nov-18	Effective
Performance Review Process	Detective	Nov-18	Adequate
Workforce Plan	Preventative	Jan-20	Inadequate

**Overall Control Ratings:** Adequate

## Residual Risk Rating

Consequence Categories	Consequence:	Major (4)
	Likelihood:	Unlikely (2)
Compliance / Service Interruption	Moderate	

Key Performance Indicators	Tolerance	Latest Result	Trend
Staff turnover rate	2 per year	?	Unstable
Absenteeism (Unauthorised Leave Without Pay)	3 working days per year	0	Stable
Workers Compensation Claims (Stress Claims)	2 per year	0	Stable
Number of Staff being performance managed	2 per year	1	Increased
Employee satisfaction levels	TBD	0	N/A
No of industrial actions	1 per year	0	N/A

Actions (Treatments)	Due Date	Responsibility
Adopt workforce plan	Mar-21	CEO
Create an training needs analysis	Apr-21	CEO / GO
Develop Attraction and Retention strategy	Jun-21	GO
Develop a workforce survey to measure employee satisfaction	Dec-21	CEO / GO

## Comments

Workforce Plan has been drafted and being prepared for adopted in Feb 2021 which incorporates Attraction and Retention strategies. Training Needs Analysis to be prioritised.

## Control Assurance

Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
GO	Yes	Yes	Yes	Yes	Yes	
GO	Partial	Partial	Partial	Partial	Yes	Needs analysis yet to be conducted
GO	Yes	Yes	Yes	Yes	Yes	Inductions completed and CoC signed
CEO / GO	Yes	Partial	Yes	Yes	Yes	Not all completed for 2020
CEO / GO	Partial	No	Yes	Partial	Yes	Drafted for adopted Feb-21

## KPI / Action Data

- 3	- 2	- 1	Current	Comments
				Remains high - Workforce Plan to determine strategies to respond to causes
				Minimal issue, managed appropriately if occurs
				Nil
				One currently being managed
				Staff have not been surveyed
				Not previously measured

Original Due Dat	# Extensions	Comments / Current Status
		Draft WFP Prepared - strategy session with Council to further inform and then present for adoption
		To be completed
		To be completed following adoption of Workforce Plan
		To be developed

**Community Engagement** **Jan-21**

**Risk Description**

Failure to maintain effective working relationships with the Community (including Local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so.  
 This Includes:  
 - Following up on any access & inclusion issues.  
 - Infrastructure Projects.  
 - Regional or District Committee attendance.  
 - Local Planning initiatives.  
 - Strategic Planning initiatives.  
 This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.

**Potential causes include:**

Budget Funding Issues	Miscommunication / Poor communication
Media Attention	Relationship breakdowns with community groups
Ineffective documentation or procedures	Oversight in regards to failure to advertise statutory notices
Short lead times	

Key Controls	Type	Date	Rating
Newsletters / Noticeboards / E-mails / Website	Preventative		<b>Effective</b>
Community Meetings and workshops	Preventative		<b>Adequate</b>
Councillor Briefing sessions and workshops	Preventative		<b>Effective</b>
<b>Overall Control Ratings:</b>			<b>Effective</b>

**Residual Risk Rating**

<b>Consequence Categories</b>	<b>Consequence:</b>	Major (4)
	<b>Likelihood:</b>	Unlikely (2)
<b>Moderate</b>		

Key Performance Indicators	Tolerance	Latest Result	Trend
% community feeling they have opportunities to participate in planning	80%		N/A
% community satisfaction with the Shire's advocacy and community representation	70%		N/A
Failure to give notice in accordance with LGA	10%	0%	Stable

Actions (Treatments)	Due Date	Responsibility
Community satisfaction survey scoped for budget	May-21	CDO

**Comments**

Community satisfaction survey to be scoped and presented for budget consideration 2021/22.

Control Assurance						
Control Owner	Control Documented	Completeness	Accuracy	Timeliness	Fraud	Comments
CEO / GO	Yes	Yes	Yes	Yes	Yes	Maintained and managed well
CEO	Yes	Yes	Yes	Partial	Yes	Minimal community meetings held
CEO / GO	Yes	Yes	Yes	Yes	Yes	Monthly briefing session and workshops as required

KPI / Action Data				
- 3	- 2	- 1	Current	Comments
				Not measured previously
				Not measured previously
				Nil

Original Due Date	# Extensions	Comments / Current Status
		To be completed

Shire of Mingenew Strategic Risk Register

ID No.	Risk Category	Risk Description	Risk Owner	Trend	Treatment Action	
					Treatment Action in Past 12 months	Treatment Action in the next 12 months
1	Governance	Failure to govern effectively, transparently and in compliance with legislation	GO	<b>Now stable</b> Risks from: *Lack of uptake on training opportunities *Cost to bring specialised training opportunities to the Region. *Currently no information sessions provided to prospective Councillors prior to election on the requirements and responsibilities of the role.	1. Development of Manual for Councillors- includes Shire Integrated Plan Documents, overview of Councillor information, HR forms. Mandatory Training for Elected Members	1. Provide a prospective Councillor training session prior to Elections 2. Report on mandatory training progress 3. Continue to improve induction materials/processes for new Councillors
2	Workforce	Failure to meet organisational objectives through effective/efficient use of human resources and effective workforce planning.	CEO	<b>Stable</b> Risk profile due to: *Outdated Workforce Plan *Ongoing high staff turnover in outside workforce *Highly competitive recruitment environment *Regional location with schooling restrictions *Senior level positions require broad skill set *Small workforce resulting in high workload for staff and limited redundancy in case of staff illness or departure	1. Develop Workforce Plan 2. Amend outdoor workforce structure 3. Develop training matrix	1. Adopt Workforce Plan 2. Implement Workforce Plan strategies, including Attraction and Retention Strategy 3. Participate in WALGA remuneration survey 4. Alignment of pay and performance 5. Training needs analysis 6. Develop customised staff training matrix & organisational training calendar.
3	Asset Mgmt	Ineffective asset management of Shire owned assets and facilities- risk for long term sustainability if the Shire fails to adequately plan for funding of major projects and asset management replacement	FM	<b>Increased</b> Risk profile has been increasing due to: *Restricted funding *Limited asset condition inspections, *Asset Management Plan not necessarily aligned with other Integrated Planning Documents *Stringent grant guidelines	1. Reviews of Asset Management Plan 2. Asset management planning training for senior staff 3. Review of plant replacement schedule	1. Implement the Asset Management Strategy and related asset management activities 2. Community consultation on Levels of Service (which improves the alignment of our activities with community needs) 3. Produce asset management plans for Roads and Drainage 4. Integrate AMP into Long Term Financial Plan
4	IT	Ineffective Information Security Systems resulting in malicious or accidental loss or manipulation of data	FM	<b>Decreased</b> Due to: *cloud-based computing *managed IT *increased resourcing *improved business continuity planning	1. Implement cloud-based server 2. Upgrade of office connectivity 3. Improved IT equipment replacement schedule	1. Test Business Continuity / Disaster Plan 2. Security level classifications established 3. Test controls via internal audit 4. Test market on IT services
5	Social & Financial	Inability to manage community expectations and increasing demands of community groups	CDO	<b>Stable</b> Ongoing challenges: *Restricted funding *Undefined services standards/ levels *Lack of clear MOU/lease/licence agreements with a number of community groups *Change in demographical / social makeup of community	1. Website maintenance 2. Commence review of leases/licence agreements 3. Consultation surveys for new projects and working groups 4. Ongoing delivery of Community Assistance Scheme funding 5. Implementation of Customer Service Charter	1. Review of Community Strategic Plan & other Integrated Planning documents 2. Community consultation on Levels of Service (which improves the alignment of activities with community needs) 3. Development of customer satisfaction/feedback surveys 4. Continual website development to increase access to information / forms
6	Legal	Increased exposure to litigation		<b>Increased.</b> Due to: *restricted budget impacting ability to maintain assets *resource sharing resulting in decreased service levels *increased penalties under legislation (OSH) *generally increasing compliance burden *increased community awareness of rights under legislation	1. Insurance review 2. OSH Review 3. HR Policies and Procedures implemented 4. Internal and external audits and compliance reviews 5. Resourcing of Councillor mandatory training 6. Ongoing staff training 7. Active engagement in consultation around legislative change	1. LGIS OSH Audit 2. Ongoing resourcing of Councillor training 3. Training needs analysis and associated training plan for staff
7	Social & Financial	Ineffective strategies to optimise economic development of the Shire		<b>Decreased</b> Due to: *Increased advertising presence of the Shire to statewide audience *Increased stakeholder engagement by the CEO and President *Investment into tourism projects to attract visitors and increase awareness of Shire *Continued support of desirable services	1. Investment into Astro-tourism & tourism via external marketing & consultancy services 2. Continued subsidisation of health service 3. Active engagement with State on space industry opportunities 4. Land sales 5. Funding of improvements to Day Centre (further support for increased service) 6. Oil and gas industry engagement	1. Ongoing land sale process 2. Ongoing lobbying of State and Federal agencies regarding space industry investment 3. Increased astro-tourism event calendar and marketing focus 4. Greater examination of agri-tourism potential through provision of local training/event
8	Financial	Reduction in funding available for local government		<b>Stable</b> Due to: *Reprioritisation of State/Federal funding *Financial pressure on State/Federal governments *Changes in grant priorities *COVID-19	1. Number of services (building, planning, EHO, ranger, emergency mx) are delivered via a shared service agreement with other local governments 2. Increased lobbying of state and federal gov't for funding 3. Active engagement in legislative reform processes 4. Review of split rating methods	1. Detailed strategic and operational planning (rates modelling & budgeting) 2. Ongoing lobbying for more funding or funding opportunities 3. Investigation of greater partnerships with other Local Governments, including City of Bayswater
9	Emergency Mgmt	Failure to plan for Disaster Recovery		<b>Stable</b> Due to: *Increased expectation on local government with no additional resources *Functioning LEMC	1. LEMC holds regular meetings 2. State Risk Project Local participation	1. Review and testing of Business Continuity Plan 2. Ongoing lobbying of DFES for assistance with resources
10	IT	Inefficient operations as a result of sub-standard ICT environment		<b>Improved</b> Due to: *Move to cloud server *Effective managed IT set-up *Improvements to connectivity	1. Cloud server implemented 2. Internet connection updated 3. Full test of remote working capability due to COVID lockdown	1. Testing of Business Continuity Plan 2. Market test for IT services as part of review of cloud operations
11	Workforce	Organisational Culture		<b>Stable</b> Due to: *Internal workforce culture positive - turnover reduced *Outside crew turnover remains high	1. Performance Reviews. 2. Review of Depot reporting structure 3. Development of Workforce Plan	1. Staff Surveys 2. Workforce Plan and strategy adoption and implementation 3. Induction session to onboard staff with Code of Conduct and other Policy documents 4. Training/Development for staff (Training Needs Assessment)
12	Governance	Council - Organisation Culture impacting on organisational reputation, effective decision making and staff well being		<b>Stable</b> Due to: *Industry change in response to LG Act review / scrutiny *Other LGs under investigation *LG Pro report into senior exec health *Mandatory Codes of Conduct for staff and Councillors	1. New HR policies implemented 2. Councillor mandatory training resourced 3. Engagement with legislative reform consultation process	1. Ongoing resourcing of elected member training 2. Implementation of new regulations around Codes of Conduct

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Legal & Compliance	Reputational	Property	Environment
<b>Insignificant (1)</b>	First aid injuries	Less than \$5,000	No material service interruption	<p><b>Compliance:</b> No noticeable regulatory or statutory impact</p> <p><b>Legal:</b> Threat of litigation requiring small compensation</p> <p><b>Contract:</b> No effect on contract performance</p>	Unsubstantiated, low impact, low profile or 'no news' item <i>Example: gossip, online post seen by limited persons</i>	Inconsequential damage	Contained, reversible impact managed by on site response <i>Example: pick up bag of rubbish</i>
<b>Minor (2)</b>	Medical type injuries	\$5,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	<p><b>Compliance:</b> Some temporary non compliances</p> <p><b>Legal:</b> Single minor litigation</p> <p><b>Contract:</b> Results in meeting between parties in which contractor expresses concern</p>	Substantiated, low impact, low news item <i>Example: online post seen by the community</i>	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response <i>Example: pick up trailer of rubbish</i>
<b>Moderate (3)</b>	Lost time injury <30 Days	\$15,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	<p><b>Compliance:</b> Short term non-compliance but with significant regulatory requirements imposed</p> <p><b>Legal:</b> several minor litigations</p> <p><b>Contract:</b> Receive verbal advice that if breaches continue, a default notice may be issued</p>	Substantiated, public embarrassment, moderate impact, moderate news profile <i>Example: local paper article, online post taken up by people outside of Shire</i>	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies <i>Example: Contractor removal of asbestos sheets</i>
<b>Major (4)</b>	Lost time injury >30 Days	\$50,000 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	<p><b>Compliance:</b> Non-compliance results in termination of services or imposed penalties</p> <p><b>Legal:</b> Single moderate litigation</p> <p><b>Contract:</b> Receive written notice from contractor threatening termination if not rectified</p>	Substantiated, public embarrassment, high impact, high news profile, third party actions <i>Example: State wide paper, TV news story, significant online presence</i>	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies <i>Example: truck/train spill of diesel of oil on road reserve</i>
<b>Catastrophic (5)</b>	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	<p><b>Compliance:</b> Non-compliance results in litigation, criminal charges or significant damages or penalties</p> <p><b>Legal:</b> Single major litigation or numerous moderate litigations</p> <p><b>Contract:</b> Termination of contract for default</p>	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions <i>Example: Au wide paper, TV news,</i>	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

**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

**Risk Matrix**

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		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)

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

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	<b>Description:</b> 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	<b>Description:</b> Control addresses risk at least partially, but is not documented and/or operation of control needs to be improved <b>Action Required:</b> 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 influencng the risk level.	<b>Description:</b> 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. <b>Action Required:</b> Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'



# MINUTES OF THE ANNUAL GENERAL MEETING OF ELECTORS HELD 8 February 2021

## DISCLAIMER

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

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

## Table of Contents

1.0	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS .....	3
2.0	RECORD OF ATTENDANCE/APOLOGIES .....	3
3.0	DECLARATIONS OF INTEREST .....	3
4.0	2019/20 ANNUAL REPORT AND AUDITOR'S REPORT .....	3
5.0	RESPONSE TO QUESTIONS SUBMITTED BY ELECTORS .....	4
5.1	QUESTIONS RECEIVED IN WRITING PRIOR TO THE MEETING .....	4
5.2	QUESTIONS AT THE MEETING .....	4
6.0	GENERAL BUSINESS .....	4
7.0	CLOSURE .....	4

## SHIRE OF MINGENEW

### MINUTES OF THE ANNUAL ELECTORS MEETING HELD IN COUNCIL CHAMBERS ON 8 FEBRUARY 2021 COMMENCING AT 5.35PM

#### 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The meeting was declared open by the Shire President at 5:35pm. Pr Cosgrove welcomed all to the meeting.

#### 2.0 RECORD OF ATTENDANCE/APOLOGIES COUNCILLORS

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

#### ELECTORS / MEMBERS OF THE PUBLIC

Mr Jon Holmes                      Ratepayer / Elector

#### STAFF

N Hay                                      Chief Executive Officer  
J Clapham                              Finance and Administration Manager (attended by phone)  
E Greaves                              Governance Officer

#### 3.0 DECLARATIONS OF INTEREST

Nil.

#### 4.0 2019/20 ANNUAL REPORT AND AUDITOR'S REPORT

The Annual Report summarises the achievements of the Shire during the 2019-20 financial year and includes a report from the President and the Chief Executive Officer, the financial report and the Auditor's report for the period, and all matters prescribed by the Local Government Act 1995 (the Act). Copies of the Annual Report are available from the Shire's website [www.mingenew.wa.gov.au](http://www.mingenew.wa.gov.au) and will be available in hard copy form at the meeting.

The Act requires Local Governments to hold an Annual Electors Meeting once a year, no later than 56 days after the Council adopts the Annual Report. As required under section 5.29 of the Act, local public notice was given via advertisement in the Geraldton Guardian- 24 December 2020 edition, Mingenew Matters 1 February 2021 edition, displayed on the Shire's website and Facebook page from 18 December 2020, and on library notice boards. An SMS was also issued on 6 January 2021 to all Shire of Mingenew subscribers.

**OFFICER RECOMMENDATION- ITEM 4.0**

**MOVED: Cr JD Bagley                      SECONDED: Cr AR Smyth**

**That the Electors of the Shire of Mingenew receive the Annual Report, as adopted by Council at the Ordinary Meeting held 16 December 2020, incorporating the Shire President's Report, the CEO report, the Annual Financial Report and the Auditor's Report.**

**VOTING DETAILS:**

**CARRIED UNANIMOUSLY**

**5.0      RESPONSE TO QUESTIONS SUBMITTED BY ELECTORS**

**5.1      QUESTIONS RECEIVED IN WRITING PRIOR TO THE MEETING**

Nil.

**5.2      QUESTIONS AT THE MEETING**

Mr Jon Holmes raised the following questions:

1. Will the Shire be formulating options with costings for the Mingenew Hall and putting that information out to the public for consideration?

The Shire President advised this is Council's intention.

2. Is the Shire expecting to return to a full Works Crew with the current recruitment drive and is the Parks and Gardens Crew at full capacity?

The CEO advised that the Shire has been carrying a vacancy on the Works Crew relatively consistently over the past year, with the turnover of staff. Subject to filling those positions, the current recruitment drive will return the team to full capacity. The Parks and Gardens positions are currently filled.

**6.0      GENERAL BUSINESS**

Nil.

**7.0      CLOSURE**

The Shire President closed the meeting at 5:42pm.

# Shire of Mingenew Workforce Plan



Shire of Mingenew  
PO Box 120  
Mingenew WA 6522  
Ph: 08 9928 1102  
Fax: 08 9928 1128  
Email: [ceo@mingenew.wa.gov.au](mailto:ceo@mingenew.wa.gov.au)  
[www.mingenew.wa.gov.au](http://www.mingenew.wa.gov.au)  
Version: NHR201407 / CP.PLN.2  
2021.1

# Contents

Executive Summary.....	1
Workforce Plan Overview .....	2
Workforce Planning and Management Framework .....	3
SWOT Analysis .....	4
Current Staff Profile .....	5
CBP Priorities Impacting Human Resources.....	7
Financial Impacts and Training Expenses .....	9
Workforce Strategies .....	10
Recommendations.....	17
Monitoring and Evaluating .....	18
Considerations for future plans .....	18
Appendix 1 – Workforce Risk Assessment .....	19
Appendix 2 – Situation Analysis.....	22

# Executive Summary

Strategic workforce planning is an important aspect in the long-term planning for our Local Government. It's critical to ensure that there are sufficient people to carry out the organisation's purpose –the right people, in the right place, at the right time to build a strong, sustainable organisation.

The Integrated Planning and Reporting Framework requires all Local Governments in WA to develop long term Strategic Community Plans (SCP) and four-year Corporate Business Plans (CBP). This Workforce Strategy assists with the resourcing of the CBP and outlines how the Shire of Mingenew will deliver its strategic and operational outcomes, in line with the Shire's budget and Long Term Financial Plan (LTFP).

With 22 employees (FTE of 16.4) as at 30 June 2020, the Shire of Mingenew is one of the largest full-time employers in the district. That said, the Shire of Mingenew faces several ever-present challenges relating to its workforce, particularly in relation to the implementation of the delivery program whilst meeting community expectations with a limited budget.

Operational challenges include attraction, recruitment, retention and development of quality employees, acquisition of technical skills from a small local labour pool, competition from other industries, including a resurgent mining industry and the agricultural sector, and other local governments. In terms of external factors, the 2016 ABS data for Mingenew indicates (REMPLAN, 2019; ABS Census 2016):

- Mingenew has a declining population, with the current estimate to be around 459 people and a projected 340 people in 2031
- The unemployment rate is low at 4.3% compared to the state average (6.8%)
- The agricultural industry dominates the local employment market (at just over 50%)
- Approximately 10% of people employed in Mingenew currently work in local government and it is the second largest employment organisation
- Of those living in Mingenew, approximately only 25% of people reported having completed a qualification beyond Year 12
- 22.5% of employed people over 15 years of age are employed as machinery operators and drivers

Strategically, the declining population of the Shire has been identified as a key challenge through the development of the 2019-2029 Strategic Community Plan, and the Shire – as a major employer – has a role to play. In this instance, there is clear tension between seeking local employees, encouraging new staff to relocate to Mingenew and the imperative to ensure that the best person for the role is employed to deliver value back to the ratepayers and community.

Nils Hay, Chief Executive Officer



Strategic Community Plan 2019

## Our Vision

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

## Our Values



## Outcomes

What are we trying to achieve?

<p><b>People</b></p> <p>Council will work with our community and region to shape opportunities for Mingenew to grow and prosper. Council will provide key services that retain and improve the quality of life in Mingenew. Together we will be a place where people are welcomed, can live a healthy life, and where people can reach their potential.</p>
<p><b>Place</b></p> <p>Council will work to deliver infrastructure, facilities, and community services that assist the community to have a great life. Mingenew will be a positive place to live and will be cohesive and connected. It will engage and attract new people to come share our special place. A healthy natural resource base underpins the health of our community.</p>
<p><b>Partnerships</b></p> <p>The leadership, energy, capability and resources of the Mingenew community and region is a great asset, and we must leverage it wherever possible. Together we will plan and deliver projects and initiatives that deliver on growth goals.</p>
<p><b>Prosperity</b></p> <p>Council will work with local businesses (town and rural) to create an enabling environment for businesses to thrive. In turn these businesses will generate employment, attract families to Mingenew and create enterprises in which people can reach their potential.</p>

## Our Purpose

We are leaders in delivering services and development opportunities. We balance financial sustainability and community aspirations in partnership with our local community, partners and investors.

# Workforce Plan Overview

This Workforce Plan has identified four key focus areas to define and guide workforce decision making to achieve the community's and Council's strategic objectives over the next four years.

Attraction and Retention	Culture and Performance	Key Projects and Managing Change	Learning and Development
<b>WHAT</b> we are trying to achieve			
Attract and retain the right people that are passionate about living and working in Mingenew.	Cultivate a positive workplace culture that is driven by our values and community aspirations.	Support the community to grow and prosper by effectively responding to change and emerging needs.	Develop our people capabilities to be passionate and innovative contributors to the success of our organisation.
<b>HOW</b> we are going to achieve this			
<ul style="list-style-type: none"> <li>Effectively promote the Mingenew Shire as a desirable place to live and work</li> <li>Attract quality staff that are a good job and organisational fit</li> <li>Continue to provide or facilitate affordable and quality employee accommodation options</li> <li>Capture data on workforce needs and identify causes for employees leaving</li> </ul>	<ul style="list-style-type: none"> <li>Communicate and foster the Shire's values and desired workplace culture.</li> <li>Continue to provide a safe work environment and promote employee wellbeing</li> <li>Build a team-oriented culture between Council and employees</li> <li>Establish and measure KPI's that align with strategic objectives</li> </ul>	<ul style="list-style-type: none"> <li>Identify and address skills and capacity gaps for meeting unplanned or altered workforce needs</li> <li>Future-proof workforce resourcing needs through adequate succession planning</li> <li>Provide flexible working arrangements to sustain a harmonious work environment</li> <li>Engage with Council regarding changing workforce needs</li> </ul>	<ul style="list-style-type: none"> <li>Enhance and maintain corporate knowledge and memory</li> <li>Ensure employees are well equipped to perform at a high standard</li> <li>Develop and support emerging leaders</li> <li>Use technology as an essential tool to enhance efficiency</li> </ul>

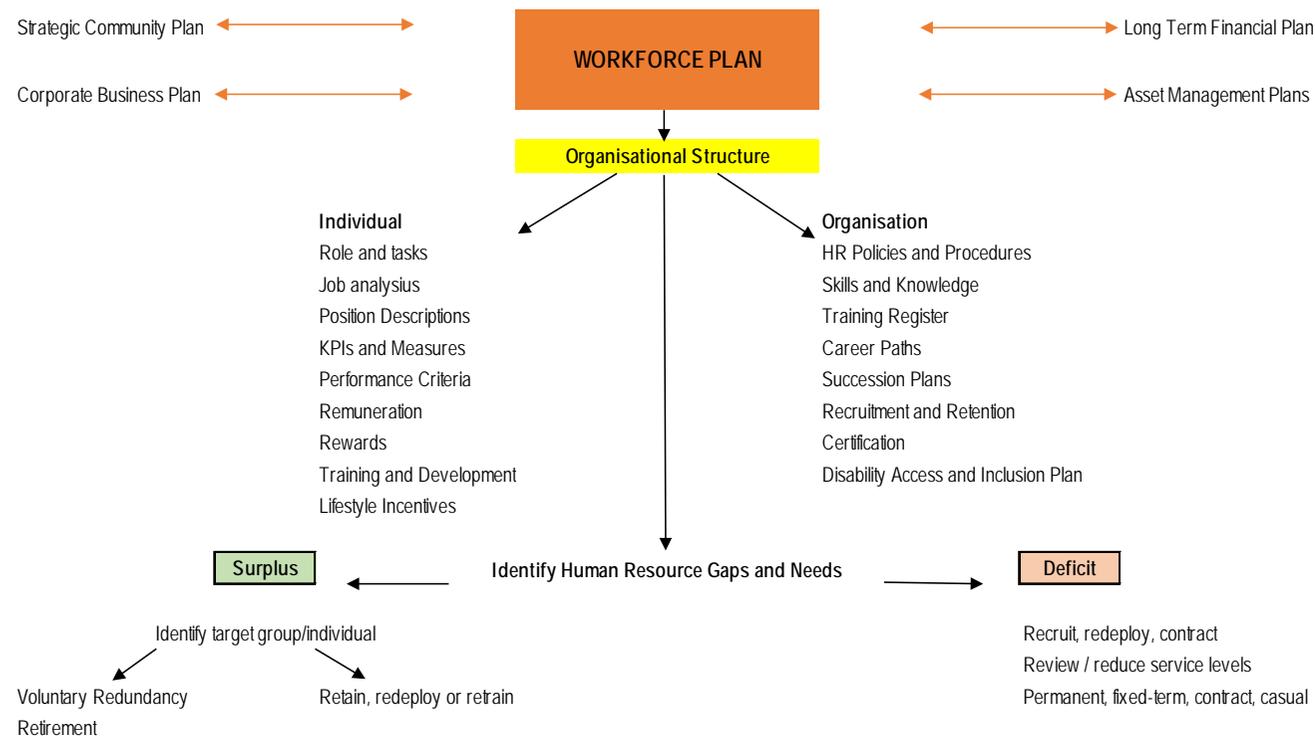
# Workforce Planning and Management Framework

Strategic workforce planning is about understanding and proactively preparing for needs and changes that may impact the workforce. It analyses the internal and external environments to determine the most efficient way to respond to strategic business needs now and into the future through the Integrated Planning and Reporting Framework.

The Framework for strategic workforce planning provides guidance for managing operational and tactical workforce planning.



Workforce Planning and Management Framework



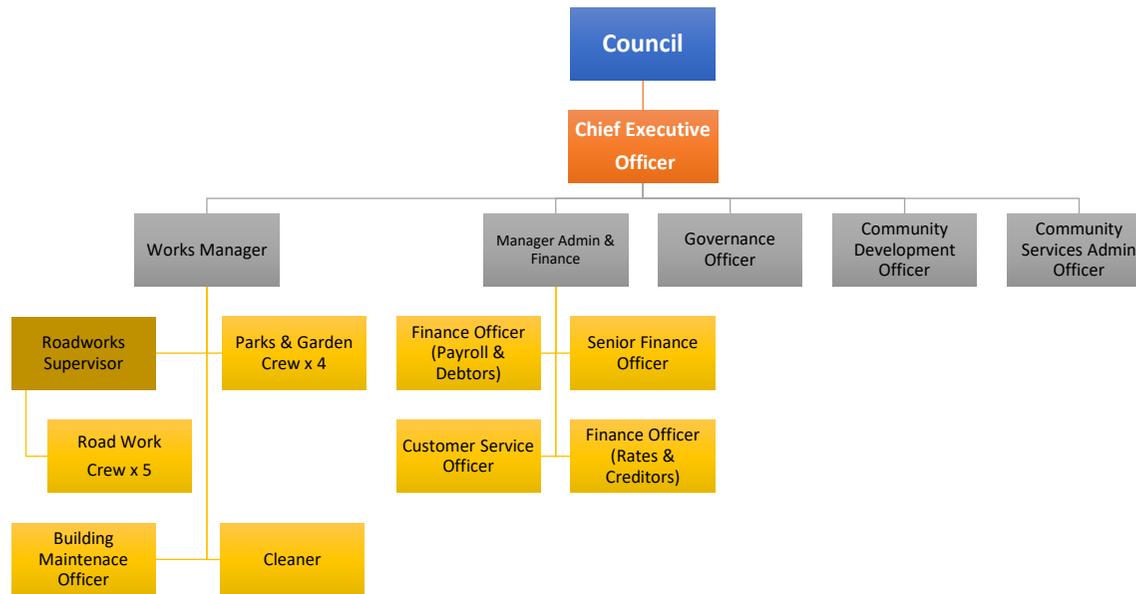
# SWOT Analysis

The Shire of Mingenew, as an employer, has undertaken a SWOT analysis, investigating both internal and external environments, to determine threats and opportunities that may arise, to better respond to current and future workforce needs (Data based on internal and external environmental analysis – see Appendix 2).

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Competitive, above-award wages for most roles</li> <li>• Subsidised staff housing or housing subsidy</li> <li>• Flexible working arrangements</li> <li>• Equal opportunity employer based on principles of merit and equity</li> <li>• High job/task variety</li> <li>• Positive and inclusive work culture</li> <li>• Promotion of health and wellbeing</li> <li>• Support for learning and development</li> <li>• Ideal local employer for entry-level positions</li> <li>• Good steppingstone for career progression within industry</li> <li>• Technology supports efficient operation</li> <li>• Safe and friendly small community</li> <li>• Strong community spirit</li> <li>• Relatively stable rate base</li> <li>• Low cost housing</li> <li>• Family friendly social opportunities and local schooling up to Year 6</li> <li>• Support from regional local governments and networks</li> <li>• IT systems supportive of flexible work arrangements</li> <li>• High level of transparency and integrity</li> <li>• Generally positive volunteering culture in community</li> </ul>	<ul style="list-style-type: none"> <li>• Declining local population</li> <li>• Lack of some services and employment opportunities within community</li> <li>• Lack of local high school education options</li> <li>• Local skills shortage for professional / technical roles, including:               <ul style="list-style-type: none"> <li>- Engineering and civil construction</li> <li>- Project Management</li> <li>- Planning and Building</li> <li>- Environmental Health</li> <li>- Finance</li> </ul> </li> <li>• Limited employment opportunities within district to support families / partners of employees</li> <li>• Limited modern housing</li> <li>• Lacking corporate knowledge and leadership skills in some key areas (due somewhat to recent turnover)</li> <li>• Limited promotional opportunities for career development</li> <li>• Day care currently doesn't support full-time working parents</li> <li>• Underdeveloped record keeping systems, knowledge and practices impacting ability to access corporate / historical data</li> <li>• Training needs ad hoc and reflexive</li> </ul>	<ul style="list-style-type: none"> <li>• Promote attractive lifestyle opportunities for families with young children and retirees</li> <li>• Promote availability of low-cost housing options</li> <li>• Increase housing stock or investigate alternative options to accommodate market needs</li> <li>• Outsource functions, duties and projects that cannot be filled through recruitment processes or are not considered core local government business</li> <li>• Promote from within by sharing knowledge and skills</li> <li>• Access candidates in neighbouring regional towns such as Dongara and Geraldton (increase candidate pool quality)</li> <li>• Modify contracts to accommodate employment market demands</li> <li>• Build community volunteer capacity to manage and support community projects and events through Community Assistance Scheme and other initiatives</li> <li>• Seek online training opportunities</li> <li>• Link training needs with strategic objectives and budget allocations</li> <li>• Continue to use technology to support flexible working arrangements (e.g. cloud computing)</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing decline in population</li> <li>• Loss of key personnel and inability to respond promptly</li> <li>• Competing industries (e.g. resource sector) and other local governments attracting local employment pool or potential candidates from outside</li> <li>• Increase in governance responsibilities and ongoing legislative changes</li> <li>• Convenience of DIDO for employees from regional towns</li> <li>• Own-source revenue is limited</li> <li>• Plant and equipment replacement and maintenance schedule being adjusted or underfunded can impact efficiency</li> <li>• Asset renewal capacity low</li> <li>• Local government reform</li> <li>• Increase in red tape and compliance requirements</li> <li>• Contract services may be altered or not renewed e.g. EHO thereby changing resourcing needs</li> </ul>

# Current Staff Profile

## Organisation Chart – adopted May 2020



- Contracted Services**
- Planning (resource sharing)
  - Building (resource sharing)
  - Environmental Health (resource sharing / contract)
  - Engineering (contract)
  - Community Emergency Services Manager (resource sharing)
  - Road construction and maintenance (where intern capacity not available)
  - Cleaning Services (contract maternity leave coverage)

The current structure is anticipated to be able to adequately meet the forecasted organisational needs in consideration of the Strategic Community Plan priorities and Corporate Business Plan based on current capacity and competencies.

The Shire recently recruited a part-time Works Manager position. The reintroduction of the Works Manager position to the structure is anticipated to fill an identified gap in project management, technical and engineering skills as well as operational oversight of the Works Team in both roadworks and parks and gardens. Thereby, reducing the Shire's expenditure on engineering consultancies and providing internal mentoring to existing staff to support a positive work culture and learning and development. With the Roadworks Supervisor position recently becoming vacant, this role has been converted to a Leading Hand position to provide oversight of the Road Crew, with leadership from the Works Manager position.

## Workforce Statistics – as at 30 June 2020

Current staff (as at 30 June 2020) Includes casual, part-time and full-time (permanent and fixed term)	21	9 x administration / executive staff 12 x works, maintenance and cleaning staff
Total FTEs (as at 30 June 2020)	15.4	Excludes casual employees 9 x administration / executive staff 12 x works, maintenance and cleaning staff
Total Casual Employees	2	1 x Administration Officer (Community Services) – regularly required 1 x Cleaner (Casual Pool) – as required
Turnover rate	41%	Employees who left divided by average number of employees x 100. The industry average is between 12 and 15%. Indicating Mingenew's rate is quite high although it is trending down following a number of retirements over the previous two years. 67% of employees that have left the organisation in this period worked in Works and Services.
Age average	45yrs	The Local Government has an above average age of employees compared to the regional age profile. The average age across the organisation is 42 versus the average age of population within the Shire of 39yrs. This indicates that succession planning may be an issue in some areas now and into the future for up to 25% of the workforce. It is also notable that a significant proportion of the Shire's older staff are working in blue collar roles, which tend to be more physically demanding.
Average Years of Service Median Years of Service	3 1	90% of the current workforce has been employed for 4 years or less. There are three employees above this at 8, 13 and 38 years. The Administration has no more than 3 years, highlighting a strong need to capture corporate knowledge and retain existing staff, where possible.
No of employees who commute to work	6	27% of the workforce commute to work from outside of Mingenew 77% of those are admin-based staff

# CBP Priorities Impacting Human Resources

The table below outlines any significant projects/tasks that are identified for resourcing beyond current capacity and arrangements

C engage external contractor      ↻ increase internal capacity      ✓ current/forecasted capacity is sufficient      ▼ current capacity may be decreased

Projects	Potential capacity / skills gap	Proposed solution	CBP Ref	2020/21	2021/22	2022/23	2023/24
Implementation of 5-year road maintenance/construction program	Project management, engineering, technical skills currently sought externally. Priorities and timing within the program may mean that internal capacity is insufficient	Appoint Works Manager	1.1.1a	↻ and C	↻ and C	↻ and C	C
Phillip Street Parking Upgrade	Plant and equipment insufficient	External contractor (sealing)	1.1.1d	C	✓	✓	✓
Completion of town street sealing	Plant and equipment insufficient	External contractor (sealing)	1.1.1e	C	C	✓	✓
Stakeholder engagement and seeking funding opportunities to address stacking distance issues at rail crossings and future CBH development	High level project management skills	Appoint Works Manager	1.1.1f	↻	↻	↻	✓
Mingenew Town Hall Redevelopment	Plant and equipment insufficient	External contractor (construction)	1.1.2b	✓	C	✓	✓
Audit and reseal of town carparks	Plant and equipment insufficient	External contractor (sealing)	1.1.2c	C	✓	✓	✓
Installation of Solar Power System at Shire Office and Rec Centre	Plant, equipment and internal skill-set insufficient	External contractor (equipment and specialist knowledge)	1.1.2d	C	C	C	C
Upgrade of water infrastructure at Rec Centre	Plant, equipment and internal skill-set insufficient	External contractor (equipment and specialist knowledge)	1.1.2e	C	✓	✓	✓
Upgrade of Shire depot shedding	Plant and equipment insufficient	Appoint Works Manager and external contractor (construction)	1.1.2f	↻ and C	↻	↻	✓
Preparing Long Term Financial Plan	Strategic financial planning (specialist project with significant time requirements)	May need to seek some external assistance	1.2.1a	✓	✓	✓	✓
Conducting community satisfaction survey/s	Internal capacity may be insufficient. Benefit from external insights.	May need to seek some external assistance	1.2.2b	✓	C	✓	✓
Update and implement Workforce Plan	Strategic HR oversight to analyse internal and external market conditions	May need to seek some external assistance	1.2.3a	↻ and C	✓	✓	✓

Projects	Potential capacity / skills gap	Proposed solution	CBP Ref	2020/21	2021/22	2022/23	2023/24
Build HR policy and procedure framework	Specialist HR knowledge / skill required	Increase internal capacity (short-term) within Budget parameters	1.2.3b	☒	✓	✓	✓
Partnership with LGIS to receive Regional Risk Coordinator and OSH support	OSH oversight within Works area to be more coordinated and consistent	Appoint Works Manager	1.2.3e	☒	☒	☒	☒
Transition from landfill to transfer station	Management of site will require additional capacity and skill to current	Appoint Works Manager and external contractor (operator)	1.4.2a	☒ and C	☒ and C	☒ and C	☒ and C
Audit and upgrade of footpaths	Planning and technical knowledge internally is limited. Plant and equipment insufficient	Appoint Works Manager and external contractor (construction)	2.4.2a	☒	C	✓	✓
Upgrade of walking trails on Mingenew Hill	Plant, equipment and internal skill-set insufficient	External contractor	2.4.2c	C	✓	✓	✓
Upgrade Playgrounds, including Shenton Street Skate Park	Plant, equipment and internal skill-set insufficient	External contractor (construction)	2.4.2e	C	✓	✓	✓
Revise and seek to implement (with appropriate External Funding) existing project plan for light industrial incubator project	Plant, equipment and internal skill-set insufficient	External contractor (specialist project skills and construction)	3.2.2a	✓	✓	C	✓
See You In Mingenew campaign	Specialist marketing skills required beyond internal resourcing	External contractor	4.3.1a	✓	✓	✓	✓
Plan, fund and install public Wi-Fi in Mingenew Town Centre	Plant, equipment and internal skill-set insufficient	External contractor (ICT)	5.1.1a	C	✓	✓	✓
Continue to engage with, and support Digital Farms project rollout	Plant, equipment and internal skill-set insufficient	External contractor (telecommunications)	5.1.2a	C	✓C	C	C
Continue to lobby for improved mobile telephone coverage throughout the Shire	Plant, equipment and internal skill-set insufficient	External contractor (telecommunications)	5.1.3b	C	C	C	C

## Financial Impacts and Training Expenses

Whilst human resourcing is one of Council's largest expenses, personnel is Council's best resource for achieving its business objectives.

	2019/20 (Actual)	2020/21 (Budget)	2021/22 (Forecast)	2022/23 (Forecast)	2023/24 (Forecast)	2024/25 (Forecast)
<b>Employee Costs</b>	\$1,435,070	\$1,539,237	\$1,566,174	\$1,593,110	\$1,620,047	\$1,646,983

The Shire's budgeted costs for 2020/21 provide an overall increase of salaries based on the Fair Work Commission's increase to minimum wages, the addition of the Works Manager role and change of Admin Trainee to Customer Service Officer. The Shire Management is of the opinion that the levels of service projected in the organisation's current plans are ambitious but can be met by the existing workforce size – provided that turnover and absences remain low and there are minimal disruptions or emergent issues. The only major change proposed is transitioning from a Road-focused Works Supervisor back to a Works Manager to oversee all outdoor staff and try to bring some of the engineering and project management work that is currently completed by consultants back in-house.

Employee costs are forecast to increase in line with inflation during the term of this plan (based on no change to current structure. The forecasted costs also factor in the anticipated incremental increase to the superannuation guarantee, from 9.5% currently, 10% in 2021/22, to 12% by July 2025, as well as an averaged wage increase in anticipation of CPI increases.

It also noted that the Chief Executive Officer's employment contract expires in July 2021. Depending on Council's decision regarding renewal or recruitment, this may impact employee costs.

In addition to employee costs are the cost of recruitment such as advertising, decreased productivity during orientation of a new employee, additional incentives used to attract the right candidate and training requirements. The below provides an insight the organisation's training and conference expenses, included Elected Member, Administration and Works training, indicating a relatively even distribution:

Training Costs	Actual		Budget
	2018/19	2019/20	2020/21
Elected Members	\$13,513	\$13,228	\$12,000
Administration	\$17,378	\$15,504	\$18,000
Works	\$12,000	\$18,521	\$16,885
<b>TOTAL</b>	<b>\$52,849</b>	<b>\$47,253</b>	<b>\$46,885</b>

Given the relatively high turnover of staff, local government elected member training requirements and COVID-related restrictions, the importance of online training has increased. A number of strategies have been developed to ensure that training needs and budget allocations are proportionate and reflective of achieving the Shire's business objectives.

# Workforce Strategies

## Attraction and Retention

Goal: Attract and retain the right people that are passionate about living and working in Mingenew. [Workforce Plan Overview](#)

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
1.1 Effectively promote the Mingenew Shire as a desirable place to live and work	Review remuneration and reward packages to ensure they are competitive with industry and local/regional offerings, prioritising incentives that support living local.	As required	CEO /	The Shire's HR Policies and Procedures provides the framework for a consistent approach to recruitment and incentives. The Shire can continue to take advantage of existing marketing expertise to adequately promote the organisation's strengths and benefits of living and working in Mingenew.
	Utilise contemporary marketing strategies in the recruitment of key roles.	Ongoing	CEO / External Marketing Contractor	
	Use inclusive, merit-based recruitment practices and policies that support a diverse workplace.	Ongoing	CEO / Council	Meet the Shire's DAIP (Outcome 7) and relevant legislative requirements, particularly regarding equal opportunity, discrimination and disability. Review policy needs to ensure better practice and compliance.
	Prioritise local / regional employers in tendering and procurement activities for external contractors	Ongoing	CEO / FAM / WM / GO	Enact the Shire's Regional Price Preference and clearly communicate this in appropriate advertising activities.
	Prepare an Attraction and Retention Plan to identify potential barriers to and incentives for employees working and living locally	June 2021	CEO / GO / External consultant	Identified as a priority issue (Audit & Risk Committee) in determining efficiency measures and attracting suitable staff. Recommendations from Workforce Efficiency Audit Report (internal) to be considered.
1.2 Attract quality staff that are a good job and organisation fit	Conduct a job analysis when a vacancy arises, or as a new role is created to ensure the PD and packaging fits current organisational and market needs.	Ongoing	CEO	To ensure that the value proposition identifies the likely intrinsic and extrinsic needs and desires that may attract people to the role. Aligns with the Shire's Recruitment and Selection Policy and procedure.
	Incorporate the Shire's Values and business objectives within Employee and Councillor inductions, and all relevant recruitment and selection practices.	Ongoing	CEO	Establishes clear guidance on what behaviours and actions will / will not be accepted within the organisation, and what employees are working towards individually and their role in overall organisational performance.
1.3 Continue to provide / facilitate affordable and quality employee accommodation options	Maintain and upgrade current housing stock as required.	Ongoing	CEO / WM	Housing options may not meet potential candidate requirements. Aim to is have all properties tenanted to ensure some return on investment and maintenance needs are regularly identified and actioned.
	Seek opportunities to increase quality and number of houses available for employees, including external opportunities	As required	CEO / CDO	Consider leasing options from other parties. Explore borrowing funds and seeking alternative funding options for additional housing. Incorporate

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
				lifecycle planning into infrastructure projects to ensure future sustainability and asset management.
	Transfer adequate reserve funds to meet future needs and demands for employee housing.	Annually	Council / CEO	Limited reserve funds for large maintenance or capital projects available. Refer to the Shire's Asset Management Plan.
1.4 Capture data on workforce needs and identify causes for employees leaving	Communicate regularly with employees regarding work arrangements and conditions, including through probation period reviews, performance appraisals and exit interviews	As required	CEO	Identify any possible issues and respond promptly to avoid escalation of the issue/s and reducing absences and turnover.
	Conduct a biennial Workforce Survey	December 2021	CEO / GO / External consultant	Provides evidence base for workforce decision making and continuous improvement.

## Culture and Performance

**Goal: Cultivate a positive workplace culture that is driven by our values and community aspirations to operate efficiently and innovatively.**

### Workforce Plan Overview

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
2.1 Communicate and foster the Shire's values and desired workplace culture.	Review and effectively communicate the Shire's HR Policies & Procedures, including the Code of Conduct, through inductions and performance management.	As required	CEO /	Requires ongoing review and improvement to remain relevant to workplace and to align with industry standards.
	Increase leadership and performance management capacity of staff with supervisory insights through internal and external training.	Ongoing	All supervisory staff	Support coaching, mentoring and better overall understanding of internal performance management processes.
	Annually review position descriptions and rewards to match goals and performance.	Annually	CEO / WM / FAM	Celebrating successes of individuals and team promotes motivation and reinforces desired behaviours
2.2 Continue to provide a safe work environment and promote employee wellbeing	Implement the Shire's Safety Action Plan and reinforce OSH responsibilities for all staff through Performance Management activities.	June 2021	CEO / WM / GO	OSH requirements consistently outlined within Position Descriptions, reinforced during inductions and performance monitored through appraisals
	Improve safety communications by maintaining a safety team/s.	Ongoing	CEO / WM / FAM	Key objective of OSH legislation is to ensure all employees are engaged and have ownership regarding OSH requirements and activities.
	Collect data on disability and diversity of workforce to monitor trends and needs	Annually	GO	Facilitates compliance with the Shire's DAIP (Outcome 7) and state agency reporting requirements
	Implement employee wellbeing initiatives to promote health and happiness, such as through the LGIS Health & Wellbeing program	Annually	CEO / WM / GO	Ensures staff remain fit for work where possible and provides support for improving health and wellness to build resilience and reduce absences.
2.3 Build a team-oriented culture between Council and employees	Review and update Councillor and Employee Inductions to include cultural expectations	Biennially	GO	Builds knowledge and understanding of workplace culture and processes so that everyone is accountable and responsible.
	Seek out training and networking opportunities that promote team effectiveness in a Council setting	Ongoing	GO	Better able to meet community objectives if sharing ideas and working together to be solution and improvement focused.
2.4 Establish and measure KPIs that align with strategic objectives	Communicate, through performance reviews and other means, individual and team goals with the workforce to understand and increase organisational performance.	As required	CEO / WM / FAM	Clear link between strategic and operational goals, and individual value and responsibility of employee.
	Annually review Position Descriptions to ensure ongoing alignment with strategic objectives.	Annually	CEO / WM / FAM	

## Key Projects and Managing Change

**Goal: Support the community to grow and prosper by effectively responding to change and emerging needs. [Workforce Plan Overview](#)**

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
3.1 Identify and address skills and capacity gaps for meeting unplanned or altered workforce needs	In consultation with affected staff, temporarily adjust work hours, job tasks and other work arrangements (such as offering TIL or overtime, higher duties etc.) to ensure a change in work demands can be responded to efficiently.	As required	CEO / FAM / WM	Current workforce competencies or capacity is insufficient to undertake / complete some projects. Training and timing of training is not always adequate to ensure the work team is competent or can complete the task within required timeframes.
	Seek out external contractors for specific project tasks, prioritising local businesses where appropriate.	As required	CEO / FAM / WM	To reduce economic benefits of projects leaking outside of Shire / region Use local/regionally based network of contractors who know the Shire, have established relationships with the Council and Staff and can get work completed quickly and on budget
	Participate in regional discussions to proactively respond to regional workforce issues and trends that may impact or present opportunities for the Mingenew Shire	As required	CEO	In understanding that market supply is not always able to meet demand, pooling resources and creating economies of scale could present an opportunity for efficiency and financial gains.
	Establish a local network of volunteers and identify skill sets to support the delivery of community projects	As required	CEO / CDO	Builds broader community capacity and skill sets for future employment and participation in community groups / initiatives.
3.2 Future-proof workforce resourcing needs through adequate succession planning	Seek alternative funding sources to allow use of own-source funds to be used to meet human resource needs for key projects	Ongoing	CEO / FAM / WM	Ensures the organisation can be proactive in determining short-term, project-specific needs and respond with notice. Funding applications and Budget allocations factor in workforce resourcing to ensure value for money
	Prepare a Succession Plan for senior positions or those identified as at risk of being filled	May 2021	CEO	As a mitigation strategy for reducing the impact of employees leaving with significant corporate knowledge or sought-after skill sets.
	Where efficiency gains have been made in improving our internal processes and operations, staffing structures and FTEs are reviewed through natural attrition	As required	CEO	Corporate memory loss and relatively high turnover has created a focus for employees to improve efficiencies and systems over the last 2 years. It is anticipated that as efficiency gains are implemented, resourcing demand reduces or changes focus. Employees exiting the organisation provides the impetus for review / change.
	Explore graduate and vocational programs such as. traineeships to build the workforce, as opportunities arise	Ongoing	CEO / GO	Encouraging new blood into the workforce and contributing to their learning and development may facilitate organisational loyalty and stabilise turnover rates. It also goes to promoting local population growth.

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
3.3 Provide flexible working arrangements to sustain a harmonious work environment	Support existing employees with changes in home-life demands through alternative work arrangements, such as reduced hours, working from home, leave etc.	Ongoing	CEO	Recognises changes in carer or family responsibilities or lifestyle changes, such as transition to retirement. Engagement reinforces employee value but supports employee and information retainment
	Establish a transition to retirement plan for employees as required, in consultation with those nearing retirement in the next 4 years	As required	CEO	Provides flexibility for the retiring employee but also provides an opportunity for succession planning actions.
3.4 Engage with Council regarding workforce needs	Integrated Planning documents to be reviewed and updated in line with changing workforce needs	As required	CEO	Ensures a strategic review and response to changes so that actions remain purposeful and relevant to business needs.

## Learning and Development

Goal: Develop our people capabilities to be passionate and innovative contributors to the success of our organisation. [Workforce Plan Overview](#)

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
4.1 Enhance and maintain corporate knowledge and memory	Capture and share operational procedures and policies in order to share corporate knowledge	Ongoing	All employees	Allows the Shire to capture and retain corporate knowledge, particularly from experienced staff, through process improvement.
	Ensure all staff are trained in recordkeeping responsibilities and procedures	As required	All employees	Training and procedures to be captured electronically to support corporate knowledge and accessibility
	Identify employees interested in internal advancement and promote opportunities for leave coverage or increased workload etc	As required	All employees	Builds internal capacity, organisational loyalty, promotes career advancement reduces service interruption during absences and onboarding.
4.2 Ensure employees are well equipped to perform at a high standard	Conduct a Training Needs Analysis and maintain a Training Register to capture employee competencies and qualifications, and provide a schedule for renewals and addressing skill gaps	April 2021	CEO / GO	Enables the organisation to quickly identify any skills gaps and appropriately manage the training budget and operations.
	Run an Induction Day to cover all essential organisational policies and procedures to ensure a consistent understanding and commitment to desired performance and behaviour	June 2021	CEO / GO	
	Maintain and/or replace essential plant and equipment in line with replacement schedules	Annually	Council / CEO / WM	Supports human resources in performing efficiently and programs can be achieved within budget and set timeframes.
	Support networking opportunities that provide value for money and have a strong alignment with job role, career development and strategic objectives.	Annually	All employees	Provides key connections with industry leaders, facilitates innovation and better practice methods, and establishes a support network. It also promotes job satisfaction and increases motivation.
4.3 Develop and support emerging leaders	Explore internal and external mentoring and coaching opportunities to build leadership competencies	As required	CEO / FAM / WM	Identify career aspirations of staff seek our formal programs and informal peer support.
	Encourage staff to be involved in projects / duties outside of current role to support career development and provide adequate coverage during periods of leave or increased workloads	As required	All employees	Builds employee capacity to provide coverage during absences and when vacancies arise to minimise service interruption and onboarding
4.4 Use technology as an	Maintain an effective ICT system that supports a mobile and efficient workforce	Annually	Council / FAM	Directly aligns with the Shire's CBP action - 1.2.4b Review and upgrade ICT equipment. Cloud computing, for example, has positive impacts on

Strategy	Actions	Timeline	Responsibility	Workforce Gaps and Objectives
essential tool to enhance efficiency				the ability to effectively work remotely – which has been valuable during the COVID-19 pandemic.
	Ensure all SynergySoft users have the skills, knowledge and experience to maximise efficiencies from current and future software	As required	All SynergySoft users	SynergySoft is currently underutilised by current staff, reportedly due to low system knowledge and experience. As an integrated system it operates more efficiently the more employees who use it effectively.

## Recommendations

The Shire has limited baseline data from which to measure employee satisfaction levels and gauge the current culture to establish medium to long term recommendations. Therefore, the following key actions have been identified for 2020/21, incorporating current workforce data and satisfaction which will facilitate more evidence-based decision making on operational needs and future workforce planning.

2020/21 Key Actions	Timeline	Key Stakeholders / Sources
Training Needs Analysis and Skills Register	April 2021	Internal Workforce
Prepare a Succession Plan	May 2021	Internal Workforce
Build volunteer register of skills and capacity for community projects	June 2021	Community Members Community Groups and Committees
Induction Day	June 2021	Internal Workforce Elected Members
Implement the Shire's Safety Action Plan	June 2021	Internal Resources LGIS (RRC Coordinator)
Develop an Attraction and Retention Plan/strategies	September 2021	External consultant Internal Workforce
Conduct a biennial Workforce Survey	December 2021	Internal Workforce
Develop a Housing Upgrade and Maintenance Plan	December 2021	Internal Workforce

## Monitoring and Evaluating

The Shire monitors and responds to employee needs and satisfaction levels which can be measured through:

- Strategic – goal achievement, timeframes, compliance, audit results
- Personnel statistics – turnover, employee numbers, length of service, demographics
- Recruitment and Selection – applicant numbers, evaluation matrix, job analysis
- Employee feedback – surveys, interviews, informal discussions, skills audits
- Performance management – appraisals, improvement plans, position descriptions, training plans, error rates
- Other – community feedback, complaints

## Considerations for future plans

- Workforce survey data
- Training Needs Analysis Results
- Updated Strategic Community Plan and Corporate Business Plan outcomes / strategies
- Current personnel data
- Further refine this plan in line with improved future Long Term Financial Plans – improving the link between the two
- Increased shared services/preparing for amalgamation

## Appendix 1 – Workforce Risk Assessment

Risk / Issue	Mitigating Strategy/Action	Risk Rating	Resources	Performance measures	Responsibility
Continued high turnover trend	WPS 1.1, 1.2, 2.1, 2.2, 2.3, 3.1, 3.3	High	HR Policies and Procedures Recruitment Data Performance Reviews Exit Interviews Succession Planning	Average length of employee service Length of time to recruit Staff turnover figures comparable to neighbouring shires and/or outcomes beyond Shire control Achievement of SCP / CBP outcomes	CEO and supervisors
Difficulty attracting and retaining quality employees from outside of Shire where skills not available locally	WPS 1.1, 1.2, 1.3, 1.4	High	Marketing Job Analysis Remuneration packages	Number of applicants Quality of applications / applicants	Council / CEO
Living local is not an attractive incentive for external applicants	WPS 1.1, 1.3, 1.4	High	Local housing stock	Number of residential employee's vs those who commute	Council / CEO
High turnover / low employee satisfaction levels	WPS 2.1, 2.2, 2.3, 2.4, 3.3,	High	HR Policies and Procedures Performance Reviews Workforce Survey Exit Interviews	Acknowledgement at Council and staff meetings. Average length of employee service Length of time to recruit Staff turnover figures comparable to neighbouring shires and/or outcomes beyond Shire control Achievement of SCP / CBP outcomes	CEO
Identifying and addressing skills gap	WPS 4.1, 4.2, 4.3, 4.4	High	Training Needs Analysis Performance Reviews Job Analysis	Delivery of TNA Report outlining future training plan and strategy.	GO
Synergy Soft Training	WPS 4.1, 4.2, 4.3, 4.4	High	Training Needs Analysis	Number of reported errors	CEO
Learning and development resources being allocated to activities which do not support strategic goals of the organisation.	WPS 4.2, 4.3, 4.4	High	Training Needs Analysis Performance Reviews Job Analysis	Training and development budget and approvals match with Performance Review feedback and Training Needs Analysis	Leadership Team
Shortage of key skilled staff	WPS 1.1, 1.2, 3.1, 3.2, 3.3, 3.4	High	Job Analysis	Limited to no interruption to services Procurement policies and procedures followed	
Knowledge loss	WPS 4.1, 4.2, 4.3, 4.4	High	Recordkeeping database Policies and procedures	Number of employees training in SynergySoft – Central Records Compliance with Recordkeeping Plan	Leadership Team
Poor performance	WPS 2.1, 2.2, 2.3, 2.4, 4.2	Medium	Performance Reviews Exit Interviews Workforce Survey	Number of complaints Number of Performance Improvement Plans Achievement of PIP requirements	CEO

Risk / Issue	Mitigating Strategy/Action	Risk Rating	Resources	Performance measures	Responsibility
			Community Satisfaction Survey Complaints Register	Workforce Survey baseline data Number of complaints / employee grievances Number of issues progressed to disciplinary action	
Disconnect between Council and workforce	WPS 2.3, 3.4	Medium	Workforce Survey Community Satisfaction Survey	Number of complaints	CEO
HR system and process gaps to be addressed.	WPS 1.1, 1.2, 1.4,	Medium	SynergySoft Performance Reviews	Number of complaints Performance Improvement Plans Number of audit actions	Leadership Team
Lack of clarity of job requirements	WPS 2.1, 2.3, 2.4	Medium	Position Descriptions Performance Reviews	Position Description changes	CEO and supervisors
No mechanism to capture employee feedback	WPS 1.4	Medium	Workforce Survey Exit Interviews Performance Reviews	Make integral part of the employment termination process through which at least 80% of employees participate in upon leaving. Higher than 80% respondent rate.	CEO
Low rate of youth employed in local government	WPS 1.1, 1.2, 1.3, 1.4,	Medium	Traineeships / Work Placements Mentoring	Completed trainee gaining the skills capable of filling vacancies as they arise Meet criteria issued for work placement	CEO
Employees experience negative work stress and/or burnout	WPS 2.1, 2.2, 3.3, 4.1	Medium	Performance Reviews Workforce Survey	Number of Workers' Compensation claims (stress-related)	Leadership Team
Employee satisfaction is low, and issues not responded to	WPS 2.1, 2.2, 2.3, 2.4	Medium	Performance Reviews Workforce Survey Exit Interviews Complaints Register	Workforce Survey baseline data Number of complaints / employee grievances	CEO
Poor workplace culture / employees not demonstrating Shire values	WPS 2.1	Medium	HR Policies and Procedures Inductions Performance Reviews Workforce Survey	Workforce Survey baseline data Number of complaints / employee grievances Number of issues progressed to disciplinary action	Council / CEO
Lack of leadership and management for Works and Services	WPS 1.2	Medium		Recruitment records	CEO
Organisation is slow to respond to periods of high workload	WPS 3.1, 3.2, 3.3, 3.4	Medium	Job Analysis	Timesheets / employee costings linked to project plans and SCP/CBP	Leadership Team
Wage disparity	WPS 1.1, 1.4, 2.4, 3.1, 3.3	Low	WALGA Salary and Workforce Survey. Performance Reviews	Preferred applicant take-up of advertised positions Employee feedback / evidence Comparisons of other local governments	CEO

Risk / Issue	Mitigating Strategy/Action	Risk Rating	Resources	Performance measures	Responsibility
Industrial relations complaints / litigation	WPS 2.2, 3.4	Low	Policies and procedures Performance Reviews Recordkeeping	Number of cases / complaints Success rate / outcomes of legal proceedings	CEO
Inequal treatment of staff	WPS 1.1, 2.1, 2.2, 2.4, 3.3	Low	HR Policies & Procedures Legislative Reporting	100% Compliance with current EO legislative requirements The workplace is free from discrimination, harassment, bullying etc.	CEO
High AL & LSL liability	WPS 3.1, 3.2, 3.3	Low	Leave scheduling Succession Planning	Adequate coverage to enable work schedule to continue. Minimal use of contract labour to cover AL. Up skill other employees to cover LSL with contract labour filling lower skilled positions	Leadership Team
Imminent Retirements	WPS 3.3	Low	Succession Planning Mentoring Job Sharing	Corporate knowledge is transferred through documented policies, procedures and standards. Employees are treated with dignity & respect. (Measure from analysis of exit interview comments) and alignment with organisational values. Legislation is not breached i.e. nil complaints or adverse actions	Leadership Team WALGA ER LGIS
Working arrangements are no longer suited to role or employee	WPS 1.1, 1.2, 1.3, 1.4,	Low	Job Analysis Performance Reviews	Produce report and options. Implement after approvals. Organisation retains knowledge base for as long as required	CEO
Change in job requirements and service levels	WPS 3.1, 3.2, 3.3, 3.4	Low	Job Analysis	Produce report and options. Implement after approvals	CEO
Training and development budget is inadequate	WPS 4.1, 4.2, 4.3, 4.4	Low	Training Needs Analysis Performance Reviews Job Analysis	Annual training/skills audit to review progress. Use of efficient electronic training database. Budget allocation matches employee priorities and short term needs	CEO
The latest industry-based knowledge and competencies are limited	WPS 4.2	Low	Industry subscriptions e.g. LG Professionals, WALGA etc	Number of professional memberships (individual and corporate)	CEO
Employees are not adequately rewarded or recognised	WPS 1.1	Low	WALGA Workforce Survey	Time between employee achievement and reward initiated / given	CEO and FAM
Change in service delivery levels	WPS 3.1, 3.2, 3.3, 3.4	Low	Job, Analysis	Performance reviews to identify talent and capacity	
Reduced supply in regulatory roles / support	WPS 3.1	Low	External MOUs and contracts	Renewal of service agreements May need to consider increasing internal capacity / competencies should current arrangements not be renewed.	CEO

## Appendix 2 – Situation Analysis

### External Environments

#### *Western Australian Environment*

#### Population Profile and Labour Statistics

The Western Australia population has risen by 1% to 2,595,192 people between March 2018 and March 2019 which is slightly lower than the national increase of 1.6% (ABS3101.0). The WA Tomorrow 2016 to 2031 Report forecasts the population increasing from 2.63 million in 2019 to a population of 3.25 million by 2031 (ABS, 2016).

Western Australia's employment fell 0.4% (5,480) over twelve months to December 2018 with a fall in part-time employment (down 5% or 19,685) offsetting a rise in full-time employment (up 2% or 14,205).

#### Employment

Western Australia's current and ongoing labour market is influenced by global economic uncertainty, reduced consumer confidence, variable commodity prices, ageing population and a slight resurgence in mining after slowed activity over the last couple of years. Employment growth is, therefore, expected to be seen in industries such as healthcare and social assistance, professional, scientific and technical services, and education and training (State Training Plan 2018-2021). The Public administration and safety sector (incorporating local government) is likely to remain relatively static as it faces increasing public pressure to 'do more with less'.

Outside of the metropolitan area, the top reported industries of employment for WA were iron ore mining, primary education, hospitals, supermarket and grocery stores, and gold mining. In WA, the mining industry had the largest increase in employment through the year to the December quarter 2018.

The ABS report the two most common reasons for males to exit the workforce were due to health/disability (32%) and retirement (27%). Whereas, the most common reasons for females to leave a job are to have children (35%) or to become a carer (16%) (ABS6210.5). The request for flexible working arrangements are on the rise, particularly for those with personal health conditions, disabilities, family responsibilities and maintaining a healthy lifestyle. For public sector employees, the most reported reasons for requesting changes to work arrangements were financial (16%) and to spend more time with family (13%).

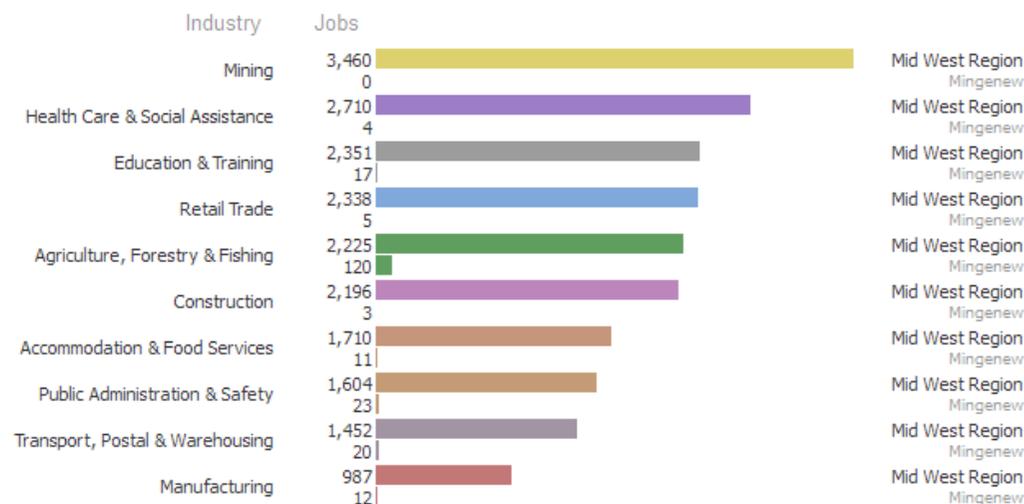
Of those employed in Australia in August 2018, approximately 8% were classified as Independent Contractors. Four per cent of employees reported being registered with a labour hire firm or employment agency. Of these, 32% reported they were paid by a labour hire firm or employment agency (ABS6333.0).

### Mid West Environment

The Mid West is one of the nine regions that make up Western Australia. The region extends approximately 200km north and south of the administrative centre of Geraldton, as well as inland to the border of the Goldfields-Esperance region, an area of approximately 472,300 square km. More than half of the region's total population lives in Geraldton.

The population for the Midwest region is estimated at 53,655 in 2018 and the labour force is made up of 25,132 people (REMPLAN, 2019). Its diverse economy includes mining, agriculture, tourism and fishing which has contributed to job growth and support services in the region.

The Midwest region lists mining and health care as the leading industries of employment. Comparatively, Mingenew records the Agricultural industry as a clear leader in employment.



The above table outlines the Top 10 industries within the Midwest region, and includes comparative data for Mingenew.

Source: Latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) 2016 Census Place of Work Employment Data, 2016 / 2017 National Input Output Tables and June 2018 Gross State Product.

Fly In – Fly Out (FIFO) demand from the Mid-West region continues to be relatively high, as companies are unable to attract employees to or from the local population due to the remoteness and extreme conditions sometimes experienced in the regions.

With the low unemployment rate in the Mid -West continuing and the current strength of the mining industry, there is increased employment competition for technical, plant operation and maintenance roles within local government. This places significant pressure on local government to provide competitive rates and working conditions in order to attract, recruit and retain quality employees.

The age demographics for the workforce for the Midwest (below) demonstrate a low youth employment pool.



Source: Latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) 2016 Census Place of Work Employment Data.

### Challenges for the Mid West

In planning for the workforce of the Shire of Mingenew, there are several external issues that need to be considered. Most are beyond the Local Governments' ability to control, however - where possible - strategies to address them must be considered.

The challenges include, but are not limited to:

The changing rural economy – changes in farm management, a reduction of local suppliers and the use of more technology and less local labour causes a flow on reduction in the local population. The Shire's role is to see that public infrastructure is well maintained and facilitate economic development in the district. This has indirectly contributed to a population decline in Mingenew, and many other similar rural towns.

Competition from other Local Governments and regional industries for current and potential workforce skills and knowledge. The growth in the mining and resources sector is having an impact on the availability and affordability of a workforce for Local Governments, particularly in the works and technical services areas.

Downward trend in working population for smaller towns making it difficult to employ local people, placing pressure on accommodation and family needs for those employed from other places.

Legislative changes related to governance and integrated planning require more focus and specific skills and knowledge to ensure communication and compliance.

Increasing cost of living, such as utilities and fuel prices, puts further pressure on wages and benefits for those living in regional areas.

Increasing available accommodation issues and a lack of population-driven services (e.g. health, education, retail, administrative services) also inhibits growth in the resident population; particular issues relate to the lack of educational services in Mingenew for students in Grade 7 and above, as well as challenges securing child-care for pre-school children.

Availability of suitable staff development opportunities and training in the region and the costs involved in sending staff to regional centres or Perth for training.

### *WA Local Government Environment*

The Department of Local Government is in the process of managing significant reform across the sector. The Local Government Act 1995 is currently undergoing major review and there is growing pressure from the State Government for Local Governments currently operating under the Federal *Local Government Industry Award 2010* (as the Shire of Mingenew does) to return to the State-based legislation.

Both metropolitan and regional areas are experiencing change and uncertainty that has potential to impact on the workforce both positively and negatively in being an industry of choice for employment. Increasing workloads, exit of skilled staff to other employment sectors, including a rebounding resources sector, ageing workforces and the levels of staff turnover in some areas are creating serious challenges in recruitment and retention as well as on the wellbeing of staff.

Increased service expectations and devolution of services from State Government in some areas is also having an impact on the ability to attract, recruit and afford the appropriate workforce with an often declining rate base. The mantra of 'do more with less' continues to be a common refrain, however in the face of an ever-growing compliance environment and ongoing devolution of responsibility from higher tiers of government, this is challenging to practically achieve. Just some of the new or increased financial, resourcing and legislative burdens shifted to local government include:

- Asset management
- Fair value accounting
- Integrated Planning and Reporting
- Occupational Safety and Health
- Tourism
- Auditing
- Public Health
- Emergency management and risk mitigation
- Volunteer management
- Risk Management
- Building
- Disability Services
- Records Management
- Town Planning and Development
- Native Title
- Landcare and environmental Issues
- Health care / GP services
- Telecommunications

- Heritage
- Caravan Parks and Camping
- Swimming Pools
- Fencing
- Animal Welfare

- Landfill Regulations
- Driver and Vehicle Licensing
- Community safety and crime prevention
- Request for comment and input on draft State Policy and strategies
- Provision of initial or seed funding

Sector-wide there are also challenges with the long-term attraction and retention of staff – particularly senior or specialist staff – in regional areas. In the Mid West, a significant number of CEOs and senior managers do not reside full-time in the Shires where they work, and this is state-wide trend that is continuing to grow, particularly as smaller centres struggle to provide a suite of population-driven services to satisfy not only a prospective employee, but their family as well.

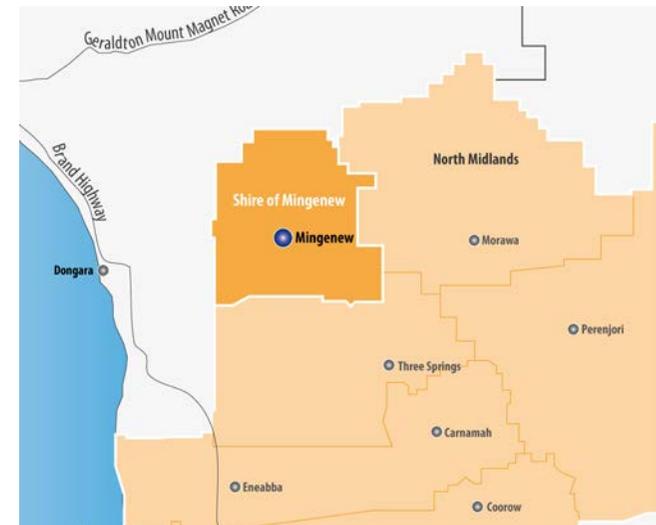
There has also been a recent sectoral focus on the wellbeing of Local Government CEOs, led by an independent UWA report, which found both worrying Occupational Safety and Health loopholes around the CEO role, as well as elevated levels of psychosocial stress displayed by Western Australian Local Government CEOs and senior managers as a result of unique challenges experienced by those in the position.

### *Shire of Mingenew Environment*

Mingenew is a traditional agricultural community located 50km from the coast and is the entrance to the Mid West wheat belt. Situated approximately 380 km north of Perth the Shire of Mingenew includes the locality of Yandanooka and the town of Mingenew.

Mingenew has a strong agricultural industry with stock and grains (broadacre cereal and legume cropping) being the key export commodities produced. As per the 2016 ABS Census, the agriculture industry contributes 41.1% of employment of people aged 15 years or over.

The Shire also features a concentration of employment in the transport industry, partly attributed to the CBH grain receival site. The Mingenew Primary School being the other major employer within the community. The Mid West Space Centre at Yarragadee employs several people, and is slowly growing, however the vast majority of staff live outside of Mingenew. There is also increasing oil and gas exploration in the region, which may have future impacts on the make-up of the local workforce.



The Coalseam Conservation Park, situated north of the town was the site of WA's first coal discovery. Providing a spectacular show of everlastings and other wildflowers, the Park attracts many visitors with its limestone cliffs, riverbed and carved gorges providing a year round attraction. It is one of the Shire's main tourist attractions and the cornerstone for attracting tourists to the area in the wildflower season which on average can run anywhere between late July and early November, depending upon the season.

Tourism, in general, is growing in Mingenew, assisted by significant investment in advertising and promotion from the Shire. In addition to Wildflower Season, which results in a significant spike in tourist numbers, niche products related to astrotourism and farm tourism (which can operate outside of the peak season) are also being pursued.

## Population

The estimated resident district population of 455 was obtained from the 2016 ABS Census and shows a slight decrease compared to the 2011 Census population of 480.

When compared to the State average population, the Shire has a higher percentage of people under the age of 10, particularly children 4 and below, and a lower percentage of people between the age of 15 and 24 years of age. The lack of secondary and tertiary education facilities within the district is considered the main reason for the low percentage of young adults. The number of people in the 30 to 34 and 45 to 49 age groups is also lower, although the 40-44 age group is slightly higher. The number of people in the 50 to 70-year age group is higher and suggests a need for continued investment in facilities for the aged.

## Mingenew Demographic and Employment Summary

Population Characteristics	2011	2016
Population	480	455
Median Age	39	42
Occupied Dwellings	182	172
Number Employed	229	232
Number Unemployed (%)	4.2%	2.9%

No. Employed Vs. local Jobs 88%

Live & work in same area 71%

Ave household size 2.4 2.3

*Australian Bureau of Statistics, 2016 Census Quickstats*

### Opportunities for the region

Conditions in Mingenew are considered amongst the best in the Mid West for agriculture production with good quality soils and relatively consistent rainfall helping to produce a wide variety of commodities.

There is also a strong entrepreneurial culture in the Shire, evident in the Mingenew Irwin Group and numerous farm- and internet-based microbusinesses operating in the Shire.

Tourism is a relatively small but important link in the economic prosperity of the district, and tourism activities present some opportunity to advance our local economy. With a bakery, caravan park, pub and roadhouse, tourism supports a range of hospitality-based businesses in the Mingenew townsite.

As mentioned above, there is also increasing interest from oil and gas exploration companies, with Strike Energy's Erregulla West facility showing promising drilling results. Work is also being undertaken to improve telecommunications facilities in the Nangetty area to allow for additional expansion and investment in the Mid West Space Centre and associated satellite tracking operations.

The relative distance between Mingenew and other major towns and shires in the Mid West makes it an attractive option for people seeking to live (permanently or temporarily) in the town and work in surrounding areas. The flipside of this is that it is also possible for people to work in Mingenew and commute from larger, coastal population centres like Dongara and Geraldton – as a number of Shire Staff and other local workers do.

### Internal Environment

#### *Shire of Mingenew Operating Environment*

The Shire of Mingenew Council has seven elected members that represent the Town Ward (4 members) and Rural Ward (3 members).

In 2018/19, Shire Operating Revenue was \$3,580,100, which included \$1,865,935 from local rates. This rate base restricts future workforce growth, and also provides challenges in ensuring that staff are remunerated competitively to ensure attraction and retention. A workforce that is expected to deliver quality services to the community, ensure a high level of legislative compliance and fulfil the organisation's strategic planning, governance and management requirements must also be adequately resourced.

Shire management currently control this in the best way possible by actively seeking external grant funding to increase their capacity. This does, however, cause some additional capacity issues in application and acquittal processes. Where possible, opportunities to share resources with neighbouring Councils and other organisations are explored, and currently we share the following roles:

- Town Planning Services (Shire of Chapman Valley)
- Building Services (City of Greater Geraldton)
- Environmental Health Officer (Shire of Irwin)
- Community Emergency Services Manager (Shire of Carnamah)
- Regional Risk Coordinator (LGIS)

### **Staff Turnover**

The Shire went through a period of significant churn and turnover through 2017 and 2018, as a result of an organisational restructure in April 2017, which saw a reduction of approximately 20% of the Shire's workforce by FTE. During early 2018, the CEO and Finance Manager – both of whom had been with the organisation for several years – resigned, resulting in significant management changeover and a loss of corporate memory.

Through late 2018, there were three retirements in the roadworks crew, which saw the loss of more organisational experience. As such, the lead-up to this Plan has been a process of rebuilding and consolidation as stability has been restored to the internal workforce, assisted by some additional resourcing, whilst the process of training and development continues in the outside crew, which is still experiencing some flux.

### **Workplace Culture**

There has not been a recent staff satisfaction survey to provide empirical data, however – as can often be the case – the restructure anecdotally left some staff concerned about the long-term stability of their roles, and others with significant additional duties which lead to some overwork and instances of stress leave.

With the addition of further resources into FY19-20 and a period of relatively low turnover, culture within the inside workforce has improved and satisfaction – as reported through performance review processes – is good on average. As a result of a significant amount of turnover in the road crew in late 2018, that crew is

re-forming through the current work program and there exists significant room for improvement in this area, which may need to be supported by changes to the outdoor workforce structure.

## **Leadership**

An open and collaborative leadership style has resulted in minimal conflict between leadership and the workforce at large, whilst organisational goals are generally being met. Work groups meet regularly to discuss relevant issues and track progress, and regular performance reviews take place. Senior leaders are available to their teams, and the workforce at large.

With the removal of the Works Manager position as part of the 2017 restructure, the Shire of Mingenew is one of few local governments to lack this senior role within the works and infrastructure division. Consequently, the CEO is required to spend more time and be more hands-on in this space than would be ordinary. The Works Supervisor role is one area for focused development over the life of this plan to deliver greater leadership to the works crew, structure to the external workforce, and better fill the void left by the removal of the Works Manager role.

The Finance and Administration Manager is responsible for the day-to-day leadership of the majority of the Shire's internal staff, and typically will serve as Acting Chief Executive Officer in the CEO's absence.

## **Technology**

The rate of change in information technology will continue into the future and in conjunction with our IT partners, the Shire will ensure that it is poised to continue progressing in this field. Cloud technology is becoming more popular and a lot more stable, thus opening the way for the Shire to upgrade systems using this technology. Vehicle licencing, banking and rates are now largely done online and there is no doubt that online take up will extend into other areas. Technology changes should not have a 'fear factor' as the purpose and intent of local government is to serve the community in the most efficient and effective manner.

## **Shire of Mingenew Service Delivery**

The following services are provided by the Shire of Mingenew to the community:

- Maintenance (including utility costs) and cleaning of public community buildings and sporting facilities, e.g. ovals, rec centres, playgrounds etc.
- Rates and Finance Services
- Government agency services for Department of Transport (Driver and Vehicle Licensing)
- Road and infrastructure maintenance and construction services, including signage, traffic management, bridges etc.
- Waste management
- Land care and Environmental services

- Key worker housing
- Town Planning and Building Services - building, demolition, occupancy permits, etc.)
- Environmental Health Services- food inspections, disease/pest control, pool inspections, noise issues etc.
- Private works - crossovers, culverts etc.
- Animal Control / Ranger Services
- Cemetery
- Tourism and Visitor Servicing
- Community development/Youth services
- Weed Management (spraying service)
- Community Bus
- Public Library Service
- Aged Persons' housing
- Street lighting
- Drainage
- Cybersecurity
- GP / medical services
- Air strip management and maintenance
- Bush Fire Brigade management and operations (provision of staff and machinery)
- Emergency services management (planning, prevention and coordination)

The Shire of Mingenew does not have any plans to significantly vary the level of services provided to the community over the life of this Plan. This, however, is highly dependent on changes within and from external environments such as increased legislative responsibilities.

### Current Workforce issues/Risks

#### An ageing workforce

Whilst there the ageing population trend continues generally for the state and employees are remaining in the workforce for longer, the Shire has recently experienced a loss resulting from older employees leaving. New members of the Shire's current workforce are generally relatively young or lack corporate knowledge or local government experience, which brings a new set of challenges.

This presents the Shire with an opportunity to develop succession planning strategies to capture and share knowledge from long-standing and older employees, and where willing, provide internal training support. Older employees may consider more flexible work arrangements (such as part-time employment) and phased retirement.

The Shire needs to consider that an older workforce may lead to more health and wellbeing issues and increased use of sick leave. Approximately 28% of the Shire's employees are over the age of 60 years and are part of the Works and Services team. This signifies a strong need to appropriately capture and share corporate knowledge and experience to build up the retained workforce.

### **Recruitment and Retention**

As we are located in largely what is now considered a "mining and resources" state, Local Government is continuing to face greater difficulties in sourcing and securing the long-term service of quality candidates with engineering, technical and plant operating skills in particular.

Growth in the resource and energy sectors is creating competition for some skills types as workers change careers, attracted by higher wages and compressed work cycles (12hr shifts etc.).

The impact of this is the possible increased difficulty in filling essential roles, therefore competitive recruitment and retention strategies will be increasingly required. As a result, recruitment costs and salary expectations will increase.

The following are professional areas of known and forecast skill shortages expected to impact on typical Local Government services:

- Engineering and civil construction
- Plant operation
- Planning and building
- Environmental health
- Finance

The impact on Council will include having less qualified staff filling essential roles, which will affect the risk profile (or alternatively, higher costs relating to efforts to attract and retain skilled staff.)

More detailed recruitment and retention strategies will be required, which means that recruiting costs will increase.

### **Skill shortages**

From the information gathered so far through performance reviews, discussions with Management, training records and on the job performance, it appears there are no alarming trends concerning employee skills shortages. However, the following areas may need to be addressed in the future in a few individual circumstances:

- Engineering (in absence of Works Manager position)
- Synergy Soft training (admin areas)
- Supervisory skills training
- Human resources management
- Records management

### **Flexible work arrangements**

Whilst there is increasing demand for flexible working arrangements to support the transition to retirement, there is also an increased demand due to the younger workforce mix wishing to support changing family circumstances and care demands.

The impact of this will be that flexible employment options will be needed. Systems and processes will need to allow for different employment types in the workforce. This may impact the resourcing requirements for assets and technology, and consideration of alternative work arrangements such as remote access and security.

### **Annual leave liability**

At the 30 June 2020

- 75% of staff were owed 4 weeks or one year's accrual) or less annual leave
- 25% of all staff were owed 4 to 8 weeks (or 1 to 2 years of accruals)
- 

The total leave liability as disclosed in the financial statements as at the 30th June 2020 is \$91,766.78. Due to recent turnover and improved management systems, this liability is considered to be within a manageable range.

### **Long Service Leave liability**

At the 30 June 2020 10% of all staff are currently due for LSL

- No staff members will be owed LSL in the next 2 years (not including those currently owed long service)
- Remaining staff will be owed LSL after a further 5 years' service (assuming leave owed over the next two years is taken in full)

The total long service leave liability, as disclosed in the financial statements as at the 30th June 2020, is \$57,561.68 which includes \$14,126.05 liability to be paid to other local governments upon long service leave being taken by former staff. Again, this figure has been significantly reduced with the resignation of long-term staff and improved management over recent years.

### **Leave liability risk summary**

The annual leave liability is considered a moderate risk and needs to be managed accordingly, with employees encouraged to regularly take annual leave.

The Long Service Leave provisions are considered as low risk in the short term but will need to be managed carefully with the recommended staggering of employees taking leave in the same work area and adequate coverage arranged.

The Shire continues to plan for and meet its leave coverage liability through forecasting and budgeting based on adequate accrual monitoring systems.

### **Human Resources Management and Systems**

In order to assist managing the above risks, Human resources management policies, procedures and systems need to be reviewed and integrated into the organisation. Managing employee awareness and compliance has been somewhat addressed through improved induction processes and will be improved through further internal training initiatives and improved performance management processes.

Records management and security provisions need to be improved to support an efficient and well managed system. Areas that this will affect are:

- recruitment tracking
- personnel files
- training records,
- workers compensation management and history
- position description maintenance
- performance review management
- exit interview data etc.

Overall, the systems need to be more strategically aligned to guide employee effort and support the achievement of business objectives.



# State Council Agenda

**3 March 2021**

## NOTICE OF MEETING

Meeting No. 1 of 2021 of the Western Australian Local Government Association State Council to be held at WALGA, 170 Railway Parade, West Leederville on Wednesday, 3 March 2021, beginning at 4:30pm.

### 1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS

#### 1.1 Attendance

Members	President of WALGA - <b>Chair</b> Deputy President of WALGA, Northern Country Zone Avon-Midland Country Zone Central Country Zone Central Metropolitan Zone East Metropolitan Zone East Metropolitan Zone Goldfields Esperance Country Zone Gascoyne Country Zone Great Eastern Country Zone Great Southern Country Zone Kimberley Country Zone Murchison Country Zone North Metropolitan Zone North Metropolitan Zone North Metropolitan Zone Peel Country Zone Pilbara Country Zone South East Metropolitan Zone South East Metropolitan Zone South Metropolitan Zone South Metropolitan Zone South Metropolitan Zone South West Country Zone	Mayor Tracey Roberts JP President Cr Karen Chappel JP  President Cr Ken Seymour President Cr Phillip Blight Cr Paul Kelly Cr Catherine Ehrhardt Cr Cate McCullough President Cr Malcolm Cullen President Cr Cheryl Cowell President Cr Stephen Strange Cr Ronnie Fleay Cr Chris Mitchell JP Cr Les Price Cr Frank Cvitan JP Mayor Mark Irwin Cr Russ Fishwick JP President Cr Michelle Rich Mayor Peter Long Cr Julie Brown Mayor Ruth Butterfield Cr Doug Thompson Mayor Carol Adams OAM Mayor Logan Howlett JP President Cr Tony Dean
Ex Officio	Lord Mayor – City of Perth Local Government Professionals WA	Lord Mayor Basil Zempilas Mr Jamie Parry
Secretariat	Chief Executive Officer EM Commercial & Communications EM Governance & Organisational Services EM Infrastructure EM Strategy, Policy & Planning Manager Strategy & Association Governance Intergovernmental Relations & Risk Chief Financial Officer Manager Governance	Mr Nick Sloan Mr Zac Donovan Mr Tony Brown Mr Ian Duncan Ms Narelle Cant Mr Tim Lane Ms Joanne Burges Mr Rick Murray Mr James McGovern

#### 1.2 Apologies

### 1.3 Announcements

1.3.1 WALGA acknowledges the Whadjuk Nyoongar people who are the Traditional Custodians of this land we meet on today and pays respects to their Elders past, present and future.

## 2. MINUTES

---

### 2.1 Minutes of Meeting Held 2 December 2020

---

#### Recommendation

That the Minutes of the Western Australian Local Government Association (WALGA) State Council Meeting held on [Wednesday 2 December 2020](#) be confirmed as a true and correct record of proceedings.

---

### 2.2 Flying Minute - Submission – Draft Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020 – 5 January 2021

---

#### Recommendation

That the Flying Minute – [Submission - Draft Local Government Regulations Amendment \(Employee Code of Conduct\) Regulations 2020](#) be confirmed as a true and correct record of proceedings.

---

### 2.3 Flying Minute – Draft State Planning Policy 4.2: Activity Centres Submission – 28 January 2021

---

#### Recommendation

That the [Flying Minute – Draft State Planning Policy 4.2: Activity Centres Submission – 28 January 2021](#) – be confirmed as a true and correct record of proceedings.

---

### 2.4 Flying Minute – Registration of Builders (and Related Occupations) Reforms Submission – 28 January 2021

---

#### Recommendation

That the [Flying Minute – Registration of Builders \(and Related Occupations\) Reforms Submission – 28 January 2021](#) – be confirmed as a true and correct record of proceedings.

---

### 2.5 Flying Minute – Reportable Conduct Scheme – 28 January 2021

---

#### Recommendation

That the [Flying Minute – Reportable Conduct Scheme – 28 January 2021](#) – be confirmed as a true and correct record of proceedings.

## 3. DECLARATIONS OF INTEREST

Pursuant to our Code of Conduct, State Councillors must declare to the Chair any potential conflict of interest they have in a matter before State Council as soon as they become aware of it.

#### 4. **EMERGING ISSUES**

Notification of emerging issues must be provided to the Chair no later than 24 hours prior to the meeting.

#### 5. **MATTERS FOR DECISION**

- As per matters listed
- Items Under Separate Cover to State Council only

#### 6. **MATTERS FOR NOTING / INFORMATION**

- As per matters listed.

#### 7. **ORGANISATIONAL REPORTS**

##### 7.1 Key Activity Report

- 7.1.1 Commercial and Communications
- 7.1.2 Governance and Organisational Services
- 7.1.3 Infrastructure
- 7.1.4 Strategy, Policy and Planning

##### 7.2 Policy Forum Reports

- 7.2.1 Policy Forum Reports

##### 7.3 President's Report

###### **Recommendation**

That the President's Report for March 2021 be received.

##### 7.4 CEO's Report

###### **Recommendation**

That the CEO's Report for March 2021 be received.

##### 7.5 Ex Officio Reports

- 7.5.1 LG Professionals President, Jamie Parry, to provide LG Professionals Report to the meeting.
- 7.5.2 Lord Mayor Basil Zempilas to provide City of Perth Report to the meeting.

#### 8. **ADDITIONAL ZONE RESOLUTIONS**

To be advised following Zone meetings.

#### 9. **DATE OF NEXT MEETING**

The next meeting of the WALGA State Council will be held at City of Cockburn on Wednesday 5 May 2021.

#### 11. **CLOSURE**

# Agenda Items

<b>5. MATTERS FOR DECISION.....</b>	<b>5</b>
5.1 External Oversight and Intervention – Authorised Inquiries and Show Cause Notices (05-034-01-0001 FM).....	5
5.2 Cost of Revaluations (05-034-01-0001 TB).....	8
5.3 Eligibility of Slip On Fire Fighting Units for Local Government Grants Scheme Funding (05-024-02-0001 SM).....	9
<b>6. MATTERS FOR NOTING / INFORMATION .....</b>	<b>11</b>
6.1 Local Government Car Parking Guideline – Western Australia (05-036-03-0063 AR)	11
6.2 Submission – Draft Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020 (05-034-01-0104 TB).....	13
6.3 Submission – Proposed Reportable Conduct Scheme for Western Australia (05-034-01-0104 TB).....	14
6.4 Submission – Draft State Planning Policy 4.2: Activity Centre (05-036-03-0020 CH)	16
6.5 Submission – Registration of Builders (and Related Occupations) Reforms (05-015-02-0010 CL).....	18
6.6 Report Municipal Waste Advisory Council (MWAC) (01-006-03-0008 RNB) .....	20
<b>7. ORGANISATIONAL REPORTS.....</b>	<b>23</b>
<b>7.1 Key Activity Reports .....</b>	<b>23</b>
7.1.1 Report on Key Activities, Commercial and Communications (01-006-03-0017 ZD)....	23
7.1.2 Report on Key Activities, Governance and Organisational Services (01-006-03-0007 TB) .....	29
7.1.3 Report on Key Activities, Infrastructure (05-001-02-0003 ID) .....	32
7.1.4 Report on Key Activities, Strategy, Policy and Planning (01-006-03-0014 NC) .....	34
<b>7.2 Policy Forum Reports .....</b>	<b>38</b>
7.2 Policy Forum Reports (01-006-03-0007 TB) .....	38
<b>Status Report on State Council Resolutions .....</b>	<b>39</b>

## 5. MATTERS FOR DECISION

### 5.1 External Oversight and Intervention – Authorised Inquiries and Show Cause Notices (05-034-01-0001 FM)

*By Tony Brown, Executive Manager Governance and Organisational Services, and Felicity Morris, Acting Manager Governance and Procurement*

#### Recommendation

That WALGA:

1. Continues to advocate for the State Government to ensure that there is proper resourcing of the Department of Local Government, Sport and Cultural Industries to conduct timely inquiries and interventions when instigated under the provisions of the Local Government Act 1995; and
2. Requests the Minister for Local Government to:
  - a. Engage with affected Local Governments in order to attempt to resolve identified issues, improve performance and achieve good governance before considering an intervention under Part 8 of the Local Government Act 1995;
  - b. Provide written reasons prior to issuing any Show Cause Notices;
  - c. Require regular progress reports to be provided to any Local Government that is the subject of any Authorised Inquiry; and
  - d. Require that any Authorised Inquiry be conducted within a specified timeframe that may be extended with the approval of the Minister.

#### Executive Summary

- The Central Metropolitan Zone has requested WALGA advocacy for improved and consistent processes for Authorised Inquiries and Show Cause Notices.
- The Local Government sector has expressed concern at the time taken for authorised enquiries to be carried out and the manner in which the powers under Part 8 of the Local Government Act have been exercised.
- This item is recommending amendments to the State Government process for more engagement with Local Governments when issues arise to avoid Show Cause notices and Authorised Inquiries and for any inquiry to be carried out with regular progress reports and within a specified timeframe.

#### Policy Implications

The recommendation aligns with WALGA's Advocacy Position 2.6 Local Government Legislation, which:

*calls on the State Government to ensure there is proper resourcing of the Department of Local Government, Sport and Cultural Industries to conduct timely inquiries and interventions when instigated under the provisions of the Local Government Act 1995.*

In addition, the proposed recommendation supports WALGA's Advocacy Positions for a New Local Government Act on 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 with any associated costs to be the responsibility of the State Government.*

## Background

For a number of years, the sector has expressed concerns regarding the manner in which powers under Part 8 of the *Local Government Act 1995* are exercised. These concerns have largely focused on Authorised Inquiries, conducted by persons authorised by the CEO of the Department of Local Government, Sport and Cultural Industries (the Department) under s.8.3 of the Act.

The Select Committee Into Local Government *Final Report – Inquiry into Local Government* (the Report) noted that the Department ‘has conducted a record program of Authorised Inquiries since it was established as part of the 2017 MoG [Machinery of Government] changes’. The Report records that thirteen Authorised Inquiries commenced since January 2017. Of those, three were withdrawn and three are ongoing. The Inquiries that reached a conclusion did so after an average of 22 months. The Report includes Recommendation 23 that:

*‘The Government ensure that the Department of Local Government, Sport and Cultural Industries is appropriately resourced to conduct authorised inquiries in a timely manner.’*

This is substantially consistent with WALGA’s advocacy position.

The Town of Cambridge was the subject of an Authorised Inquiry from April 2018 until November 2020. On 26 May 2020, while the Inquiry was ongoing, the Town was issued with a Show Cause Notice (the Notice), under s.8.15B of the Act. Since 2017, the Shire of Perenjori and Town of Port Hedland in 2019 were also issues show cause notices. On 20 July 2020 the Town of Cambridge sought judicial review of the Notice. The decision in *Town of Cambridge v The Hon David Templeman MLA, Minister for Local Government; Heritage; Culture and the Arts* [2020] WASC 350, was handed down on 2 October 2020, granting the Town relief by prohibiting the Minister from making any of the orders in the Notice.

On 26 November 2020, the Central Metropolitan Zone resolved:

*That WALGA:*

1. *Notes the Supreme Court Decision [2020] WASC 350, made by Justice Tottle on 2 October 2020 about the Show Cause Notice issued by the Minister for Local Government on 26 May 2020 against the Town of Cambridge;*
2. *Requests the Minister for Local Government to:*
  - 2.1 *Acknowledge the Supreme Court Findings made by Justice Tottle in his decision [2020] WASC 350, as these are applicable to other local governments;*
  - 2.2 *Not issue any Show Cause Notices against local government without giving prior written reasons and prior engagement with the affected Council, in order to attempt to resolve identified issues; and*
  - 2.3 *Consider that the process for an Authorised Inquiry will be amended to:*
    - a) *Require prior engagement with the affected local government, in order to attempt to resolve issues, improve good governance and performance;*
    - b) *Require regular progress reports be provided to the affected local government; and*
    - c) *Require a specified time frame to be stated for the conduct of the Authorised Inquiry and any extension of the Inquiry to require the Minister’s approval.*

## Comment

The purpose of interventions under Part 8 of the Act must be to support, and where necessary to restore, good governance. This purpose can only be achieved where an intervention is both timely and proportionate, and occurs within a framework of early engagement and consistent communication. Undue delay in determining an outcome and corrective action is also an undue delay in returning good governance to the community of an affected Local Government. Protracted Inquiries represent a drain on the resources of the Local Government, may negatively impact the morale of officers, community and council members, and contribute unnecessarily (or avoidably) to continued erosion of good government outcomes.

In contrast, early engagement may enable a Local Government to identify and take action to mitigate emerging issues, without the need for a formal intervention. Where an Authorised Inquiry is required,

a Local Government that is kept regularly informed will be better able to adopt progressive improvements and respond to a final report. In addition, improved communication and a defined timeframe will mitigate the uncertainty currently associated with Authorised Inquiries and assist Local Governments to more effectively manage the resources required. Where suspension or dismissal of a democratically elected Council is contemplated, the Town of Cambridge decision affirms the need for robust and current evidence of serious dysfunction.

The specific concerns raised by the Central Metropolitan Zone are captured within the context of WALGA's broader advocacy. In the short term, this recommendation is directed towards the State Government ensuring that the Department has the capability and commitment to fulfil its responsibilities in a manner that is timely, and follows consistent and proper processes. As progress is made towards a new Local Government Act, WALGA supports the establishment of an independent oversight body that is robust, adequately resourced and fit for its purpose of delivering proportionate, efficient and effective interventions to support and restore good governance to local communities.

## 5.2 Cost of Revaluations (05-034-01-0001 TB)

*By Tony Brown, Executive Manager Governance and Organisational Services*

### Recommendation

**That WALGA advocate to the State Government for the equal distribution of valuation costs for properties where the Water Corporation, the Department of Fire and Emergency Services and the Local Government require the valuation.**

### Executive Summary

- The South East Metropolitan Zone has requested WALGA advocacy in respect to the sharing of costs for the carrying out of revaluations by the Valuer General.
- Currently the cost is not divided equally by the three organisations that utilise the valuations.
- This item recommends advocating to the State Government for the equal distribution of costs.

### Background

Local Governments are charged by the Valuer General to cover the cost of triennial Gross Rental revaluations and also for the annual unimproved revaluations.

Currently in respect to the triennial Gross Rental Valuations (GRV) the Valuer General apportions the revaluation cost between the three bodies that need the revaluation: the Local Government; the Water Corporation; and the Department of Fire and Emergency Services (DFES) for the Emergency Services Levy (ESL).

The Valuer General has confirmed that in relation to properties where each of the three bodies needs the valuation, the cost of the valuation is apportioned in the following way:

- Local Government                      39%
- Water Corporation                      39%
- DFES    22%

The Valuer General has indicated that this apportionment is not prescribed in legislation but is a matter of precedent most likely established by a former Valuer General. It was further noted that it was probably implemented on the basis that DFES was collecting substantially less money through the ESL than the Water Corporation or the relevant Local Government.

### Comment

The basis for charging costs based on the ability to pay is rejected as the basis for apportionment, which does not happen in any other type of purchase. That is, if you need something, you pay the price of the product, regardless of how or how much the product will be utilised.

The Local Government sector takes the position that where each of the three organisations requires the valuation, the costs should be distributed equally on a one-third basis.

The Local Government sector seeks equality on the payment of revaluations between agencies that require the valuations.

### **5.3 Eligibility of Slip On Fire Fighting Units for Local Government Grants Scheme Funding (05-024-02-0001 SM)**

*By Susie Moir, Policy Manager Resilient Communities*

#### **Recommendation**

**That WALGA:**

- 1. Supports the inclusion of capital costs of Slip On Fire Fighting Units including for Farmer Response Brigades (for use on private motor vehicles) on the Eligible List of the Local Governments Grants Scheme (LGGs).**
- 2. Requests the Local Government Grants Scheme Working Group to include this matter on the Agenda of their next Meeting (expected March 2021).**
- 3. Requests WALGA to work with the Local Government Grants Scheme Working Group to develop appropriate operational guidelines and procedures for the safe use of Slip On Fire Fighting Units funded in accordance with the LGGs.**
- 4. Supports the update of the WALGA membership of the Local Government Grants Scheme Working Group to include one Local Government Elected Member and one Local Government Officer, with these appointments determined through the WALGA Selection Committee process.**

#### **Executive Summary**

- The South West Country Zone passed a resolution at their meeting on 27 November 2020 supporting the reinstatement of Slip On Fire Fighting Units (for use on private motor vehicles) as an eligible item under the LGGs administered by the Department of Fire and Emergency Services (DFES).
- Prior to 2010, Slip On Fire Fighting Units were an eligible item under the LGGs. The 2011/12 LGGs Manual provided that “slip-on units were not an eligible item as they are subject to an alternative grants program”. The 2014/15 LGGs Manual provided that Slip On Fire Fighting Units were an ineligible item. Presently they are ineligible items and there is no alternative grants program.
- Slip On Fire Fighting Units attached to private vehicles provide the majority of the firefighting capacity across many rural regions in Western Australia, especially broadacre farming areas, where there are only a small number of bushfire brigade appliances for vast areas of land and the majority of landowners own Slip On Fire Fighting Units to enable them to respond to fires on their own and neighbouring properties.
- The Local Government Grants Scheme Working Group was established in 2019 to provide a consultative forum between stakeholders for key matters pertaining to the operations of the LGGs and includes two representatives from WALGA, DFES, the Association of Volunteer Bushfire Brigades and the State Emergency Services Association. Thus far, WALGA staff members have attended the Working Group. As the LGGs Working Group meetings involve technical discussions on Bush Fire Brigade issues, it is proposed that the Local Government sector is represented by a Local Government Elected Member and Officer representatives, with WALGA staff attending as observers.

#### **Policy Implications**

WALGA has previously advocated for a review of the Emergency Services Levy (ESL), its administration, fee structure and distribution mechanism to facilitate funding back to Local Government to support their Emergency Management responsibilities as legislated in the *Emergency Management Act 2005* (WALGA Position Statement 8.3 Emergency Services Levy, State Council

Resolution July 2014-59.3/2014; July 2013 – 219.3/2013). The ESL was reviewed by the Economic Regulation Authority (ERA) in 2017. The LGGs Working Group was established as a result of advocacy that WALGA undertook for a review of the LGGs following the review of the ESL.

## Background

Slip On Fire Fighting Units (usual configuration - tank, motor/pump, hose and reel on rigid frame) are designed for quick loading onto the load space of flat back utilities. Slip On Fire Fighting Units are an important part of the rapid bushfire response capacity of many regional Local Government bushfire brigades and are a fraction of the cost of fully equipped appliances.

DFES has raised concerns about Slip On Fire Fighting Units with respect to personal safety, lack of standardization in terms of type and water capacity, overloading of vehicles, secure attachment of Slip On Fire Fighting Units to vehicles, training of operators and vehicle roadworthiness.

## Comment

Local Government has a role in emergency management across all 27 hazards and is the prescribed agency for fire suppression pursuant to the *Emergency Management Act 2005*. Under the *Bushfires Act 1954* Local Governments have legislative responsibilities for bushfire risk management on all land tenures within a Local Government area.

Specific powers of Local Government pursuant to the *Bush Fires Act 1954* include:

- Section 36(f): Assist an occupier of farm lands within its district to acquire appliances, equipment and apparatus for the prevention, control and extinguishment of bush fires upon or threatening such land; and
- Section 36(e): Use any vehicle in controlling or extinguishing a bushfire or in attempting to do so.

Slip On Fire Fighting Units have previously been eligible for LGGs funding. *DFES Directive 3.3 Operational Support SA 3.3C Vehicle Identifiers* acknowledges that emergency response is often supplemented in regional Western Australia by local farmers and landowners with private fire fighting vehicles and recommends the use of Vehicle Identifier Stickers to enable the identification of private vehicles and persons suitable for access to an incident ground.

Recommendation 9 of the Report of the Special Inquiry into the January 2016 Waroona Fire (Ferguson Report) was that the State Emergency Management Committee (SEMC) in consultation with relevant stakeholders establish systems for the voluntary registration of (among others) farmer firefighting units to facilitate the safe, efficient and effective recognition, organization, development, management and coordination of farmer, contractor and forestry firefighter resources. The May 2017 Discussion Paper [Registration of Farmer Firefighting Units](#) prepared by DFES acknowledges that there are a number of locations in Western Australia where farmer and other private firefighting unit resources are an *essential* part of the response to fires in the community and these arrangements work well for low intensity and short duration fires (level 1).

The ERA review of the ESL in 2017 recommended that the funding allocation manual for frontline service delivery organisations should be described sufficiently broadly so as not to be too prescriptive, in turn allowing for discretion and flexible decision making based on needs (Recommendation 20). Further discussions will be required to develop appropriate operational guidelines and procedures for the safe use of Slip On Fire Fighting Units funded pursuant to the LGGs. The Bushfire Guidelines for Operating Private Equipment was published by FESA (now DFES) in 2011, and provide requirements for private equipment to ensure its suitability for firefighting. These Guidelines are currently under review. The [SA Country Fire Service Private Farm Fire Unit Handbook](#) released in October 2020 provides a recent example of guidelines that support a consistent approach to the use of private firefighting units during bushfire events including wearing of Personal Protective Equipment, vehicles and ancillary equipment standards, communications, and fire ground expectations.

## 6. MATTERS FOR NOTING / INFORMATION

### 6.1 Local Government Car Parking Guideline – Western Australia (05-036-03-0063 AR)

*By Ashley Robb, Project Officer Planning and Improvement*

#### Recommendation

That State Council note the *Local Government Car Parking Guideline – Western Australia*.

#### Executive Summary

- New development car parking requirements have historically been regulated by setting minimum parking requirements for each land use in local planning schemes or policies.
- In December 2020, WALGA launched the *Local Government Car Parking Guideline - Western Australia*. The guideline has been prepared for Local Governments who are seeking to trial and adopt alternative policy approaches to improve parking provision and management in cities or town centres.
- The guideline was launched at an event attended by over 120 people from Local Government, State agencies and industry groups. Since the launch, the guideline has been accessed by over 100 Local Government staff and is already being used by Local Governments to review and prepare parking strategies, plans and local planning policies.
- The guideline is an innovative and collaborative project that demonstrates WALGA's capacity to bring its members together with State agencies, to collaborate and address key planning issues.

#### Attachment

[Local Government Car Parking Guideline - Western Australia](#)

#### Policy Implications

##### Key Strategies

WALGA's relevant Advocacy Position Statements:

6.2 Planning Reform - The Local Government sector supports the underlying principles of planning reform and the continuing focus of streamlining the planning system.

6.3 Planning Improvement Program - The Association supports the establishment of a Planning Improvement Program specifically for the Local Government sector.

#### Background

Local Governments generally set minimum parking requirements for individual land uses in local planning schemes or policies to ensure that development provides sufficient parking for customers and staff onsite. International studies have recognised that this approach can cause a number of issues, including: underused parking bays in non-peak periods; more traffic, air and noise pollution; suboptimal built form outcomes; and, inflated new development costs, which are passed on to customers, tenants and home buyers.

Since 2017, WALGA has worked with the Department of Transport, the Department of Planning, Lands and Heritage, and a reference group of Local Government officers, to identify the advantages and disadvantages of this conventional approach and alternative policy approaches applied nationally and internationally.

In 2018, WALGA's State Council noted the report: *Review of Local Government Car Parking Requirements in Western Australia* (2018). This report was commissioned by WALGA and the Department of Transport and found that minimum parking requirements set out in local planning schemes and policies are poorly related to demand generated by development, and may be impeding the optimal use of land and achievement of strategic community objectives.

In 2019, WALGA prepared a discussion paper with State agencies and the reference group. The discussion paper summarised alternative policy approaches to parking provision and management, and was released for consultation to all Local Governments, relevant State agencies and industry groups. The discussion paper was accessed by over 150 Local Government planning and engineering staff.

In 2020, WALGA used the content of the discussion paper and feedback collected from members and industry groups to prepare a guideline for Local Governments who are seeking to trial and adopt alternative policy approaches, to improve parking provision and management in cities or town centres in both metropolitan and regional areas.

In December 2020, the guideline was launched at an event attended by over 120 people from Local Government, state agencies and industry groups. The launch featured a keynote presentation from Distinguished Research Professor Donald Shoup, from the University of California, Los Angeles (UCLA). Professor Shoup, who is recognised as the world's leading car parking expert, was joined by interstate and local speakers.

The guideline is a comprehensive summary of the alternative approaches being applied by Local Governments across the world. It includes sections on off-street (private) parking, on-street parking, off-street (public) parking, several case studies from Western Australia, and other useful resources and images.

International studies have shown that applying the alternative policy approaches outlined in the guideline, such as parking maximums, dynamic pricing and parking benefits districts, can help communities improve access to local businesses, decrease development costs, reduce traffic congestion in town centres, improve the appearance and safety of streetscapes, and improve the vibrancy and functionality of public spaces.

Importantly, reconsidering the way parking is provided and managed allows communities to use potentially unnecessary parking space in other ways, like parks and gardens, alfresco dining, bioswales, bike paths, wider footpaths, and street trees.

Since the launch, the guideline has been accessed by over 100 Local Government staff through WALGA's Planning Improvement Portal and main website, and is already being used by members to review and prepare parking strategies, plans and local planning policies.

WALGA's planning and infrastructure teams have worked together to deliver this project, with valuable assistance from the governance, marketing and communications teams.

## **Comment**

The simplicity of calculating and enforcing minimum parking requirements using conventional approaches may continue to be useful in a range of situations, particularly where resources to conduct parking surveys are limited. However, alternative approaches exist, and Local Governments in Western Australia are beginning to adopt and apply these approaches for the benefit of local communities, business customers and workers, and developers.

This innovative and collaborative project has demonstrated WALGA's capacity to bring its members together with State agencies, to collaborate and address key planning issues.

In 2021, WALGA and the Local Government parking reference group will continue to work closely with the Department of Planning, Lands and Heritage and the Department of Transport to ensure that Western Australia's planning system supports alternative approaches to parking provision and management that help members and their communities achieve strategic community objectives.

## **6.2 Submission – Draft Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020 (05-034-01-0104 TB)**

*By Tony Brown, Executive Manager Governance and Organisational Services*

### **Recommendation**

**That the submission to the Draft Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2020 be noted.**

### **Executive Summary**

- The Department of Local Government sought feedback on draft regulations relating to an employee code of conduct.
- The Government is seeking to have the regulations gazetted early February 2021 ahead of the caretaker period commencing.
- The draft submission highlights a number of issues, most notably relating to gifts and inconsistencies with existing requirements for Elected Members and the CEO.
- State Council endorsed the submission by Flying Minute on 6 January 2021.

### **Attachment**

[Flying Minute incorporating Draft submission – Draft Local Government Regulations Amendment \(Employee Code of Conduct\) Regulations 2020](#)

### **Background**

The Department of Local Government, Sport and Cultural Industries wrote to the sector seeking comment on draft regulations for an Employee Code of Conduct in December 2020 requesting feedback by 6 January 2021.

### **Comment**

The draft submission highlights a number of issues with the draft regulations, principally in relation to consistency with requirements relating to gifts for Council Members and the CEO in terms of gifts, and the need for a template Employee Code of Conduct for the Local Government sector.

The draft submission was endorsed by State Council via Flying Minute on 6 January 2021.

The Government is aiming for the Regulations to be Gazetted in early February ahead of the caretaker period commencing.

## 6.3 Submission – Proposed Reportable Conduct Scheme for Western Australia (05-034-01-0104 TB)

By Tony Brown, Executive Manager Governance and Organisational Services

### Recommendation

**That the submission to the Ombudsman, Western Australia in respect to the Draft Reportable Conduct Scheme for Western Australia be noted.**

### Executive Summary

- The State Government is consulting on a proposed Reportable Conduct Scheme for Western Australia that will require relevant organisations to investigate and report employee misconduct involving children.
- The proposed Scheme was a recommendation of the Royal Commission into Institutional Responses to Child Sexual Abuse and will provide independent oversight of how certain organisations prevent and handle allegations and convictions of child abuse involving employees.
- The Ombudsman released the *Parliamentary Commissioner Amendment (Reportable Conduct) Bill 2020* for consultation.
- WALGA's submission highlights that obligations imposed on a Local Government and the Chief Executive Officer (CEO) of a Local Government (as the head of a relevant entity) are significant. The Scheme introduces a complex and onerous reporting framework (more onerous than the reporting obligations under the *Corruption, Crime and Misconduct Act 2003*) that will require support and funding from the State and/ or Commonwealth Government to educate Local Governments on Scheme obligations.
- State Council endorsed the submission by Flying Minute on 29 January 2021.

### Attachment

[Flying Minute incorporating Submission – Proposed Reportable Conduct Scheme for Western Australia](#)

### Background

The Royal Commission into Institutional Responses to Child Sexual Abuse Final Report was handed down in December 2017 and since that time the State and Commonwealth Governments have been implementing a number of the Recommendations. In 2018 the State Government passed the legislation required to establish the National Redress Scheme. In April 2020 WALGA State Council endorsed a Memorandum of Understanding with the State Government providing for Local Government to formally join the National Redress Scheme and all Local Governments have now passed Council resolutions to join.

During 2021 the State Government will be consulting on the Reportable Conduct Scheme, the development of an Independent Oversight System and the proposal for Local Governments to designate child safety officer positions from within existing staff profiles.

### Comment

The proposed Reportable Conduct Scheme is a scheme to report employee misconduct involving children. The Royal Commission found that organisations need to improve their responses to child abuse and recommended that State and Territory Governments set up schemes which oblige heads of organisations to notify an independent body of misconduct involving children by their employees, volunteers and contractors (reportable conduct).

The proposed Scheme will apply to organisations that exercise a high degree of responsibility for children and where there is a heightened risk of child abuse. These organisations will need to notify the Parliamentary Commissioner of allegations and convictions of child abuse involving their employees. The Parliamentary Commissioner can then review the findings made and the action taken by the organisation or undertake their own investigation.

Many Local Government Chief Executive Officers (CEOs) will lack the expertise and capacity to adequately and appropriately investigate allegations or convictions of child abuse involving an employee and will likely engage an independent investigator to conduct the relevant investigation.

The *Parliamentary Commissioner Amendment (Reportable Conduct) Bill 2020* (Bill) is largely based on the legislation establishing the Reportable Conduct Schemes in NSW and Victoria. The Scheme was implemented in NSW in 1999, and in Victoria and the ACT in 2017. In preparing the submission WALGA has considered both the NSW and Victorian legislation and the intention of the Scheme as outlined in the Royal Commission's Final Report.

The submission recommends a number of recommendations to address sector concerns and the submission was endorsed by State Council via Flying Minute and provided to the State Government by 29 January 2021.

## 6.4 Submission – Draft State Planning Policy 4.2: Activity Centre (05-036-03-0020 CH)

Chris Hossen, Acting Policy Manager, Planning & Improvement

### Recommendation

That the endorsed submission on the draft State Planning Policy 4.2: Activity Centres be noted.

### Executive Summary

- In October 2020 the Western Australian Planning Commission released the draft *State Planning Policy 4.2: Activity Centres* (SPP4.2) with implementation guidelines,
- The intent of SPP4.2 is to ensure planning and development adequately considers the distribution, function and broad land use considerations for activity centres.
- The submission was endorsed by State Council by Flying Minute on 28 January 2021.

### Attachment

[Flying Minute incorporating Submission – Draft State Planning Policy 4.2: Activity Centres](#)

### Background

In October 2020 the Western Australian Planning Commission (WAPC) released the draft *State Planning Policy 4.2: Activity Centres* (SPP4.2) with the draft implementation guidelines. The intent of SPP4.2 is to ensure planning and development adequately considers the distribution, function and broad land use considerations for activity centres.

The advertised policy is proposed to replace the current *SPP4.2: Activity Centres for Perth and Peel*, which was gazetted over 10 years ago. SPP4.2 will apply to the Perth, Peel and Greater Bunbury Region Scheme Areas. Local Governments in other parts of the state will be able to apply the principles of the policy to the planning of their activity centres, in collaboration with the WAPC.

In contrast to the current version of SPP4.2 detail regarding the preparation and content of Activity Centre Structure Plans have been removed from the policy. As part of the DesignWA initiative, the Planning Reform agenda Activity Centre Plans have been removed from the planning framework and replaced by precinct structure plans. The recently gazetted *State Planning Policy 7.2: Precinct Design* (SPP7.2) will form the basis for matters that require consideration in precincts that are also activity centres. The Association's submission to SPP7.2 supported the inclusion of activity centre precinct design into the DesignWA framework. This change is a positive simplification of the planning framework.

This change to SPP4.2 provides for a more succinct policy that focuses on the maintenance of the activity centre hierarchy (strategic, secondary, district and specialised activity centres, to ensure that decisions in one centre do not unduly impact on the viability of others. The objectives of policy are to:

1. Provide a hierarchy and network of activity centres that meets community need and provides social, economic and environmental benefits to all Western Australians.
2. Enable the distribution of a broad range of goods, services and activities, including retail, commercial and mixed-use developments that do not undermine the hierarchy of activity centres.
3. Ensure consistency and rigour in the planning and development of activity centres.

### Comment

Local Governments have indicated their general support of the draft policy and guidelines. The Department of Planning, Lands and Heritage (DPLH) has consulted broadly with the sector and other

stakeholders during policy and guideline preparation. However, as noted in the submission, the policy and guidelines require further refinement prior to adoption by the WAPC. These changes are largely minor in nature, and thus the Association can support SPP4.2 subject to the consideration of these changes.

The planning of successful multi-functional activity centres is important to Western Australia's economic and social success. In recent years, economic factors and changes in business models have led to a range of concerns in activity centre planning that have caused stresses on Local Governments. Of particular concern are proposals that challenge the established activity centre hierarchy and major development proposals that seek to place themselves outside existing activity centres.

SPP4.2 attempts to address these concerns through the establishment or refinement of two tools: a 'Needs Assessment' and an 'Impact Test'. It is proposed that Local Governments may prepare a Needs Assessment as part of their local strategic planning, or that an applicant may prepare one when proposing a major development. The Impact Test, previously known as a Retail Sustainability Assessment, is required to be prepared when there are concerns that a proposal will unduly impact on the proposed or existing centres. The Impact Test will allow Local Governments to make a more informed decision on such proposals. The inclusion and refinement of these tools are supported.

The draft Policy also takes steps to address the management of supermarkets and also establishes a process for Local Governments to propose changes to the Activity Centre Hierarchy, both matters that have previously been lacking from the state planning framework. The inclusion of supermarkets is of particular importance to the sector. Changing development models and the introduction of new competitors has seen a proliferation of full-line supermarkets into lower level activity centres and also in 'out of centre' locations. This has caused considerable concern about impacts on the viability of existing centres and has also challenged the functionality of local activity centre frameworks. The Association has proposed in its submission even greater certainty when determining supermarket proposals through the establishment of a Model Definition for both 'Neighbourhood Supermarkets (with a maximum size) and supermarkets. This would allow Local Governments to set, through their Local Planning Scheme, the appropriate form of supermarket in each commercial zone.

The Association's submission was prepared in consultation with Local Governments. An early draft of the submission was circulated to members via the Planning Improvement Portal in December 2020. This feedback has been used to inform the final submission. The comment period for submissions closes on 12 February 2021.

The draft submission was presented to the People and Place Policy Team for feedback on 20 January. Members discussed the complex technical nature of the changes and supported the submission. The submission was subsequently endorsed, subject to one minor amendment, by WALGA's State Council via Flying Minute on 28 January 2021 (RESOLUTION 196.FM/2021). The amendment related to the inclusion of an additional recommendation seeking the WAPC consider the inclusion of a 'Shop-Small' land-use definition as part of any future amendments to the Local Planning Scheme Regulations.

## 6.5 Submission – Registration of Builders (and Related Occupations) Reforms (05-015-02-0010 CL)

Claire Lings, Project Officer, Planning and Improvement

### Recommendation

That the endorsed submission on the Registration of builders (and related occupations) reforms be noted.

### Executive Summary

- In October 2020 Department of Mines Industry Regulation and Safety (DMIRS) released a consultation paper proposing changes to the Building Services (Registration) Act 2011 (BSR Act) and Building Services (Registration) Regulations 2011.
- Submissions on the Consultation Regulatory Impact Statement close on 29 January 2021. However, an extension until 12 February 2021 has been requested and granted by DMIRS.
- The submission was endorsed by State Council by Flying Minute.

### Attachment

[CRIS Appendix D – Map 1: Areas of the State where builder’s registration is required \(Schedule 3\)](#)

### Background

The State Government has committed to implementing the recommendations of the Commonwealth Government commissioned *Shergold Weir-Building Confidence Report*. As part of this, DMIRS have released a consultation paper proposing changes to the Building Services (Registration) Act 2011 (BSR Act) and Building Services (Registration) Regulations 2011. The BSR Act establishes the registration regime for builders, building surveyors and painters in WA.

The consultation paper seeks comment on:

- a proposed shift from a single class (tier) of builder registration in WA to three tiers and how these reforms could best be implemented in WA;
- registration of project managers responsible for coordinating and planning commercial buildings in WA, and owners' representatives of commercial buildings;
- mandatory continuing professional development requirements for registered builders and building surveyors;
- proposals to strengthen disciplinary and enforcement powers under the BSR Act; and
- the extension of mandatory builder registration to currently exempt areas of remote and regional WA.

The major impact of the reforms on the Local Government sector is the extension of mandatory builder registration to currently exempt areas of remote and regional WA that may increase compliance workload for regional Local Governments.

Currently the BSR Regulations establish both when and where builder registration is required in WA. Regulation 13 of the BSR Regulations defines ‘builder work’ for which registration is required as work:

- for which a building permit is required
- has a value of \$20,000 or more; and
- is carried out in an area of the state set out in Schedule 3.

Schedule 3 currently lists those areas of the state that do not require a registered builder to carry out the work and this includes most areas outside the South West land division and outside of designated town sites in all other regions (see Attachment: CRIS Appendix D- Map 1). The proposal for change is to repeal Schedule 3 of the BSR Regulations, therefore requiring that if work requires a building permit under the Building Regulations and is over \$20,000 in construction value then a registered builder is required to carry out the work.

## Comment

Local Governments have indicated their general support of reforms, however concern has been expressed with the impact that this change may have on already limited resources, particularly if mandatory inspections are introduced and considering the increase in construction activity due to the current State and Commonwealth stimulus packages. This may lead to some regional and remote Local Governments not having the resources to carry out their building control function.

The repeal of Schedule 3 of the BSR Regulations will significantly expand the areas of the State and the types of building work where a registered builder must be used. One key advantage of extending registration requirements for builders is that consumers in these areas can have more confidence that should they have a dispute with their builder, the builder will be more likely to resolve the matter as there will be disciplinary consequences. Whilst the disciplinary consequences are managed by DMIRS, it is often Local Government who are the first point of contact with the community when a dispute arises. In many cases the initial compliance inspection is also carried out by the Local Government before an issue is elevated to a disciplinary complaint. It is this extra workload that would be difficult to manage for regional and remote Local Governments where building work is carried out in remote and some regional areas. There are currently no legislated fees for compliance work carried out by a Local Government and the cost implication of carrying out inspections for compliance matters in regional and remote areas can be significant. Whilst inspections are currently not mandatory in Western Australia the implementation of mandatory inspections is currently under review by DMIRS. Should mandatory inspections be introduced then Local Governments may be required to carry out inspections at various stages throughout the building process under the Building Act requirements. With the implementation of State and Commonwealth stimulus packages already bringing increased construction activity Local Governments will require support to continue their compliance functions.

The BSR Regulations apply a \$20,000 construction value to work that requires a registered builder. In metropolitan areas this value will allow some residential additions to be carried out by an unregistered person or the owner. Local Governments have raised the issue that many additions in regional and remote areas are over \$20,000 some only due to the bushfire-prone location and energy requirements. It has been recommended that the minimum estimated value of work requiring a registered builder of \$20,000 should be reviewed to better align with current building costs in regional and remote areas.

This report was circulated to Local Government Building Surveyors for comments, with feedback received from officers at the City of Bunbury, Shire of Waroona and Town of Victoria Park.

The draft submission was presented to the People and Place Policy Team for feedback on 20 January. Members discussed the complex technical nature of the changes and supported the submission. The submission was subsequently endorsed by WALGA's State Council via Flying Minute on 28 January 2021 (RESOLUTION 197.FM/2021).

The endorsed recommendation states:

### ***That WALGA:***

- 1. Advise the Department of Mines Industry Regulation and Safety (DMIRS) that the Consultation Regulatory Impact Statement, registration of builders (and related occupations) reforms is supported in principle, subject to the following matters being addressed in consultation with the Local Government sector:***
  - a. Prior to any regulatory changes, undertake a review of the minimum estimated value of building work required to engage a registered builder of \$20,000 to ensure it better aligns with current building costs in regional areas.***
  - b. Other regulatory and policy changes that are the subject of current proposals for change, such as mandatory inspections, registration of engineers, and the impact of State and Commonwealth building stimulus programs on construction be considered in conjunction with this proposal to ensure Local Government and industry are adequately resourced in remote and regional areas.***
- 2. Provide this report to DMIRS as feedback on the Consultation Regulatory Impact Statement.***

## **6.6 Report Municipal Waste Advisory Council (MWAC) (01-006-03-0008 RNB)**

*By Rebecca Brown, (Manager, Waste & Recycling)*

### **Recommendation**

**That State Council note the resolutions of the Municipal Waste Advisory Council at its 26 August, 28 October and 9 December 2020 meetings.**

### **Executive Summary**

- This item summaries the outcomes of the MWAC meetings held on 26 August, 28 October and 9 December 2020.

### **Background**

The Municipal Waste Advisory Council is seeking State Council noting of the resolutions from the **26 August, 28 October and 9 December 2020** meetings, consistent with the delegated authority granted to the Municipal Waste Advisory Council to deal with waste management issues.

Copies of Agendas and Minutes are available from WALGA staff, on request.

### **Comment**

The key issues considered at the meetings held on **26 August, 28 October and 9 December 2020** included:

#### **Increasing the Use of Recycled Construction & Demolition materials**

The Department of Water and Environmental Regulation held an information session on the Roads to Reuse Program – which encouraged Main Roads to use recycled C&D in some projects. This is one of the major actions to increase the use of recycled C&D material in the Waste Authority Action Plan. However, there are a range of other actions which are needed to address the issues associated with use of recycled materials, including specifications and effective market development. MWAC considered the best way to progress this issue.

#### **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council endorse correspondence to the Environment Minister requesting the formation of Construction & Demolition Reference Group.**

**Moved: Cr Thompson   Seconded: Cr Abetz  
CARRIED**

#### **WARR Levy and Economic Impact of COVID-19**

Local Government needs certainty regarding the Levy in order to ensure the Waste Plans being developed are well informed and economically considered. COVID-19 is likely to have a significant impact on the WA economy and on Local Governments and their communities, this impact will vary across WA and the metropolitan area. Government also needs to reinvest the Levy to facilitate waste avoidance and resource recovery.

#### **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council endorse correspondence to the Environment Minister seeking information on the future direction to the WARR Levy and identifying the economic impact of COVID-19 on Local Government and their communities.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

## **Second Wave Planning**

Local Government and the waste industry were well organised and quickly responded to the first wave of COVID-19, putting in place comprehensive business continuity and contingency plans. There is the potential for a second wave. Therefore WALGA, working with Local Governments and Preferred Suppliers, developed a Second Wave Planning document which identifies the various waste management activities which would change based on the levels of restriction that are imposed in response to a second wave. WALGA also sought advice from the Industrial Relations Team within WALGA regarding worker safety issues.

## **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council:**

- **Endorse the Second wave planning document**
- **Send correspondence highlighting the work to the Environment Minister and Director General of the Department of Water and Environmental Regulation.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

## **Office of the Auditor General Report Response**

A short response has been drafted to the recommendations from the Office of the Auditor General Report into Waste Management Service delivery. The Office of the Auditor General usually only audits State Government entities, however with the expansion of the role of the Office, Local Government is now also auditable. When it is a State Government entity the entity responds to the Office, however in this instance there is an opportunity for a collective Local Government response developed through MWAC. The response highlights the collective and constructive approach that Local Government is taking to addressing the issues raised in the Report.

## **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council:**

- **Endorse the response to Office of Auditor General report on Waste Management Service Delivery**
- **Send correspondence to the Local Government Minister highlighting the response to the Report.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

## **Industry Training Reference Group**

The need for waste management specific qualifications has been raised by the sector on numerous occasions. To address this WALGA partnered with another Registered Training Organisation (RTO) to deliver the Waste Management Certificate III training package. The training package has now changed and WALGA is working to bring the Cert III onto WALGA's scope to deliver as WALGA is also a RTO.

To ensure the training package is fit for purpose and has good engagement with the sector it is proposed that an Industry Reference Group be formed, with representatives from Local Government, LGIS and the waste industry. The Group will be selected through an Expression of Interest process, seeking interested individuals with skills and expertise in waste education/behaviour change, waste management operations or other relevant skill sets.

## **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council endorse:**

- **The formation of an Industry Training Reference Group**
- **Terms of Reference for the Group.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

### **WARR Act Review Submission**

Due to the timeline for Submissions, MWAC considered the Draft Submission on the Waste Avoidance and Resource Recovery Act (WARR Act) review via an out of session flying minute. The MWAC Submission focused on:

- An Independent Waste Agency
- Clarity required on Local Government Waste Services
- Include Waste Education / Behaviour Change in definition of waste services
- Strengthen Act to enable Extended Producer Responsibility
- Consideration of Circular Economy and regional collaboration.

### **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council confirm the outcome of the out of session Flying Minute – WARR Act Review Submission – 20 November 2020 as a true and accurate record of the proceedings.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

### **Guideline: Better Practice Composting**

The Department of Water and Environmental Regulation released a Draft Guideline: Better Practice Composting for comment. MWAC has provided feedback on two previous iterations of this document in 2015 and 2016 – which were Environmental Standards. The most recent draft is pitched as a Guideline for Better Practice, however the document is focused on environmental compliance. MWAC worked with the composting industry and Local Government to develop feedback on the document.

### **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council endorse the draft Submission on the Department of Water and Environmental Regulation Guideline: Better Practice Composting.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

### **Waste Derived Materials Legislative Framework**

The Department of Water and Environmental Regulation released a Discussion Paper on Waste Derived Materials Legislative Framework. This Framework is intended to protect the environment and provide a clear pathway for material *applied to land* to cease to be considered a waste (under the Environmental Protection and Waste Avoidance and Resource Recovery Act).

### **MUNICIPAL WASTE ADVISORY COUNCIL MOTION**

**That the Municipal Waste Advisory Council endorse the draft Submission on the Department of Water and Environmental Regulation Discussion Paper on a Waste Derived Materials Framework.**

**Moved: Mayor Howlett   Seconded: Cr Price  
CARRIED**

## 7. ORGANISATIONAL REPORTS

### 7.1 Key Activity Reports

#### 7.1.1 Report on Key Activities, Commercial and Communications (01-006-03-0017 ZD)

*By Zac Donovan, Executive Manager Commercial and Communications*

#### **Recommendation**

**That the Key Activity Report from the Commercial and Communications Unit to the March 2021 State Council meeting be noted.**

Commercial and Communications comprises of the following WALGA work units:

- Commercial Development
- Commercial Management
- LGIS Contract Management
- Communications (Marketing and Events)
- Media and Advocacy (currently vacant)

The following provides an outline of the most recent key activities of Commercial and Communications:

#### **Commercial Development**

##### **Preferred Supplier Panel Transition**

The process of shifting the Preferred Supplier program into a new structure is now midway through its transition phase.

- The legal drafting for new Contracts is near completion, and several hundred Preferred Suppliers have been shifted from the previous Contract model to the new simplified structure.
- Online communications are being maintained to guide the transition, and greater attention is being directed towards refreshing the Scope of Services for each of the contract categories.

The workflow is scheduled to continue until June 2021, at which time 36 former contracts will have been converted into 11 new Preferred Supplier Panels.

On completion of transition WALGA will open its Panels to new Preferred Supplier tenders and have an expedited and more agile structure to bring new supplier options into the Panels. There is also a strong focus on delivering quantifiable Preferred Supplier value to Members which remains a core focus of the transition process.

##### **Energy Project**

WALGA has commenced a project to explore the feasibility to price and contract an aggregate energy load for participating Members. The project is intended to source generation from renewable sources, thereby assisting Members to achieve Renewable Energy Targets.

The project also intends to use the economy of scale volume of supply to reduce costs. Early indications are that an initial load of 120GWh of electricity supply will be priced through the market process, followed by the addition of gas and carbon offsets. WALGA is at the initial stage of the project scoping and has commissioned legal advisors to obtain an ACCC determination and exemption to allow for the project buying group to consolidate the load into a single aggregate purchase.

A webinar has been hosted and initial load profile data collected for interim analysis. There is strong Member support and subject to anticipated legal and commercial outcomes both being confirmed a formal project brief will be developed for adoption. The next milestone is on February 4 2021 where the retailer feedback on capacity to supply will be lodged.

## **Commercial Management**

### **Preferred Supplier Performance**

The Preferred Supplier Program is currently slightly ahead of budgeted income by \$39,000 with 73% of submissions for the second quarter. Activity is well in advance as at the same time last year with 31% higher turn over which equates to an additional \$18 million in Member expenditure through the panels.

Progressive activity in the top 5 Preferred Supplier panels for the quarter are:

- Waste Collection reporting activity of \$13.9 million from 73.7% of submissions received
- Road Building and Materials at \$10.5m from 68% of submissions
- Energy Services at \$5.5m from 78.4% of submissions
- Temporary Labour at \$5.3m from 76.8% of submissions
- Parks and Gardens at \$6m from 77.9% of submissions

### **Member Engagement**

The improved performance of the Preferred Supplier Program on the previous year should be expected given the unit has proactively increased the number of face to face engagements with the sector.

The Commercial Management Teams Member engagement strategy saw the team visit approximately 50 Members between October 2020 and early December 2020, with a further 33 Member visits now locked in for the period early February 2021 to the end of March 2021.

A Member visitation calendar capturing all Members during 2021 is currently being finalised. In addition to raising awareness with Members around the PSP transition and restructure.

## **Marketing and Events**

### **State Election Campaign**

In the lead up to the State Election WALGA has initiated a campaign to highlight nine key issues important with the sub headings of: Greening our Suburbs; Getting Goods to Market; Funding for Local Roads; Protecting our Coast; Lighting the Way; Sport and Recreation; New Act; Fairer Fees; and Working Together.

Each of the issues and the sector's position are detailed on an interactive webpage on the WALGA website at <https://walga.asn.au/StateElection>.

The campaign is supported by digital advertising scheduled to target demographics most salient to each specific issue. The intention of the campaign is to encourage candidates in the State Election to commit to the sector's position on the various points by realising the opportunity available in working with their local community.

The State Election social media campaign began on Monday 18 January 2021, with six different posts scheduled for a six-week period with sponsored ads running across Facebook and Instagram.

The first post on the first week of the campaign was featuring the 'Greening our Suburbs' creative and ran from Monday 18 Jan – Sunday 24 Jan 2021, it reached 33,279 people and had 608 link clicks. The spend was \$460 for 7 days. Additional posts will be monitored for performance and spend over the next five weeks.



### Happy Place Sector Promotional Campaign

With the conclusion of the State election in March, WALGA will commence a new campaign to promote the various facilities and services provided by the sector in WA. The campaign has been created to help enhance awareness and support for Local Government services and to refute the proposition that Councils limit themselves to road repairs and rubbish services.

The campaign will include advertising in both regional and metropolitan television, state-wide press and online, including a competition mid-way through the campaign to help engage the community.

The concept underpinning the campaign is to encourage recognition that Local Governments provide services and facilities that help improve the quality of life in their local area. Themed as “What’s Your Happy Place?” the campaign initially presents WA sporting personalities in their self-nominated “happy place” and explaining why the location they have chosen is important to them. The later stages of the campaign will draw on the experiences of everyday people from the community nominating their Local Government ‘happy place.’

The timing of the campaign commencement is twofold – to both ensure messaging is not lost in the activity leading up to the election and to gain greater value for money for advertising expenditure by not purchasing at a time of higher demand.

### West Australian Advertorial

WALGA has commenced offering the monthly p4 editorial placement in the West Australian to member Local Governments to feature their local area, context and achievements.

Featured during the period were: City of Bayswater (November); City of Mandurah (December); and WA Local Government Sector Sesquicentenary (January).

### WALGA Social Media

#### Twitter

In the 3-month period from 1 November 2020 to 29 Jan 2021, WALGA’s Twitter page earned 17,100 impressions, a 11% increase on the previous quarter (15,400 impressions).

The top tweet for Impressions in this period was a tweet on 18 November 2020 stating the winners in the 2020 National Local Government Awards, congratulating the @CityofMandurah as the overall winner. The tweet generated 2,441 impressions and 29 engagements.



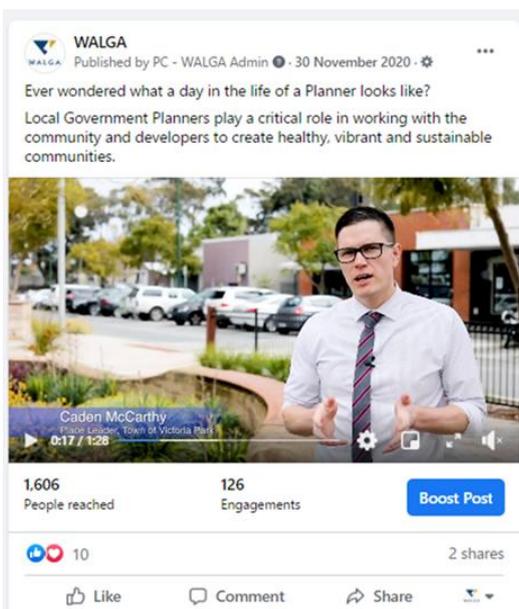
The tweet with the highest number of engagements was posted on 28 Jan 2021 announcing that WALGA had partnered with @WaterCorpWA to deliver the State Government funded 2021/22 Urban Canopy Grant Program. This post had a total of 53 engagements and an engagement rate of 5.7% (much higher than the 3 month average of 2.8%).



Over this period, the WALGA Twitter profile gained 47 new followers, (doubling the amount from last quarter which was 20) totaling 1956 followers; with 20 retweets, 44 likes and 33 link clicks.

## Facebook

The WALGA Facebook post with the highest reach during this 3 month period was a short video created by the WALGA Content Producer featuring Local Government Planners explaining their job role. This post had an organic (unpaid) reach of 1606 people, 126 engagements and the video was viewed 510 times. The post was not boosted with additional spend.



Over this 3 month period, the WALGA Facebook page received 20 new likes, totaling 1872 , with a total of 94 new followers, taking the new total to 1967.

## LinkedIn

The most popular post for Impressions on LinkedIn over this period was a post about a WALGA hosted forum discussing the building stimulus program, discussing changes to the State's planning reform agenda. This post had 4,193 impressions and 51 likes.



**WA Local Government Association (WALGA)** @western-australian-local-government-association  
 Dec 8, 2020

WALGA hosted a forum yesterday for industry and government representatives to discuss opportunities for collaboration in delivering the State and Federal Government's building stimulus programs, and impending changes through the State's planning reform agenda.

Attended by Minister for Housing, the Hon Peter Tinley MLA, the forum discussed a range of actions and opportunities for joint advocacy to assist Industry and Local Government in managing the large uptake of these stimulus grants.

Forum attendees said the increased demand and workloads are affecting both Local Governments and the building industry and agreed to create a working group to continue these discussions as the grant programs progress and the reform agenda is implemented, with the next meeting scheduled for early next year. #LocalGovWA #Building #Planning

[Read less](#)

4,193 views

Over this period the WALGA LinkedIn page received 524 engagements, 2800 link clicks and 111 new followers bringing it to a total of 11,533.

While the new follower count is less than the previous quarter (211), the number of engagements for the LinkedIn page in this quarter climbed to 524 (previously 163) and the number of link clicks has increased significantly from 438 to 2800. However, this can also be attributed to this quarter having 15 posts with more clickable links, while last quarter had only 8 posts.

## YourEveryday website

Adding new content to the YourEveryday website recommenced in November 2020 with the start of the new Digital and Content Coordinator in early November. 7 new videos have been published in this quarter featuring: City of Joondalup; Shire of Ginigin; Shire of Sandstone; Shire of Murray; Shire of Dalwallinu; Shire of Yalgoo; Town of Victoria Park.

## **Sector Statements**

Media Statements released during the period were:

Wednesday, 27 January Grant Program to Increase Tree Canopies

Quarterly Reports were distributed to CEOs on January 20, and to Elected Members on January 22.

## **WALGA Events**

During the period, WALGA's Event Team helped to coordinate the following events:

**30 October: Webinar - Economic Recovery Supporting Local Business:** Hosted by WALGA as part of a series of webinars to inform Local Governments about the impact of the pandemic on their local economy and business community and the role they can play in supporting the recovery. Featured Chamber of Commerce and Industry WA Chief Economist Aaron Morey, Regional Chambers of Commerce CEO Kitty Prodonovich and Small Business Commissioner David Eaton.

**5-6 November: Pilbara Waste Summit 2020:** The Pilbara Waste Summit brought together high profile speakers to the region as well as showcasing local initiatives and opportunities. Participants had the opportunity to workshop local waste management issues and opportunities with their colleagues from the region.

**27 November: Trees in a Liveable City:** An Urban Forest Conference. The conference showcased achievements of the organisations involved in growing Perth's urban canopy, including best practice examples and latest research, to provide attendees with the knowledge needed to make positive change in their own roles, organisations and communities.

### Upcoming Events

**11 February - Transport and Roads Forum:** The Transport and Roads Forum will take place at Crown Perth on Thursday, 11 February. The Forum aims to stimulate discussion, challenge thinking, share knowledge and provide the opportunity to network with other Elected Members and Local Government staff. The program includes speakers from Local Government, Main Roads WA, the Department of Transport and industry experts.

**2021 WA Local Government Convention:** This year's Convention has been confirmed for Monday, 20 – Tuesday, 21 September, with the Convention Cocktails taking place on Sunday, 19 September. The event will move to Crown Perth, and the theme for this year is *Leading the WAY: Looking Forward, Looking Back*.

## 7.1.2 Report on Key Activities, Governance and Organisational Services (01-006-03-0007 TB)

By Tony Brown, Executive Manager Governance & Organisational Services

### Recommendation

**That the Key Activity Report from the Governance and Organisational Services Unit to the March 2021 State Council meeting be noted.**

Governance and Organisational Services comprises of the following WALGA work units:

- Governance and Procurement
- Employee Relations
- Training
- Regional Capacity Building
- Strategy & Association Governance

The following provides an outline of the key activities of Governance and Organisational Services since the last State Council meeting.

### Governance and Procurement

#### Local Government Act Review – Regulatory amendments

The *Local Government Legislation Amendment Act 2019* introduced amendments to the *Local Government Act 1995* to implement the priority reforms identified in the Local Government Act Review process. However, amendments requiring a model Code of Conduct for Council Members (Model Code) and model standards for CEO recruitment, performance and termination (Model Standards) are yet to come into effect. In November and December 2020, the Department of Local Government, Sport and Cultural Industries released three sets of draft regulations to prescribe the Model Code, Model Standards, and requirements for employee Codes of Conduct. The titles of the draft regulations have changed since they were first released, and so are referred to here by subject matter.

WALGA carried out a consultation process with the sector on each of the draft regulations, before presenting the feedback to State Council for decision. WALGA has provided formal submissions to the Department, as well as continued advocacy on the concerns raised by the sector.

#### Mandatory Standards for CEO Recruitment, Performance Review and Termination

On 2 December 2020, State Council resolved as follows:

1. That WALGA support the establishment of CEO Recruitment, Selection and Performance Review Standards subject to:
  - a) removal from the Regulations the requirement to re-advertise CEO positions after 10 year's continual service;
  - b) Encouraging, rather than mandating, the involvement of an independent person in the CEO Recruitment and Selection Process;
  - c) The retention of Regulation 18C of the *Local Government (Administration) Regulations*;
  - d) Deletion of the requirement under Regulation 18FB(4) to provide a copy of a council resolution certifying compliance with the CEO standards to the Departmental CEO;
  - e) The conduct of an independent assessment of potential industrial and employment law consequences arising from the proposed regulations under Schedule 2, Division 4 'Standards for termination of employment of CEOs'; and

- f) Deferral of Regulation 18FC pending an independent assessment of the Schedule 2, Division 4 'Standards for termination of employment of CEOs'.
2. Seek that the CEO Recruitment and Selection, Performance Review and Termination Working Group be reconvened to oversee the development of CEO Standards Regulations.

A submission to this effect was developed and provided to the Department on 4 December 2020.

WALGA has been advised that some amendments have been made to clarify elements of decision making in the selection process. Importantly, this includes clarification that a Local Government must have regard to, but is not bound by, a recommendation by the selection panel. However, the issues identified in State Council's resolution have not been addressed.

The *Local Government (Administration) Amendment Regulations 2021* have been published in the Government Gazette and came into effect on 3 February 2021.

#### Model Code of Conduct

On 2 December 2020, State Council resolved as follows:

That WALGA generally supports the *Local Government (Model Code of Conduct) Regulations 2020* with the following recommendations:

- a) Amend Division 2, Clause 4(d) to read '*identify and appropriately manage any conflict of interest*';
- b) Does not support the inclusion of local level complaints about alleged behavioral breaches and Local Governments dealing with complaints provisions in Division 3, Clauses 10 and 11; and
- c) Supports an external oversight body to manage local level complaints involving council members as prefaced in the *Local Government Review Panel Report, City of Perth Inquiry Report* and *Select Committee into Local Government Report*, to be considered in a future Local Government Act.

A submission to this effect was prepared and provided to the Department on 4 December 2020.

WALGA has been advised an amendment in accordance with part (a) of State Council's resolution has been incorporated in the draft regulations. The requirements for Local Governments to deal with complaints of alleged behavioural breaches have been maintained, with some minor amendments.

The *Local Government (Model Code of Conduct) Regulations 2021* have been published in the Government Gazette and came into effect on 3 February 2021. WALGA will continue to advocate for the provision of appropriate support and guidance to Local Governments in implementing the Model Code.

#### Employee Code of Conduct

On 4 January 2021 State Council endorsed by flying minute, a submission recommending the harmonisation of employee gift requirements with those of CEOs and Council Members, and requesting the development of a template Employee Code of Conduct.

This submission was provided to the Department on 6 January 2021.

WALGA has been advised that significant changes have been made to employee gift requirements, allowing CEOs to determine the appropriate arrangements to be specified in the Code of Conduct.

The *Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021* have been published in the Government Gazette and came into effect on 3 February 2021. WALGA

will continue to advocate for the preparation of a template Employee Code of Conduct for the assistance of the sector.

## Employee Relations

### Ministerial Review of State IR System - Updated

The Legislative Council of Western Australia had its final sitting day for the 40<sup>th</sup> Parliament on 26 November 2020. The *Industrial Relations Legislation Amendment Bill 2020 (IR Bill)*, which seeks to have all WA Local Governments operate in the State Industrial Relations system, was not passed before the final sitting day.

We anticipate that if the current State Government is re-elected at the next State election, due in March 2021, it is likely to proceed with the IR Bill in the new Parliament.

The Association will seek to re-survey members to confirm their position on this issue and continue to advocate against this proposed legislation.

## Training

WALGA training is introducing more flexible and targeted delivery methodologies in 2021 including, Face to Face at WALGA, Face to Face at your Local Government, Virtual Classes via ZOOM delivered in multiple two hour slots and where applicable Self-Paced and eLearning.

The aim is to make training more accessible and to increase the training offerings.

Many courses have been revised and updated to reflect current legislative changes including:

- Procurement and Contract Management (all course offerings)
- Town Planning
- Emergency Management
- Local Government Act - Essential and Advanced
- All Council Member Essential Courses (Universal Training)

In early 2021 there is also a set of new courses including:

- Procurement and Contract Management – Developing Specification for Excellence
- Environment and Sustainability in Local Government
  - Module 1 Biosecurity
  - Module 2 Organisation and Community Sustainability
- Waste Management Essentials

The new WALGA Training Directory will be emailed out early February 2021

### **7.1.3 Report on Key Activities, Infrastructure (05-001-02-0003 ID)**

*By Ian Duncan, Executive Manager Infrastructure*

#### **Recommendation**

**That the Key Activity Report from the Infrastructure Unit to the March 2021 State Council meeting be noted.**

#### **Roads**

##### **Condition Assessment of Roads of Regional Significance**

Funds have been provided through the *State Road Funds to Local Government Agreement* to perform condition surveys of all the Roads of Regional Significance. For the first phase, Talis Consultants have been engaged to survey roads in the Mid West region including recording video of regionally significant unsealed roads. This project is nearing completion and TALIS will deliver a presentation to the Mid West Regional Road Group at their next meeting.

The Great Southern and Goldfields – Esperance Regions will be surveyed in the next phase that is scheduled for the first half of 2021. A RFQ has been issued through the WALGA preferred supplier panel. WALGA will liaise with the RRG Technical Groups before work commences.

##### **ROADS 2040: Development Strategies for Regionally Significant Local Roads**

The criteria for roads to be included in the development strategies for regionally significant roads are under review. Outside the metropolitan area, only these roads are eligible for Road Project Grant funding through the *State Road Funds to Local Government Agreement*. A draft revision to the selection guidelines was provided to all Regional Road Groups for feedback. Feedback indicates that the guidelines need to be flexible enough to account for the different regional environments. Feedback will be incorporated into a second draft for further comment. When finalised, the Regional Road groups will be tasked to review their roads and strategies for development of the next version of this important strategic document.

##### **Transport and Roads Forum 2021**

The next Transport and Roads Forum will be held on Thursday, 11 February 2021, and is currently in planning by the Association. This biennial event is jointly presented by WALGA and Main Roads WA, attracts nearly 200 delegates, primarily Local Government Councillors, Chief Executive Officers and senior managers as well as other key stakeholders in the transport sector across Western Australia.

#### **Funding**

##### **Local Roads and Community Infrastructure Program**

The Federal Budget allocated \$1 billion to Phase 2 of the Local Roads and Community Infrastructure Program. Funding Allocations for Phase 2 were determined by formula based on road length and population. The eligibility criteria were also amended. Under Phase 2, Eligible Funding Recipients are required to maintain their overall capital spending on roads and community infrastructure, funded by their own revenue, at or above their 2020-21 capital spending level. Some Local Governments that significantly brought forward planned capital expenditure from 2021/22 and 2022/23 into 2020/21 in order to provide economic stimulus to assist recovery from COVID-19 restrictions are unable to maintain this level of capital expenditure from own source revenue. The Association has been working through ALGA to seek an arrangement that recognises the “additionality principle” adopted by the Commonwealth and the fact that 2020/21 capital expenditure programs are artificially high.

## **Underground Power Programs**

Following a workshop involving 27 Local Government representatives with officers from Western Power and Energy Policy WA a policy position regarding future Underground Power Programs was developed and adopted by WALGA State Council in December 2020.

The policy position has been communicated to Energy Policy WA and the Minister for Energy, Hon Bill Johnson. An incoming State Government will need to prioritise underground power program arrangements to avoid a gap following completion of the current program in late 2022.

## **Drones**

The Association is represented on the WA Government's Drones Reference Group, which also includes WA Police, Main Roads WA, Department of Transport, Department of Water and Environmental Regulation, Department of Biodiversity, Conservation and Attractions. Matters of concern that have been raised with this group include the lack of capability to manage the privacy and noise impacts of drone use, including recreational drones. WALGA also responds directly to the Federal Government with respect to drone regulation issues, as appropriate.

## **WA Local Government Grants Commission's Asset Preservation Model**

WALGA has begun a review of the WA Local Government Grants Commission's Asset Preservation Model, which is used to allocate State and Federal Government road grant funding in Western Australia. The first stage of this review was to prepare a manual, providing an overview of the principles and structure of the model. The findings contained within this manual were presented to the Infrastructure Policy Team, and an options paper is being drafted for consideration by the WALGA Zones.

## **Urban and Regional Transport**

### **Review of taxes and government spending on WA motorists**

WALGA is developing estimates of the taxes charged on WA motorists by Federal and State Governments, and the expenditure on roads and other benefits to motorists. Data collection and modelling is currently in progress. Preliminary discussions are being planned with advocacy organisations that have aligned objectives in relation to this matter with a view to combining resources and advocacy efforts.

## **Road Safety**

### **Road Safety Council Update**

The Minister responsible for road safety, the Hon. Michelle Roberts MLA, addressed the Road Safety Council at the November 2020 meeting. The Minister spoke about the Government's newly released *Driving Change* road safety strategy for WA 2020-2030 with its target to reduce the number of people killed, severely or seriously injured in WA by 50 – 70%, by 2030. The need to develop a speed reform plan, in the context of the Strategy, was discussed as was opportunities to engage with Local Governments around promoting key road safety messages.

At the same meeting Main Road WA presented information on the Urban Road Safety Improvement Program which will fund low-cost road safety treatments on selected Local Government managed roads in urban areas. A pilot is currently being undertaken in the Cities of Stirling and Vincent and Main Roads WA is preparing guidelines for broader implementation.

### **RoadWise Activity**

**To find out more about RoadWise activities, view the monthly newsletter at <https://www.roadwise.asn.au/roadwise-road-safety-newsletter.aspx> and visit the RoadWise Facebook page at <https://www.facebook.com/WALGARoadWise/>.**

## 7.1.4 Report on Key Activities, Strategy, Policy and Planning (01-006-03-0014 NC)

*By Narelle Cant, Executive Manager Strategy, Policy and Planning*

### Recommendation

**That the Key Activity Report from the Strategy, Policy and Planning Unit to the March 2021 State Council meeting be noted.**

The following provides an outline of the key activities of Strategy, Policy and Planning Portfolio since the last State Council meeting.

### RESILIENT COMMUNITIES

#### Grants and Awards

The Resilient Communities team has sat on a number of assessment panels for grant funding and awards of relevance to Local Government, including:

- National Disaster Resilience Program (total of \$1.4 Mill allocated, hosted by DFES)
- WA Seniors Awards (including the WA Age Friendly Local Government Award, total of \$248,000 allocated, hosted by COTA)
- AWARE (All Western Australians Reducing Emergencies, \$230,000 allocated, hosted by DFES)
- Flood Mitigation Infrastructure Program (\$50 million Commonwealth program, hosted by DFES)
- Injury Matters 2021 Injury Prevention and Safety Promotion Awards (hosted by Injury Matters)

#### Local Government Emergency Management Online Network

In late 2019 WALGA consulted members about ways WALGA could support the sector in Emergency Management and an online network was identified as a useful tool. WALGA is now in the process of establishing an online network (Google Group) for Local Government staff who work in Emergency Management. The purpose of the Network is to assist WALGA to share information and resources with, and obtain feedback from, the sector; enable the sharing of peer to peer advice and learnings between Local Governments; explore opportunities for partnership and collaboration between Local Governments; and coordinating of meetings and events.

#### Child Safety Consultations

The State Government is currently consulting on proposed actions resulting from three of the recommendations of the Royal Commission into Child Sexual Abuse:

- Reportable Conduct Scheme: The Ombudsman is consulting on a Scheme that will require relevant organisations to investigate and report employee misconduct involving children. A submission was drafted and endorsed by State Council by Flying Minute. Consultation closed on 31 January 2021.
- Independent Oversight System: The Department of Premier and Cabinet is leading the work to develop an independent oversight system designed to improve child safety in organisations. The system will be designed to support legal compliance with the National Principles for Child Safe Organisations which were endorsed by the Council of Australian Governments in February 2019. A submission is being prepared and will be circulated to State Council by Flying Minute.

- Local Government Child Safety Officers: Recommendation 6.12 of the Royal Commission was that, with support from Commonwealth and State Governments, Local Governments should designate child safety officers from existing staff profiles to develop child safe messages in Local Government facilities, assist local institutions to access online child safe resources, provide child safe information and support to local institutions as needed, and to support local institutions to work collaboratively with key services to ensure child safe approaches are culturally safe, disability aware and appropriate for children from diverse backgrounds. The Department of Communities and DLGSC have released a discussion paper for the WA Local Government sector. WALGA is preparing a sector response. Consultation closes on 2 April 2021.

## PLANNING

### Car Parking Guideline – Launch Event

In December 2020, WALGA's *Local Government Car Parking Guideline* was launched at an event attended by over 120 people from Local Government, state agencies and industry groups. The launch featured a keynote presentation from Distinguished Research Professor Donald Shoup, from the University of California, Los Angeles (UCLA). Professor Shoup, who is recognised as the world's leading car parking expert, was joined by interstate and local speakers.

The guideline is a comprehensive summary of the alternative approaches being applied by Local Governments across the world. It includes sections on off-street (private) parking, on-street parking, off-street (public) parking, several case studies from Western Australia, and other useful resources and images. The Guidelines can be accessed from [WALGA's website](#).

### Building Policy Area – 2021 Project Plan

The planning team in coordination with the Building Surveyor Officers' Group have developed a detailed project plan for 2021. This includes a range of projects designed to build the capacity of the sector and aid decision making, including the development of:

1. BA20 - Guide for Owners,
2. Draft LG practice notes,
3. Fire Separation Carport exemption for patios – ABCB proposal for change, and
4. the organization of a Governance and Risk Education Session in conjunction with DMIRS and LGIS.

A regional building surveyor group has also been established to compliment the metropolitan group that already meets regularly.

### Social Media Videos

The Planning team has been preparing videos to explain the important role of Local Government planners and communicate the performance of planning and building teams. The videos came largely as a response to the misinformation being communicated by certain industry groups about Local Government performance and capacity at the height of the COVID-19 pandemic. The first video was released in November and is available to view [here](#), a second video will be released in coming weeks.

### DAP Dashboard

The report, *Development Assessment Panels 2011-20 Review*, was noted by State Council at its September 2020 meeting. As part of that review, and in line with the Associations views on the need for the DAPs system to be more accountable, a publicly accessible online [DAP Decision Dashboard](#) has been developed. The Dashboard allows for the interrogation of the data by several filters, aiding

in the identification of trends. The Dashboard went live in October and is available through WALGA's Planning Improvement Portal.

## **ENVIRONMENT**

### **Urban Forest Conference**

On 27 November 2020, WALGA in collaboration with the 24 members of the Urban Forest Working Group hosted the 'Trees in a Liveable City: An Urban Forest Conference' at UWA. The Conference was attended by over 150 people and was opened by the Hon Dave Kelly, Minister for Water, and featured speakers from Local Government, the private sector and academia. The Conference was an opportunity to share the positive outcomes Local Governments are achieving in improving and protecting their urban forests.

### **2021/22 Local Government Urban Canopy Grant Program**

The Water Corporation has partnered with WALGA to deliver the 2021/22 Local Government Urban Canopy Grant Program, which aims to increase tree canopy in high urban heat risk areas. The State Government has provided \$750,000 to assist 32 Local Governments in the Perth and Peel region to deliver tree planting projects between June 2021 and June 2022. Grant applications opened on Wednesday 27 January for a period of six weeks.

Trees can cool the temperature by between two and five degrees and are considered the most effective way to reduce street temperatures and the harmful impacts of heatwaves on our communities. Maintaining and growing green spaces is particularly important as the population increases and urban consolidation and infill occurs. The Grant Program contributes to the achievement of the State Government's Waterwise Perth Action Plan.

WALGA will monitor and report on the collective canopy cover increase over time resulting from the tree planting. For more information, please visit WALGA's [website](#).

### **Regional Climate Alliances Program**

WALGA is managing a Regional Climate Alliances Program, which aims to strengthen the ability of Local Governments to reduce their vulnerability to the impacts of climate change (adaptation) and reduce greenhouse gas emissions (mitigation). Through the program, two pilot alliances, made up of partnerships between groups of regional Local Governments will be formed to carry out projects that address climate risk and provide social, environmental and economic benefits.

The Program is funded by the State Government and a Committee has been formed with the Department of Water and Environmental Regulation (DWER) and the Department of Local Government, Sport and Cultural Industries (DLGSC) to collaborate on the program design, oversight and evaluation. Funds will be available to employ a regional facilitator (part-time) and for small grants to carry put climate related projects.

Expressions of interest will be called for soon from regional Local Governments interested in partnering with other Local Governments to form an alliance.

### **LGMap update**

LGmap scheduled data update was released in early February, including several new mapping data and layout enhancements. A new LGmap login has been set up to support the delivery of the Urban Canopy Grant Program. The benefits of LGmap were demonstrated at the Transport Forum held on 11 February and several training sessions were held, including one delivered at the Shire of Donnybrook-Balingup.

## **Herbicide Use and Integrated Weed Management**

In mid-December last year, WALGA hosted a workshop on Herbicide Use and Integrated Weed Management, attended by 64 participants from 38 Local Governments. The workshop was in response to a growing number of Local Governments seeking advice from WALGA on weed control and the use of herbicides, following increasing interest by local community members in exposure to chemicals.

The City of Joondalup and Shire of Augusta Margaret River presented on the learnings and challenges from an Integrated Weed Management approach. An interactive workshop session then invited feedback on the cost and effectiveness of non-chemical weed control methods, best practice operational procedures, research priorities and key messages for communications with members of the public. The presentations and workshop feedback are available on WALGA's [website](#).

## 7.2 Policy Forum Reports

### 7.2 Policy Forum Reports (01-006-03-0007 TB)

The following provides an outline of the key activities of the Association's Policy Forums that have met since the last State Council meeting.

#### **Recommendation**

**That the report on the key activities of the Association's Policy Forums to the September 2020 State Council Meeting be noted.**

#### **Policy Forums**

The following Policy Forums have been established

- Mayors / Presidents Policy Forum
- Mining Communities Policy Forum
- Economic Development Policy Forum

All Policy Forums have not held meetings since the last State Council meeting.

In addition, the Container Deposit Legislation Policy Forum has been disbanded following the commencement of the scheme.

A meeting of the Mining Communities Policy Forum will be organised in the near future.

## Status Report on State Council Resolutions To the March 2021 State Council Meeting

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
<b>2020 December 2</b> <b>Item 5.1</b> Local Government Act Review Advocacy Paper Key issues from Recent Inquiries into LG	That: 1. Ongoing advocacy relating to the Review of the <i>Local Government Act 1995</i> be noted; and, 2. The Advocacy Positions for a New Local Government Act: <i>Key issues from recent Inquiries into Local Government</i> – be endorsed, subject to the following amendments;  I. Roles and Responsibilities: That clarification of the roles and responsibilities for mayors / presidents, councillors and CEO's be considered <i>to ensure that there is no ambiguity</i> . II. 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 <i>with any associated costs to be the responsibility of the State Government</i> . III. Financial Management and Procurement: That the Local Government sector: 1. Requests the Minister for Local Government to direct the Department of Local Government to prepare a Model set of <i>Financial Statements and Annual Budget Statements</i> 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. IV. Intergovernmental Cooperation: That a Partners in Local Government Agreement promoting a collaborative partnership approach be signed by the Premier, Minister for Local	Positions have been updated to reflect the endorsement of the "Advocacy Positions for a New Local Government Act: <i>Key issues from recent Inquiries into Local Government</i> ".	December 2020	Tony Brown Executive Manager Governance & Organisational Services

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
	Government, <i>Western Australian Local Government Association and Local Government Professionals WA</i> , at the commencement of each term of the State Government.			
<b>2020 December 3</b> <b>Item 5.2</b> 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 companies, 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.	The Department of Mines Industry Regulation and Safety has been advised of the State Council resolution. The Department will consider the submissions and will release a further consultation paper in 2021 on the preferred option.	Ongoing	Narelle Cant Executive Manger Strategy, Policy and Planning
<b>2020 December 2</b> <b>Item 5.3</b> Family and Domestic Violence and the Role of LGs	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 work with Local Government in defining the role and 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.	WALGA is currently developing an Advocacy Plan and is meeting with the Department of Communities in February 2021.	Ongoing	Narelle Cant Executive Manger Strategy, Policy and Planning
<b>2020 December 2</b> <b>Item 5.4</b> Underground Power	1. That Local Government supports the: a) 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.	The Association has written to Energy Policy WA, the responsible State Government agency setting out the policy position adopted and rationale.		Ian Duncan Exec Manager Infrastructure

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
	<p>b) 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.</p> <p>c) 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.</p> <p>d) 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 as an efficient investment as calculated by the New Facilities Investment Test (NFIT).</p> <p>2. That WALGA advocate for a targeted funding mechanism through the State Government to assist property owners in underground power program project areas that would suffer disadvantage as a result of needing to contribute to the cost of underground power.</p>	<p>The policy endorsed by State Council was discussed with the Minister for Energy during January 2021. The Minister committed to consider the options following the State Election.</p>		
<p><b>2020 December 2</b>  <b>Item 5.5</b>            CEO Recruitment &amp; Selection, Performance Review &amp; Termination Standards Regulations</p>	<p>3. That WALGA support the establishment of CEO Recruitment, Selection and Performance Review Standards subject to:</p> <p>g) removal from the Regulations the requirement to re-advertise CEO positions after 10 year's continual service;</p> <p>h) Encouraging, rather than mandating, the involvement of an independent person in the CEO Recruitment and Selection Process;</p> <p>i) The retention of Regulation 18C of the <i>Local Government (Administration) Regulations</i>;</p> <p>j) Deletion of the requirement under Regulation 18FB(4) to provide a copy of a council resolution certifying compliance with the CEO standards to the Departmental CEO;</p> <p>k) The conduct of an independent assessment of potential industrial and employment law consequences arising from the proposed regulations under Schedule 2, Division 4 'Standards for termination of employment of CEOs'; and</p> <p>l) Deferral of Regulation 18FC pending an independent assessment of the Schedule 2, Division 4 'Standards for termination of employment of CEOs'.</p> <p>4. Seek that the CEO Recruitment and Selection, Performance Review and Termination Working Group be reconvened to oversee the development of CEO Standards Regulations.</p>	<p>A submission advising of State Councils resolution was developed and provided to the Department on 4 December 2020.</p> <p>WALGA has been advised that some amendments have been made to clarify elements of decision making in the selection process. Importantly, this includes clarification that a Local Government must have regard to, but is not bound by, a recommendation by the selection panel. However, the issues identified in State Council's resolution have not been addressed.</p> <p>The <i>Local Government (Administration) Amendment Regulations 2021</i> will be published in the Government Gazette and come into effect in early February.</p>	<p>December 2020</p>	<p>Tony Brown            Executive Manager            Governance &amp;            Organisational            Services</p>
<p><b>2020 December 2</b>  <b>Item 5.6</b>            Model Code of Conduct for Council Members, Committee Members and</p>	<p>That WALGA generally supports the <i>Local Government (Model Code of Conduct) Regulations 2020</i> with the following recommendations:</p> <p>d) Amend Division 2, Clause 4(d) to read <i>'identify and appropriately manage any conflict of interest'</i>;</p>	<p>A submission to this effect was prepared and provided to the Department on 4 December 2020.</p> <p>WALGA has been advised an amendment in accordance with part (a) of State Council's resolution has been incorporated in the draft regulations. The</p>	<p>December 2020</p>	<p>Tony Brown            Executive Manager            Governance &amp;            Organisational            Services</p>

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
Candidates Regulations	e) Does not support the inclusion of local level complaints about alleged behavioral breaches and Local Governments dealing with complaints provisions in Division 3, Clauses 10 and 11; and f) Supports an external oversight body to manage local level complaints involving council members as prefaced in the <i>Local Government Review Panel Report, City of Perth Inquiry Report and Select Committee into Local Government Report</i> , to be considered in a future Local Government Act.	requirements for Local Governments to deal with complaints of alleged behavioural breaches have been maintained, with some minor amendments.  It is anticipated that the <i>Local Government (Model Code of Conduct) Regulations 2021</i> will be published in the Government Gazette and come into effect in early February. WALGA will continue to advocate for the provision of appropriate support and guidance to Local Governments in implementing the Model Code.		
<b>2020 December 2</b> <b>Item 7.6</b> Item of Special Urgent Business	That WALGA write to the President of the Legislature, to request for the erroneous information recorded in Hansard on 11 November 2020 relating to comments made by the Hon Sue Ellery MLC, in respect to the Disallowance Motion concerning Regulation 9 of the Local Government (Rules of Conduct) Regulations 2007 be redacted.	Correspondence was prepared and sent to the President of the Legislative Council.	December 2020	Tony Brown Executive Manager Governance & Organisational Services
<b>2020 September 2</b> <b>Item 5.5</b> Local Government Review Panel Final Report	That WALGA: 1. Acknowledges the panel report and the recommendations received from Zones and continue to work with the Government to undertake further consultation on the recommendations contained therein; 2. Requests a formal commitment from the Minister for Local Government that the Local Government Sector be consulted on the Draft Local Government Bill in line with the State / Local Government Partnership Agreement and that WALGA actively participates in the legislative drafting process to develop the new Local Government Act; and 3. Strongly encourages individual Local Governments to consider responding to the recommendations of the panel report and advise WALGA of their submissions by 31 October 2020.	WALGA has written to the Minister for Local Government as per resolution 2. In respect to resolution 3 advice was provided to the sector requesting responses to the Panel report be submitted to WALGA. Many Local Governments have provided their responses and the material is being considered in developing a Local Government Act Advocacy Paper.	Ongoing	Tony Brown Executive Manager Governance & Organisational Services
<b>2020 July 1</b> <b>Item 4.2</b> Work health and Safety Bill 2019	That WALGA: 1. recommend that the Standing Committee on Legislation investigate the drafting and interpretation of offences in the context of Western Australia's Criminal Code, and consider whether the standard imposed in s30B and s31 is appropriate for an offence punishable by imprisonment; and 2. recommend that the Standing Committee on legislation ensure there is adequate time following proclamation of the WHS Bill for all industries in Western Australia to transition to the new, harmonised work place safety and health provisions.  <u>RESOLUTION 89.3/2020</u>	Correspondence was sent to the Standing Committee on Legislation advising of the State Council resolution on 3 July 2020.  It is anticipated that the new <i>Workplace Health and Safety Bill 2019</i> will become law in 2021.  To support the WA Local Government sector, WALGA have partnered with LGIS and a legal firm to provide tailored advice on what the changes mean for the sector.  LGIS will be sharing a series of materials, guidelines with members and WALGA will host a webinar.  The webinar was held on Thursday 19 November 2020.	Awaiting a response	Tony Brown Executive Manager Governance & Organisational Services

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
<b>2020 July 1</b> <b>Item 4.3</b> Teacher Housing Availability	That WALGA contact the Director General of the Department of Housing to: <ol style="list-style-type: none"> <li>1. Seek action and acknowledge the extra challenges in attracting and retaining public sector staff in remote and rural areas of the state;</li> <li>2. Immediately review and address the issue of insufficient GROH housing (and the high cost of subsidised rental) for public sector staff and actively seek and enter into Joint Venture arrangements with Councils to address the shortfall in accommodation;</li> <li>3. Request that the agencies be requested to engage with WALGA to seek a solution to the current short supply of GROH housing within all regions.</li> </ol> <u>RESOLUTION 91.3/2020</u>	In July 2020 a letter was sent to the Director General Department of Communities as the responsible agency for Government Regional Officer Housing (GROH) seeking a response to the Resolution. In August 2020, WALGA received a response from the Director General, Communities, which stated that the Department of Communities has diverted much of its resources towards the social and economic recovery of the State. Therefore work on the planned GROH review is placed on hold until the conclusion of the COVID-19 emergency period.  It was acknowledged that GROH plays an important role in attracting and retaining staff in regional and remote communities. On 21 August 2020 WALGA met with relevant staff from the Department of Communities to further discuss the issue.  WALGA staff are meeting with the Department of Communities to receive an update on GROH on 18 February 2021.	In progress	Narelle Cant Executive Manger Strategy, Policy and Planning
<b>2020 July 1</b> <b>Item 5.4</b> WALGA JLT Scheme Management Agreement Extension	State Council require that: <ol style="list-style-type: none"> <li>a) The terms of existing WALGA JLT/Marsh Scheme Management Agreement be maintained for a further 12 months or until the review actions are completed.</li> <li>b) A contingency planning project be undertaken to ensure the WALGA LGIS insurance service is competitive, resilient and appropriate to serve the needs of Member Councils.</li> <li>c) All other details as to the State Council LGIS review to remain confidential.</li> </ol> <u>RESOLUTION 95.3/2020</u>	<ol style="list-style-type: none"> <li>a) Action implemented. Completed</li> <li>b) Contingency planning project in scoping stage. To be aligned with previous review actions with a June 2021 completion target.</li> </ol>	July 2021	Zac Donovan Executive Manager Commercial and Communications
<b>2020 May 6</b> <b>Item 4.1</b> COVID-19 Pandemic – WALGA Response	That the information contained in this report relating to WALGA’s response to the COVID-19 pandemic and WALGA’s advocacy on requesting no additional State Government cost impositions on Local Governments be noted.  <u>RESOLUTION 57.2/2020</u>	This item noted WALGA’s advocacy on COVID-19 and more broadly on requesting no additional cost impositions on the sector.  On 5 June, 2020 the Western Australian Planning Commission (WAPC) approved a new Position Statement – Expenditure of Cash-in-Lieu of Public Open Space. This Position Statement was issued following advocacy from the Association and member Councils to revise the requirements for expenditure of funds held in trust for public open space, to enable the bringing forward of projects for COVID-19 recovery. The new Position Statement provides: <ul style="list-style-type: none"> <li>• Additional guidance on where and on what cash-in-lieu funds may be spent;</li> <li>• New provision for Local Government to request approval of a grouped program of works across multiple areas rather than just a single location;</li> <li>• Updated references to align with the Planning and Development Act 2005; and</li> </ul>	Ongoing	Narelle Cant Executive Manager Strategy, Policy & Planning

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
		<ul style="list-style-type: none"> <li>General updates to align with current cash-in-lieu process, formatting and terminology.</li> </ul> <p>A more comprehensive review of the planning framework relating to public open space will be undertaken, which will include a review of <i>Development Control Policy 2.3 Public Open Space in Residential Areas</i> and will include consultation with Local Government.</p>		
2020 March 4 Item 4.1 Stop Puppy Farming Legislation	<p>That WALGA write to the Minister and request that he withdraw the Stop Puppy Farming Bill and more appropriately consult with the sector, traditional custodians and the wider community, or failing that, that he remove any reference to Local Government in the bill as the sector does not endorse it in its current form.</p> <p><u>RESOLUTION 13.1/2020</u></p>	<p>Correspondence has been sent to the Minister for Local Government advising of State Council's position</p>	Ongoing	Tony Brown Executive Manager Governance & Organisational Services
2020 March 4 Item 8 Additional Zone Resolutions Federal Government Drought Communities Program	<p>That State Council endorse the recommendation from the Great Eastern Country Zone relating to the Federal Government Drought Communities Program.</p> <ul style="list-style-type: none"> <li>That the Great Eastern Country Zone requests WALGA, in consultation with ALGA, to liaise with the WA State Government Ministers for Water, Agriculture and Environment to provide a coordinated holistic response in respect to the ongoing drying climate issues and access to the Drought Communities Funding Program.</li> </ul> <p><u>RESOLUTION 37.1/2020</u></p>	<p>WALGA is in dialogue with DWER and DPIRD to determine the program design for the Commonwealth \$10m for Regional Drought Resilience Planning.</p> <p>The program will provide funding to consortia of local councils or equivalent entities to develop Regional Drought Resilience Plans for agriculture and allied industries. It is worth noting that this program element is reflective of the advocacy of member of the Central Country Zone of WALGA. It is also worth noting that there is some disagreement between the Commonwealth and State Government on the program design.</p> <p>WALGA continues to liaise with the DWER and DPIRD and relevant Ministers on the need for a coordinated holistic response in respect to the ongoing drying climate issues and further access to the Drought Communities Funding Program.</p>	Ongoing	Narelle Cant Executive Manager Strategy, Policy and Planning
2019 Dec 4 Item 4.1 Bushfire Fighting Vehicles	<p>That WALGA State Council:</p> <ol style="list-style-type: none"> <li>Note this issue and support the concerns raised.</li> <li>Commit to working collectively with Local Governments to resolve this issue with the State Government and Department of Fire and Emergency Services (DFES) as a matter of urgency.</li> </ol> <p><u>RESOLUTION 141.7/2019</u></p>	<p>WALGA facilitated attendance by DFES at a meeting with the Shire of Esperance to discuss concerns raised and options for improvements to their fleet. It has been reported to WALGA that the actions were to trial large tyres and central tyre inflation systems (2 x Tankers), work is progressing on both</p> <p>A Bushfire Fleet Mobility Working Group (working group), including DFES, Shire of Esperance personnel, volunteers and subject matter experts, was established to address the matters raised.</p> <p>The working group agreed on three actions:</p> <p><b>1 Central Tyre Inflation System (CTI)</b></p>	Ongoing	Narelle Cant Executive Manager Strategy, Policy and Planning

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
		<ul style="list-style-type: none"> <li>• A CTI system was fitted to a DFES 3.4 Tanker for evaluation trials that commenced with the Shire in May 2020.</li> <li>• A local Shire tanker has since been be fitted with the CTI system for a five month trial during the southern bushfire season.</li> <li>• Results of these trials will further inform the final report which will be presented to the working group for consideration.</li> </ul> <p><b>2 Diesel Particulate Diffusers (DPD) and Engine Control Unit (ECU) remapping</b></p> <ul style="list-style-type: none"> <li>• Results of re-mapping and testing of DPD and ECU was positive.</li> <li>• Documentation and certification was approved by Department of Transport (DoT).</li> <li>• A DFES tanker has been remapped and provided to the Shire.</li> <li>• A five month trial commenced with the Shire in November 2020.</li> <li>• Results of these trials will further inform the final report which will be presented to the working group for consideration.</li> </ul> <p><b>3 Super Single Tyres</b></p> <ul style="list-style-type: none"> <li>• Super single tyres and rim combinations, were installed and tested on an Isuzu FTS800.</li> <li>• Test results are positive with documentation and engineering reports submitted to Department of Transport and Main Roads.</li> <li>• Approval was granted by DoT in November 2020.</li> <li>• A DFES tanker has been fitted with the larger tyres and provided to the Shire.</li> <li>• A five month trial commenced with the Shire in November 2020.</li> <li>• Results of these trials will further inform the final report which will be presented to the working group for consideration.</li> </ul> <p>Evaluation forms have been provided to the relevant brigades to record findings.</p> <p>This will be revisited in March 2021 to assess evaluation progress.</p> <p>COMPLETE</p>		
<p><b>2019 Dec 4</b> <b>Item 5.10</b> Local Government as Collection Agency for</p>	<p>1. That WALGA advise the Construction Training Fund (CTF):</p> <p>1.1 That due to the operational improvements and establishment of an on-line portal for payments of the Building and Construction Industry Training</p>	<p>Correspondence has been sent to the CTF Board advising them of the State Council Resolution. Separate letters have also been sent to the Ministers for</p>	<p>Ongoing</p>	<p>Narelle Cant Exec Manager Strategy, Policy and Planning</p>

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
Construction Training Fund	<p>Fund, Local Government will not continue to be a collection agency for these payments</p> <p>1.2 That the online receipt issued upon payment of the <i>Building and Construction Industry Training Fund</i>, must clearly show the property address and estimated building value to ensure it complies with section 20 of the <i>Building Act 2011</i></p> <p>1.3 That the Department of Mines, Industry Regulation and Safety (DMIRS) must provide access to the data collated in the Building Permit Database Project to assist CTF in their acquittal process, and</p> <p>1.4 That a review of the apprenticeship pathways should be undertaken, as the Local Government sector can provide many potential apprentice pathways directly connected to the construction and development industry.</p> <p>2. That WALGA advise the Minister for Local Government, Minister for Education &amp; Training and Minister for Commerce that the current CTF collection process is unnecessary administrative red tape for the Local Government sector, and seek their support for Local Government to not continue to be a collection agency for these payments.</p> <p><u>RESOLUTION 151.7/2019</u></p>	<p>Commerce, Education and Training and Local Government to seek their support.</p> <p>The CTF Executive Director has responded, advising the following:</p> <p><i>“While 37 of the State’s 140 LGAs responded to the WALGA’s recent survey about collection of the BCITF, CTF is concerned that stakeholders in the building and construction industry – who would be affected by the changes to current permit allocation procedure – have not to date been consulted. As such, CTF has approached HIA an MBA for feedback from their members...”</i></p> <p>CTF advised that they will meet with WALGA once feedback from the building and construction industry has been received before establishing a way forward to address the issues arising from the State Council’s recommendation.</p> <p>The Minister for Commerce has also provided a response, indicating that they will be working with the CTF to enable access to the data already being captured by the Building Permit Database project. If a local government isn’t providing this data, the CTF may still require information direct from those Local Governments.</p> <p>The Minister for Education &amp; Training has also provided a response, similar in content to the CTF letter, that Local Government provides a ‘one stop shop’ for Industries payment of the fees. As at 02/02/21, no date for a meeting has been provided by the CTF to discuss the issue.</p> <p>At a building industry forum held on 7 December 2020, hosted by WALGA and attended by the Minister for Housing the matter of Local Government, access to the CTF was raised. The Association subsequently wrote to the Minister for Housing reiterating the sector’s position and seeking a review of the CTF fund to allow access for Local Government apprenticeships. No response has been received as at 02/02/21.</p>		
<p><b>2018 December 5</b>  <b>Item 4.1</b>          State / Local Government Partnership Agreement on Waste Management and Resource Recovery</p>	<p>1. That State Council endorse investigating a State / Local Government Partnership Agreement on Waste Management and Resource Recovery.</p> <p>2. That the item be referred to MWAC for its development and negotiation with the State Government.</p> <p>3. A report regarding a proposed “State / Local Government Partnership Agreement on Waste Management and Resource Recovery” be brought back to the next meeting of State Council.</p> <p><u>RESOLUTION 131.7/2018</u></p>	<p>The development of the Agreement has been delayed due to COVID-19, however will be further progressed in 2021.</p>	Ongoing	Narelle Cant Exec Manager Strategy, Policy and Planning

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
<p><b>2018 December 5</b>  <b>Item 5.1</b>            Proposed Removal by Main Roads WA of the "Letter of Approval" Restricted Access Vehicle Operating Condition</p>	<p>That WALGA:</p> <ol style="list-style-type: none"> <li>1. Opposes withdrawal of the "Letter of Approval" Restricted Access Vehicle Operating Condition until an acceptable alternative to Local Government is developed;</li> <li>2. Supports the position that Local Governments not use provision of the Letter of Authority to charge transport operators to access the Restricted Access Vehicle network;</li> <li>3. Supports the development of standard administrative procedures including fees and letter formats; and</li> <li>4. Supports the practice of Local Governments negotiating maintenance agreements with freight owners/ generators in cases where the operations are predicted to cause extraordinary road damage as determined by the Local Government.</li> <li>5. Advocates to Main Roads to establish a stakeholder working group to develop an appropriate mechanism through which the increased infrastructure costs from the use of heavy vehicles and those loaded in excess of limits (concessional loading) can be recovered from those benefiting, and redirected into the cost of road maintenance.</li> </ol> <p><u>RESOLUTION 132.7/2018</u></p>	<p>On advice from the State Solicitors Office, Main Roads WA is intending to remove the CA07 condition that requires a transport operator to obtain a letter of approval from the relevant Local Government. Main Roads is proposing to replace the condition with a notification process (CA88). After consultation with Regional Road Groups and a Stakeholder Working Group, the overwhelming majority of participants are of the view that the proposed arrangement is not an acceptable alternative. WALGA has written to Main Roads WA stating that WALGA does not support the alternative and that the position adopted by Sate Council in December 2018 has not changed.</p>	<p>Ongoing</p>	<p>Ian Duncan            Exec Manager            Infrastructure</p>
<p><b>2018 September 7</b>  <b>Item 5.8</b>            Interim Submission to the Independent Review of the Strategic Assessment of the Perth and Peel Regions</p>	<p>That the Interim Submission to the Independent Review of the Strategic Assessment of the Perth and Peel Regions be endorsed <u>subject to the inclusion of:</u></p> <ol style="list-style-type: none"> <li>1. Further guidance regarding the form of a assurance and adaptive management framework; and</li> <li>2. Reference to the costs to Local Government of the ongoing management of conservation areas and how decisions the impacts of land use within urban areas will impact on peri-urban areas.</li> </ol> <p><u>RESOLUTION 109.6/2018</u></p>	<p>Following the SAPPR Review Panel's report to Government, which identified unresolved 'gateway issues' – legal risk, flexibility and funding - in February 2019 it was announced that the review would be extended so that these issues could be progressed and options developed.</p> <p>WALGA met with the Panel on 31 May 2019 to discuss funding options. The Review Panel also briefed the Growth Area Alliance Perth and Peel at its 13 June meeting.</p> <p>The Review Panel provided its report to the Deputy Premier in August 2019.</p> <p>WALGA met the Review Panel again in on 3 September and subsequently wrote to the Review Chair on 27 September to reiterate WALGA's in-principle support for the SAPPR, contingent on the issues raised in earlier submissions and feedback to the Review Panel being addressed satisfactorily and the establishment of a consultative and transparent process is established going forward.</p> <p>On the 26 March 2020, the Premier announced that the review of SAPPR will be deferred indefinitely, in an effort to free up resources and allow the State Government to continue to focus all efforts on responding to COVID-19.</p>	<p>Ongoing</p>	<p>Narelle Cant            Exec Manager            Strategy, Policy and            Planning</p>

MEETING DATE	RESOLUTION	COMMENT	Completion Date	Officer Responsible
		<a href="https://www.mediastatements.wa.gov.au/Pages/McGowan/2020/03/Administrative-changes-to-support-COVID-19-response-.aspx">https://www.mediastatements.wa.gov.au/Pages/McGowan/2020/03/Administrative-changes-to-support-COVID-19-response-.aspx</a>		
<b>2017 July 5</b> <b>5.5</b> Corella Project (05-046-02-0003 MH)	That State Council <ol style="list-style-type: none"> <li>1. Note the outcomes of the Coordinated Corella Control pilot program.</li> <li>2. Endorse WALGA's proposed approach to the continuation and expansion of the Program in 2017/18.</li> <li>3. Seek to have the program expanded to the whole of the State, including the provision of adequate resources.</li> </ol>	<p>The Minister for Agriculture has agreed to the review of the Biosecurity and Agricultural Management Act (2007), and WALGA will raise the need to address significant incursions of this pest in town-sites and the peri urban areas across the south-west land division.</p> <p>The Preferred Supplier Program provides for contractors to manage this species, and WALGA continues to maintain the pest bird portal for interested members.</p>	Ongoing	Narelle Cant Exec Manager Strategy, Policy and Planning

## **Schedule 1 — Model code of conduct**

[r. 3]

### **Division 1 — Preliminary provisions**

#### **1. Citation**

This is the *[insert name of local government] Code of Conduct for Council Members, Committee Members and Candidates*.

#### **2. Terms used**

(1) In this code —

*Act* means the *Local Government Act 1995*;

*candidate* means a candidate for election as a council member;

*complaint* means a complaint made under clause 11(1);

*publish* includes to publish on a social media platform.

(2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

### **Division 2 — General principles**

#### **3. Overview of Division**

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

#### **4. Personal integrity**

(1) A council member, committee member or candidate should —

(a) act with reasonable care and diligence; and

(b) act with honesty and integrity; and

(c) act lawfully; and

(d) identify and appropriately manage any conflict of interest; and

(e) avoid damage to the reputation of the local government.

- (2) A council member or committee member should —
- (a) act in accordance with the trust placed in council members and committee members; and
  - (b) participate in decision-making in an honest, fair, impartial and timely manner; and
  - (c) actively seek out and engage in training and development opportunities to improve the performance of their role; and
  - (d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

**5. Relationship with others**

- (1) A council member, committee member or candidate should —
- (a) treat others with respect, courtesy and fairness; and
  - (b) respect and value diversity in the community.
- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

**6. Accountability**

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to, and represent, the community in the district.

### **Division 3 — Behaviour**

#### **7. Overview of Division**

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

#### **8. Personal integrity**

(1) A council member, committee member or candidate —

- (a) must ensure that their use of social media and other forms of communication complies with this code; and
- (b) must only publish material that is factually correct.

(2) A council member or committee member —

- (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
- (b) must comply with all policies, procedures and resolutions of the local government.

#### **9. Relationship with others**

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local

government employee in connection with the performance of their official duties.

**10. Council or committee meetings**

When attending a council or committee meeting, a council member, committee member or candidate —

- (a) must not act in an abusive or threatening manner towards another person; and
- (b) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
- (c) must not repeatedly disrupt the meeting; and
- (d) must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and
- (e) must comply with any direction given by the person presiding at the meeting; and
- (f) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.

**11. Complaint about alleged breach**

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
  - (a) in writing in the form approved by the local government; and
  - (b) to a person authorised under subclause (3); and
  - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints and withdrawals of complaints.

**12. Dealing with complaint**

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is

withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.

- (2) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (3) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (4) If the local government makes a finding that the alleged breach has occurred, the local government may —
  - (a) take no further action; or
  - (b) prepare and implement a plan to address the behaviour of the person to whom the complaint relates.
- (5) When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.
- (6) A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to do 1 or more of the following —
  - (a) engage in mediation;
  - (b) undertake counselling;
  - (c) undertake training;
  - (d) take other action the local government considers appropriate.
- (7) If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of —
  - (a) its finding and the reasons for its finding; and
  - (b) if its finding is that the alleged breach has occurred — its decision under subclause (4).

**13. Dismissal of complaint**

- (1) The local government must dismiss a complaint if it is satisfied that —
  - (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
  - (b) either —
    - (i) the behaviour was dealt with by the person presiding at the meeting; or
    - (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (2) If the local government dismisses a complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of its decision and the reasons for its decision.

**14. Withdrawal of complaint**

- (1) A complainant may withdraw their complaint at any time before the local government makes a finding in relation to the complaint.
- (2) The withdrawal of a complaint must be —
  - (a) in writing; and
  - (b) given to a person authorised under clause 11(3).

**15. Other provisions about complaints**

- (1) A complaint about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints may be determined by the local government to the extent that it is not provided for in this Division.

**Division 4 — Rules of conduct**

Notes for this Division:

1. Under section 5.105(1) of the Act a council member commits a minor breach if the council member contravenes a rule of conduct. This

extends to the contravention of a rule of conduct that occurred when the council member was a candidate.

2. A minor breach is dealt with by a standards panel under section 5.110 of the Act.

**16. Overview of Division**

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

**17. Misuse of local government resources**

- (1) In this clause —  
*electoral purpose* means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;  
*resources of a local government* includes —
  - (a) local government property; and
  - (b) services provided, or paid for, by a local government.
- (2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

**18. Securing personal advantage or disadvantaging others**

- (1) A council member must not make improper use of their office —
  - (a) to gain, directly or indirectly, an advantage for the council member or any other person; or
  - (b) to cause detriment to the local government or any other person.
- (2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

**19. Prohibition against involvement in administration**

- (1) A council member must not undertake a task that contributes to the administration of the local government unless authorised by the local government or the CEO to undertake that task.
- (2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

**20. Relationship with local government employees**

- (1) In this clause —  
*local government employee* means a person —
  - (a) employed by a local government under section 5.36(1) of the Act; or
  - (b) engaged by a local government under a contract for services.
- (2) A council member or candidate must not —
  - (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
  - (b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or
  - (c) act in an abusive or threatening manner towards a local government employee.
- (3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.
- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event (for example, a briefing or workshop), the council member or candidate must not orally, in writing or by any other means —
  - (a) make a statement that a local government employee is incompetent or dishonest; or
  - (b) use an offensive or objectionable expression when referring to a local government employee.

- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

**21. Disclosure of information**

- (1) In this clause —
- closed meeting*** means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;
- confidential document*** means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;
- document*** includes a part of a document;
- non-confidential document*** means a document that is not a confidential document.
- (2) A council member must not disclose information that the council member —
- (a) derived from a confidential document; or
  - (b) acquired at a closed meeting other than information derived from a non-confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information —
- (a) at a closed meeting; or
  - (b) to the extent specified by the council and subject to such other conditions as the council determines; or
  - (c) that is already in the public domain; or
  - (d) to an officer of the Department; or
  - (e) to the Minister; or
  - (f) to a legal practitioner for the purpose of obtaining legal advice; or
  - (g) if the disclosure is required or permitted by law.

**22. Disclosure of interests**

- (1) In this clause —  
*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.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must 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.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
- (a) that they had an interest in the matter; or
  - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under subclause (2)(a), a council member discloses an interest 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) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
- (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or

(b) under subclause (5)(b) notice of the interest 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.

**23. Compliance with plan requirement**

If a plan under clause 12(4)(b) in relation to a council member includes a requirement referred to in clause 12(6), the council member must comply with the requirement.



## Notes

This is a compilation of the *Local Government (Model Code of Conduct) Regulations 2021*. For provisions that have come into operation see the compilation table.

### Compilation table

<b>Citation</b>	<b>Published</b>	<b>Commencement</b>
<i>Local Government (Model Code of Conduct) Regulations 2021</i>	SL 2021/15 2 Feb 2021	Pt. 1: 2 Feb 2021 (see r. 2(a)); Regulations other than Pt. 1: 3 Feb 2021 (see r. 2(b) and SL 2021/13 cl. 2)

## Defined terms

*[This is a list of terms defined and the provisions where they are defined.*

*The list is not part of the law.]*

<b>Defined term</b>	<b>Provision(s)</b>
Act.....	Sch. 1 cl. 2(1)
candidate .....	Sch. 1 cl. 2(1)
closed meeting .....	Sch. 1 cl. 21(1)
complaint .....	Sch. 1 cl. 2(1)
confidential document.....	Sch. 1 cl. 21(1)
document.....	Sch. 1 cl. 21(1)
electoral purpose .....	Sch. 1 cl. 17(1)
interest.....	Sch. 1 cl. 22(1)
local government employee .....	Sch. 1 cl. 20(1)
non-confidential document .....	Sch. 1 cl. 21(1)
publish.....	Sch. 1 cl. 2(1)
resources of a local government.....	Sch. 1 cl. 17(1)



**Complaint About Alleged Breach Form -  
Code of Conduct for Council members (including the Chief Executive Officer),  
Committee members and Candidates**

Schedule 1, Division 3 of the *Local Government (Model Code of Conduct) Regulations 2021*

- NOTE:** A complaint about an alleged breach must be made —
- (a) in writing in the form approved by the local government
  - (b) to an authorised person
  - (c) within one month after the occurrence of the alleged breach.

<b>Name of person who is making the complaint:</b>
Name: _____ <p align="center"><u>Given Name(s)</u>                      <u>Family Name</u></p>

<b>Contact details of person making the complaint:</b>
Address: _____ _____
Email: _____
Contact number: _____

<b>Name of the local government (shire) concerned:</b>

<b>Name of council member, committee member, candidate alleged to have committed the breach:</b>

<b>State the full details of the alleged breach. Attach any supporting evidence to your complaint form.</b>

<b>Date of alleged breach:</b>
_____ / _____ / 20_____

<p><b>SIGNED:</b></p> <p><b>Complainant's signature:</b> .....</p> <p><b>Date of signing:</b> _____ / _____ / 20_____</p>
---

<p><b>Received by Authorised Officer</b></p> <p><b>Authorised Officer's Name:</b> .....</p> <p><b>Authorised Officer's Signature:</b> .....</p> <p><b>Date received:</b> _____ / _____ / 20_____</p>
--

**NOTE TO PERSON MAKING THE COMPLAINT:**

This form should be completed, dated and signed by the person making a complaint of an alleged breach of the Shire of Mingenew Code of Conduct. The complaint is to be specific about the alleged breach and include the relevant section/subsection of the alleged breach.

The complaint must be made to the authorised officer - Chief Executive Officer or Shire President (if complaint relates to CEO conduct) - within one month after the occurrence of the alleged breach.

**The signed complaint form is to be forwarded to:**

**CONFIDENTIAL**  
**<insert name of authorised officer>**  
**PO Box 120**  
**Mingenew WA 6522**

**SHIRE OF MINGENEW**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the Period Ended 31 January 2021**

**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**TABLE OF CONTENTS**

Monthly Summary Information	2-3
Statement of Financial Activity by Program	4-5
Statement of Financial Activity by Nature or Type	6-7
Note 1 Statement of Financial Activity Information	8
Note 2 Cash and Financial Assets	9
Note 3 Receivables	10
Note 4 Other Current Assets	11
Note 5 Payables	12
Note 6 Rating Revenue	13
Note 7 Disposal of Assets	14
Note 8 Capital Acquisitions	15-17
Note 9 Borrowings	18
Note 10 Leases	19
Note 11 Cash Reserves	20
Note 12 Other Current Liabilities	21
Note 13 Grants and Contributions	22-23
Note 14 Bonds & Deposits	24
Note 15 Budget Amendments	25
Note 16 Explanation of Material Variances	26-27

### **PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 31 January 2021  
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.

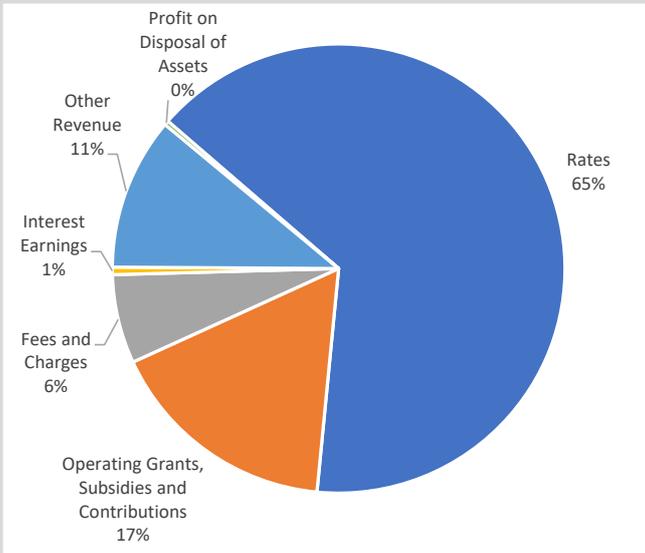
#### **CRITICAL ACCOUNTING ESTIMATES**

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.

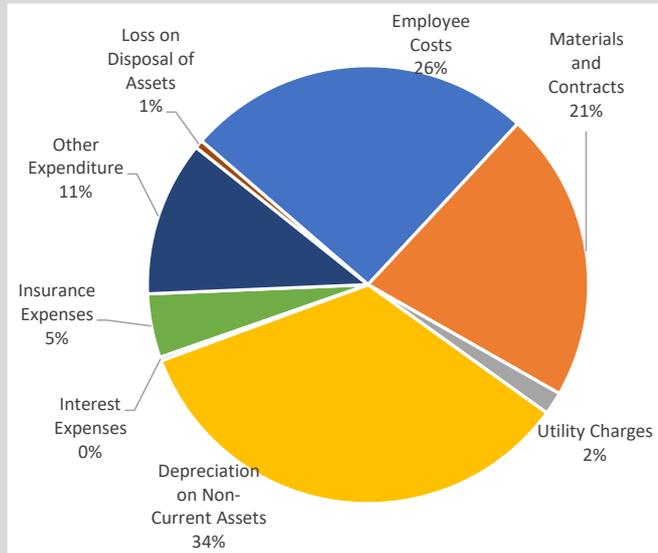
#### **ROUNDING OFF FIGURES**

All figures shown in this statement are rounded to the nearest dollar.

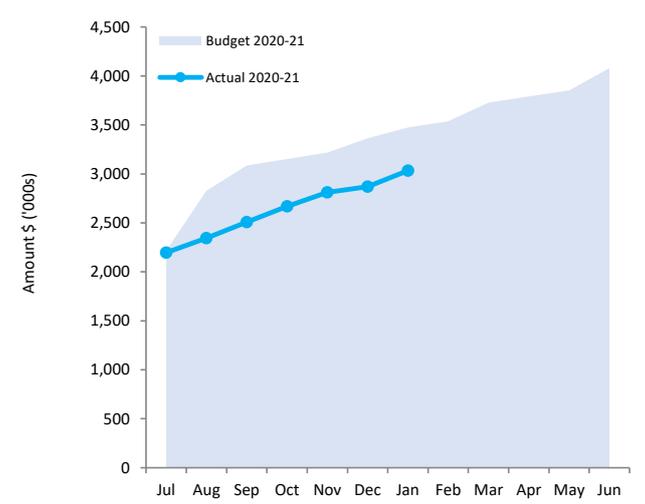
OPERATING REVENUE



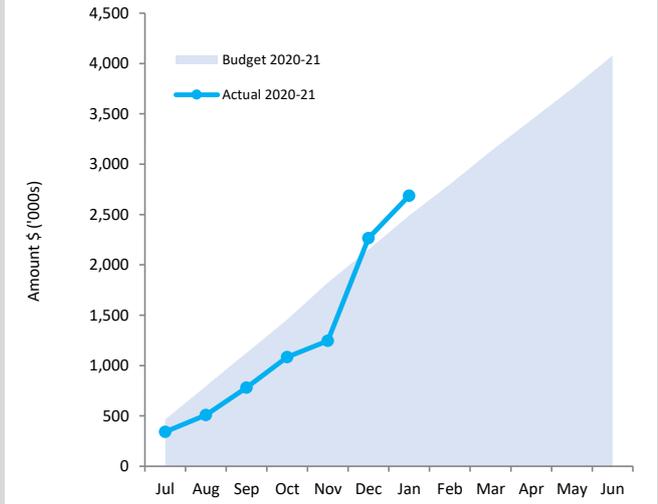
OPERATING EXPENSES



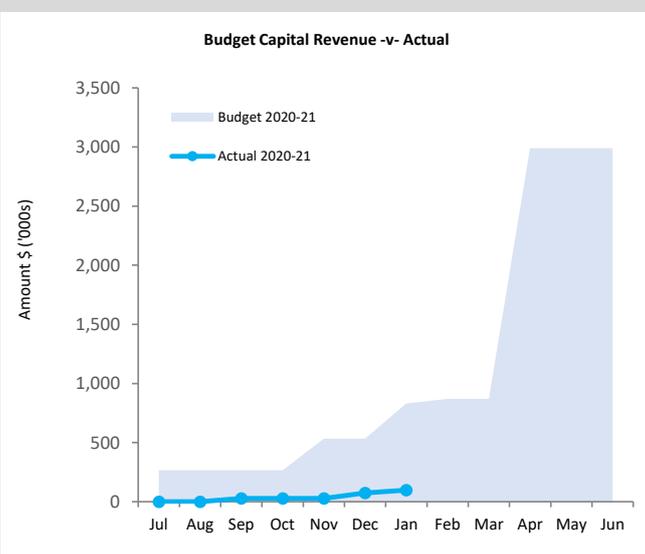
Budget Operating Revenues -v- Actual



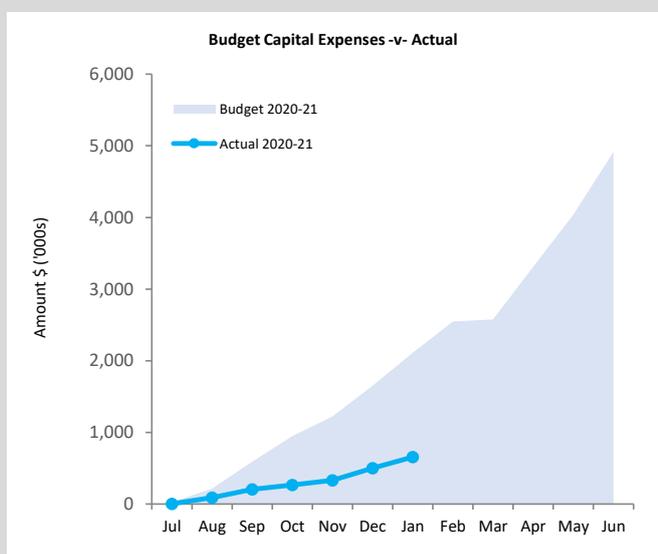
Budget Operating Expenses -v- YTD Actual



CAPITAL REVENUE



CAPITAL EXPENSES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

## KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 31 JANUARY 2021

## STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

	ACTIVITIES
<b>GOVERNANCE</b> 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.
<b>GENERAL PURPOSE FUNDING</b> To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b> To provide services to help ensure a safer community.	Fire prevention, animal control and safety.
<b>HEALTH</b> To provide services to help ensure a safer community.	Food quality, pest control and inspections.
<b>EDUCATION AND WELFARE</b> To meet the needs of the community in these areas.	Includes education programs, youth based activities, care of families, the aged and disabled.
<b>HOUSING</b> Provide housing services required by the community and for staff.	Maintenance of staff, aged and rental housing.
<b>COMMUNITY AMENITIES</b> 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.
<b>RECREATION AND CULTURE</b> 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.
<b>TRANSPORT</b> 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.
<b>ECONOMIC SERVICES</b> To help promote the Shire and improve its economic wellbeing.	The regulation and provision of tourism, area promotion, building control and noxious weeds.
<b>OTHER PROPERTY AND SERVICES</b> To provide effective and efficient administration, works operations and plant and fleet services.	Private works operations, plant repairs and operational costs. Administration overheads.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**STATUTORY REPORTING PROGRAMS**

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	\$	%	
<b>Opening Funding Surplus / (Deficit)</b>	1(c)	568,521	568,521	568,521	<b>405,934</b>	(162,587)	(28.60%)	▼
<b>Revenue from operating activities</b>								
Governance		13,399	13,399	7,805	<b>18,125</b>	10,320	132.22%	▲
General Purpose Funding - Rates	6	1,975,991	1,975,991	1,975,991	<b>1,975,727</b>	(264)	(0.01%)	▼
General Purpose Funding - Other		1,182,941	1,182,941	885,282	<b>408,625</b>	(476,657)	(53.84%)	▼
Law, Order and Public Safety		23,750	23,750	14,584	<b>16,823</b>	2,239	15.35%	▲
Health		150	150	91	<b>727</b>	636	698.90%	▲
Education and Welfare		400	400	231	<b>610</b>	379	164.07%	▲
Housing		90,440	90,440	52,752	<b>64,661</b>	11,909	22.58%	▲
Community Amenities		89,650	89,650	81,658	<b>72,745</b>	(8,913)	(10.92%)	▼
Recreation and Culture		28,780	28,780	28,272	<b>33,993</b>	5,721	20.24%	▲
Transport		594,400	594,400	381,062	<b>381,901</b>	839	0.22%	▲
Economic Services		18,582	18,582	11,403	<b>20,533</b>	9,130	80.07%	▲
Other Property and Services		60,500	60,500	35,280	<b>38,469</b>	3,189	9.04%	▲
		<b>4,078,983</b>	<b>4,078,983</b>	<b>3,474,411</b>	<b>3,032,939</b>	(441,472)		
<b>Expenditure from operating activities</b>								
Governance		(343,694)	(346,694)	(229,166)	<b>(207,454)</b>	21,712	9.47%	▼
General Purpose Funding		(76,332)	(76,332)	(43,476)	<b>(46,462)</b>	(2,986)	(6.87%)	▼
Law, Order and Public Safety		(66,912)	(66,912)	(39,578)	<b>(72,061)</b>	(32,483)	(82.07%)	▲
Health		(80,167)	(80,167)	(46,725)	<b>(45,302)</b>	1,423	3.05%	▲
Education and Welfare		(111,669)	(111,669)	(65,708)	<b>(61,832)</b>	3,876	5.90%	▲
Housing		(159,522)	(161,522)	(108,033)	<b>(101,578)</b>	6,455	5.98%	▲
Community Amenities		(249,083)	(249,083)	(145,690)	<b>(125,873)</b>	19,817	13.60%	▼
Recreation and Culture		(992,925)	(992,925)	(585,406)	<b>(614,365)</b>	(28,959)	(4.95%)	▲
Transport		(1,615,122)	(1,600,122)	(937,370)	<b>(1,073,892)</b>	(136,522)	(14.56%)	▲
Economic Services		(302,628)	(302,628)	(180,034)	<b>(213,448)</b>	(33,414)	(18.56%)	▲
Other Property and Services		(80,817)	(80,817)	(96,626)	<b>(125,463)</b>	(28,837)	(29.84%)	▲
		<b>(4,078,871)</b>	<b>(4,068,871)</b>	<b>(2,477,812)</b>	<b>(2,687,730)</b>	(209,918)		
Non-cash amounts excluded from operating activities	1(a)	1,527,770	1,512,770	884,894	<b>928,314</b>	43,420	4.91%	▲
<b>Amount attributable to operating activities</b>		<b>1,527,882</b>	<b>1,522,882</b>	<b>1,881,493</b>	<b>1,273,523</b>	(607,970)		
<b>Investing Activities</b>								
Proceeds from non-operating grants, subsidies and contributions	13(b)	2,990,490	2,990,490	831,086	<b>97,892</b>	(733,194)	(88.22%)	▼
Proceeds from disposal of assets	7	35,000	50,000	50,000	<b>20,591</b>	(29,409)	(58.82%)	▼
Purchase of property, plant and equipment	8	(4,915,678)	(4,925,678)	(2,121,828)	<b>(655,609)</b>	1,466,219	(69.10%)	▼
<b>Amount attributable to investing activities</b>		<b>(1,890,188)</b>	<b>(1,885,188)</b>	<b>(1,240,742)</b>	<b>(537,126)</b>	703,616		
<b>Financing Activities</b>								
Repayment of Debentures	9	(161,995)	(161,995)	(80,986)	<b>(80,512)</b>	474	(0.59%)	
Principal element of finance lease payments	10	0	0	0	<b>(5,316)</b>	(5,316)	0.00%	
Transfer to Reserves	11	(44,221)	(44,221)	(2,555)	<b>(3,127)</b>	(572)	22.38%	▲
<b>Amount attributable to financing activities</b>		<b>(206,216)</b>	<b>(206,216)</b>	<b>(83,541)</b>	<b>(88,955)</b>	(5,414)		
<b>Closing Funding Surplus / (Deficit)</b>	1(c)	<b>0</b>	<b>0</b>	<b>1,125,731</b>	<b>1,053,376</b>	(72,355)		

**KEY INFORMATION**

▲ ▼ 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 31 JANUARY 2021

### 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.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**BY NATURE OR TYPE**

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
<b>Opening Funding Surplus / (Deficit)</b>	1(c)	\$ 568,521	\$ 568,521	\$ 568,521	\$ 405,934	\$ (162,587)	% (28.60%)	▼
<b>Revenue from operating activities</b>								
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	990,787	504,332	(486,455)	(49.10%)	▼
Fees and charges		239,292	239,292	181,575	194,241	12,666	6.98%	▲
Interest earnings		24,381	24,381	14,217	16,280	2,063	14.51%	▲
Other revenue		531,219	531,219	309,841	333,093	23,252	7.50%	▲
Profit on disposal of assets	7	2,000	2,000	2,000	9,267	7,267	363.35%	▲
		<b>4,078,983</b>	<b>4,078,983</b>	<b>3,474,411</b>	<b>3,032,940</b>	(441,471)		
<b>Expenditure from operating activities</b>								
Employee costs		(1,031,488)	(1,031,488)	(606,957)	(684,692)	(77,735)	(12.81%)	▲
Materials and contracts		(708,353)	(713,353)	(464,418)	(575,887)	(111,469)	(24.00%)	▲
Utility charges		(93,002)	(93,002)	(54,186)	(45,051)	9,135	16.86%	▼
Depreciation on non-current assets		(1,506,670)	(1,506,670)	(878,794)	(924,100)	(45,306)	(5.16%)	▲
Interest expenses		(10,686)	(10,686)	(5,614)	(7,260)	(1,646)	(29.32%)	▲
Insurance expenses		(120,997)	(120,997)	(117,885)	(126,609)	(8,724)	(7.40%)	
Other expenditure		(584,575)	(584,575)	(341,858)	(307,841)	34,017	9.95%	▼
Loss on disposal of assets	7	(23,100)	(8,100)	(8,100)	(16,291)	(8,191)	(101.12%)	▲
		<b>(4,078,871)</b>	<b>(4,068,871)</b>	<b>(2,477,812)</b>	<b>(2,687,731)</b>	(209,919)		
Non-cash amounts excluded from operating activities	1(a)	1,527,770	1,512,770	884,894	928,314	43,420	4.91%	▲
<b>Amount attributable to operating activities</b>		<b>1,527,882</b>	<b>1,522,882</b>	<b>1,881,493</b>	<b>1,273,523</b>	(607,970)		
<b>Investing activities</b>								
Proceeds from non-operating grants, subsidies and contributions	13(b)	2,990,490	2,990,490	831,086	97,892	(733,194)	(88.22%)	▼
Proceeds from disposal of assets	7	35,000	50,000	50,000	20,591	(29,409)	(58.82%)	▼
Payments for property, plant and equipment	8	(4,915,678)	(4,925,678)	(2,121,828)	(655,609)	1,466,219	(69.10%)	▼
<b>Amount attributable to investing activities</b>		<b>(1,890,188)</b>	<b>(1,885,188)</b>	<b>(1,240,742)</b>	<b>(537,126)</b>	703,616		
<b>Financing Activities</b>								
Repayment of debentures	9	(161,995)	(161,995)	(80,986)	(80,512)	474	(0.59%)	
Principal element of finance lease payments	10	0	0	0	(5,316)	(5,316)	0.00%	
Transfer to reserves	11	(44,221)	(44,221)	(2,555)	(3,127)	(572)	22.38%	
<b>Amount attributable to financing activities</b>		<b>(206,216)</b>	<b>(206,216)</b>	<b>(83,541)</b>	<b>(88,955)</b>	(5,414)		
<b>Closing Funding Surplus / (Deficit)</b>	1(c)	<b>0</b>	<b>0</b>	<b>1,125,731</b>	<b>1,053,376</b>	(72,355)		

**KEY INFORMATION**

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

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.

(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)
<b>Non-cash items excluded from operating activities</b>					
		\$		\$	\$
<b>Adjustments to operating activities</b>					
Less: Profit on asset disposals		(2,000)	(2,000)	(2,000)	(9,267)
Less: Non-cash grants and contributions for assets					(7)
Less: Fair value adjustments to financial assets		0	0	0	(2,804)
Movement in pensioner deferred rates (non-current)					1
Add: Loss on asset disposals		23,100	8,100	8,100	16,291
Add: Depreciation on assets		1,506,670	1,506,670	878,794	924,100
<b>Total non-cash items excluded from operating activities</b>		<b>1,527,770</b>	<b>1,512,770</b>	<b>884,894</b>	<b>928,314</b>

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation* 32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing 30 Jun 2020	This Year Opening 01 Jul 2020	This Time Last Year 31 Jan 2020	Year to Date 31 Jan 2021
<b>Adjustments to net current assets</b>					
Less: Reserves - restricted cash	11	(427,011)	(427,011)	(310,035)	(430,138)
Add: Borrowings	9	161,996	161,996	79,557	81,483
Add: Lease liabilities		9,331	9,331	4,352	4,016
Add: Provisions - employee	12	136,130	136,130	125,163	136,130
Add: Change in accounting policies - AASB16 Leases		0	0	29,060	0
<b>Total adjustments to net current assets</b>		<b>(119,554)</b>	<b>(119,554)</b>	<b>(71,903)</b>	<b>(208,509)</b>

(c) Net current assets used in the Statement of Financial Activity

<b>Current assets</b>					
Cash and cash equivalents	2	1,088,447	1,088,447	1,971,863	1,991,981
Rates receivables	6	27,369	27,369	211,490	148,577
Receivables	3	18,573	18,573	86,232	39,858
Other current assets	4	0	0	52,551	2,174
<b>Less: Current liabilities</b>					
Payables	5	(130,578)	(130,578)	(104,851)	(40,361)
Borrowings	9	(161,996)	(161,996)	(79,557)	(81,483)
Lease liabilities	10	(9,331)	(9,331)	(4,352)	(4,016)
Contract liabilities	12	(170,866)	(170,866)	(189,371)	(658,716)
Provisions	12	(136,130)	(136,130)	(125,163)	(136,130)
<b>Less: Total adjustments to net current assets</b>	1(b)	<b>(119,554)</b>	<b>(119,554)</b>	<b>(71,903)</b>	<b>(208,509)</b>
<b>Closing Funding Surplus / (Deficit)</b>		<b>405,934</b>	<b>405,934</b>	<b>1,746,940</b>	<b>1,053,376</b>

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.

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
<b>Cash on hand</b>								
Cash on hand	Cash and cash equivalents	100		100				On Hand
<b>At call deposits</b>								
Municipal Funds	Cash and cash equivalents	142,760		142,760		NAB	0.25%	Cheque A/C
Municipal Funds	Cash and cash equivalents	723,428	695,555	1,418,983		NAB	0.85%	On Call
Reserve Funds	Cash and cash equivalents	0	430,139	430,139		NAB	0.85%	On Call
<b>Total</b>		<b>866,288</b>	<b>1,125,694</b>	<b>1,991,981</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		866,288	1,125,694	1,991,981	0			
Financial assets at amortised cost		0	0	0	0			
		<b>866,288</b>	<b>1,125,694</b>	<b>1,991,981</b>	<b>0</b>			

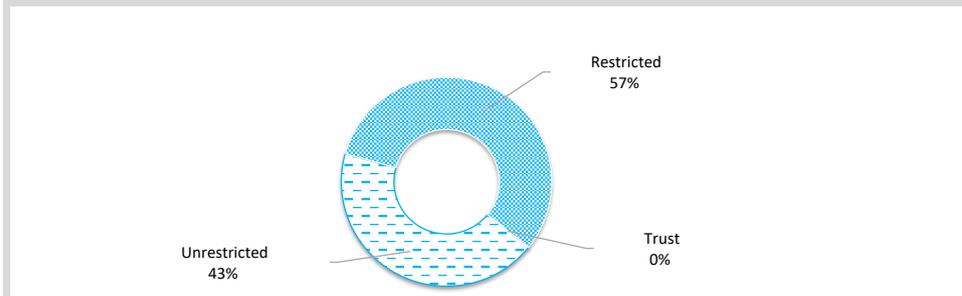
**KEY INFORMATION**

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 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
- 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
<b>\$1.99 M</b>	<b>\$.87 M</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

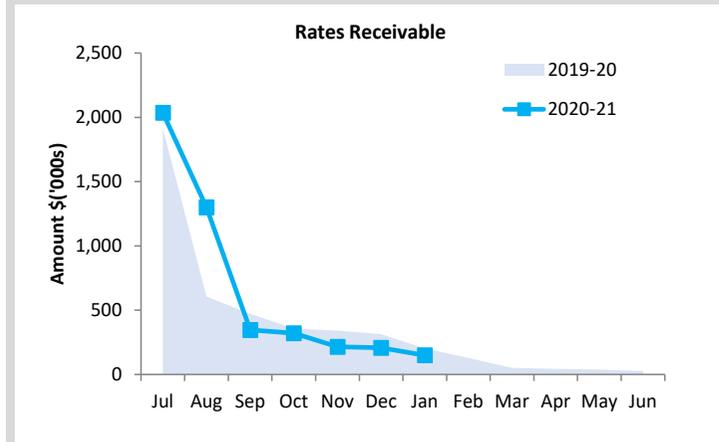
OPERATING ACTIVITIES  
NOTE 3  
RECEIVABLES

Rates Receivable	30 June 2020	31 Jan 21
	\$	\$
Opening Arrears Previous Years	21,379	27,369
Levied this year	1,885,305	1,975,727
Less - Collections to date	(1,879,315)	(1,854,519)
Equals Current Outstanding	<b>27,369</b>	<b>148,577</b>
<b>Net Rates Collectable</b>	<b>27,369</b>	<b>148,577</b>
% Collected	98.6%	92.6%

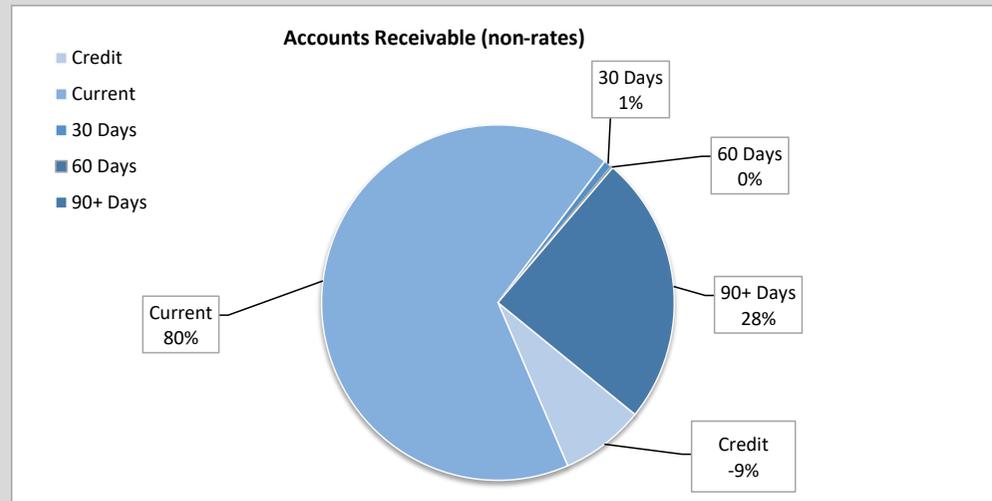
Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - General	(1,287)	11,186	123	29	4,109	14,160
Percentage	-9.1%	79%	0.9%	0.2%	29%	
<b>Balance per Trial Balance</b>						
Sundry receivable						14,160
Rate Pensioner Rebate Claimed						454
GST receivable						26,749
Allowance for impairment of receivables						(572)
Payments in Advance						(932)
<b>Total Receivables General Outstanding</b>						<b>39,858</b>
Amounts shown above include GST (where 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.



Collected	Rates Due
<b>92.6%</b>	<b>\$148,577</b>



<b>Debtors Due</b>
<b>\$39,858</b>
<b>Over 30 Days</b>
<b>1%</b>
<b>Over 90 Days</b>
<b>29%</b>

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.

Other Current Assets	Opening Balance 1 July 2020	Asset Increase	Asset Reduction	Closing Balance 31 January 2021
	\$	\$	\$	\$
Inventory				
Fuel	0	2,174	0	2,174
<b>Total Other Current assets</b>				<b>2,174</b>
Amounts shown above include GST (where applicable)				

**KEY INFORMATION**

**Inventory**

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

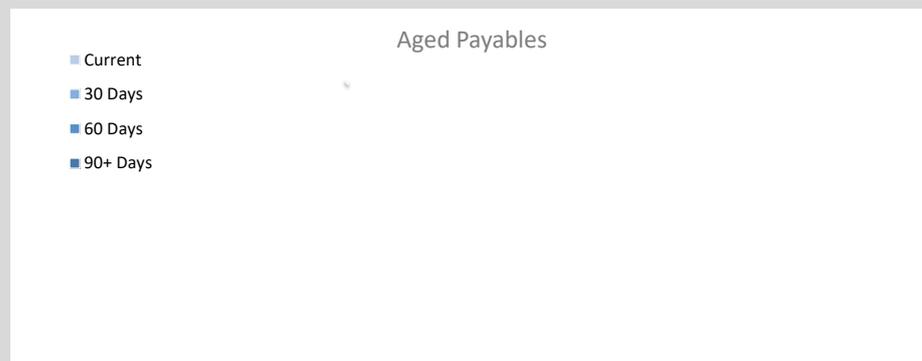
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - General	0	0	0	0	0	0
Percentage	0%	0%	0%	0%	0%	
<b>Balance per Trial Balance</b>						
ATO liabilities						22,162
Receipts in Advance						4,489
Other payables - Bonds Held						16,562
* Other payables						(2,852)
<b>Total Payables General Outstanding</b>						<b>40,361</b>
<b>Amounts shown above include GST (where applicable)</b>						

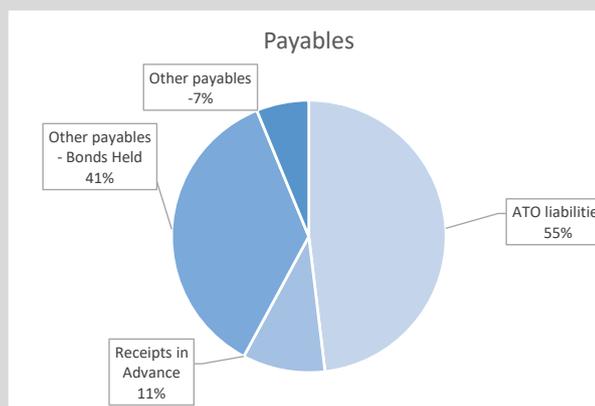
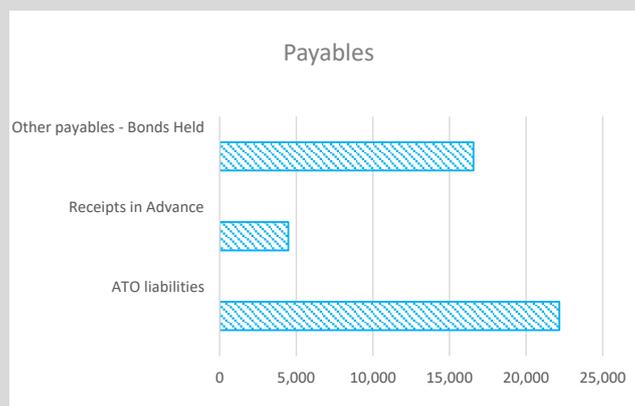
**KEY INFORMATION**

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.



<b>Creditors Due</b>	<b>\$40,361</b>
<b>Over 30 Days</b>	<b>0%</b>
<b>Over 90 Days</b>	<b>0%</b>



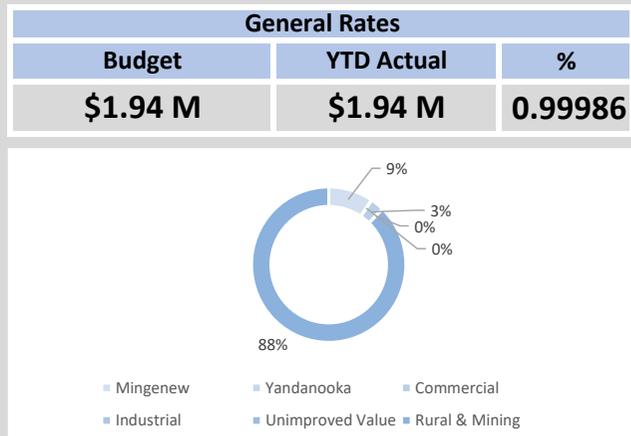
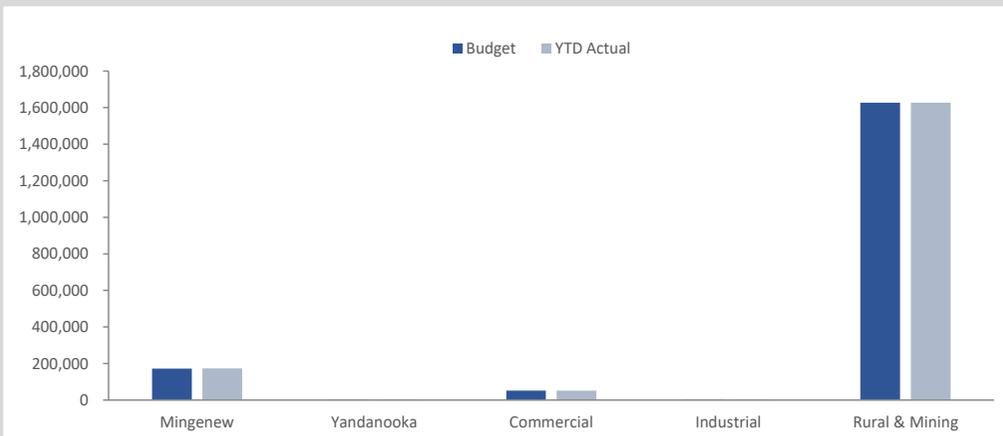
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

OPERATING ACTIVITIES  
NOTE 6  
RATE REVENUE

General Rate Revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
<b>RATE TYPE</b>				\$	\$	\$	\$	\$	\$	\$	\$
<b>Differential General Rate</b>											
<b>Gross Rental Value</b>											
Mingenev	0.150280	129	1,144,624	172,014	750	0	172,764	172,010	1,485	0	173,495
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
<b>Unimproved Value</b>											
Rural & Mining	0.012920	112	125,918,500	1,626,867	0	0	1,626,867	1,626,238	801	309	1,627,348
<b>Sub-Total</b>		260	127,436,120	1,854,934	750	0	1,855,684	1,854,300	2,286	309	1,856,895
<b>Minimum Payment</b>	<b>Minimum \$</b>										
<b>Gross Rental Value</b>											
Mingenev	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
<b>Unimproved Value</b>											
Rural & Mining	1,061	31	773,297	32,891	0	0	32,891	31,815	(224)	(177)	31,414
<b>Sub-Total</b>		102	807,013	83,088	0	0	83,088	82,012	(224)	(177)	81,611
Concession							(1,045)				(1,043)
<b>Amount from General Rates</b>							1,937,727				1,937,463
Ex-Gratia Rates							38,264				38,264
<b>Total General Rates</b>							1,975,991				1,975,727

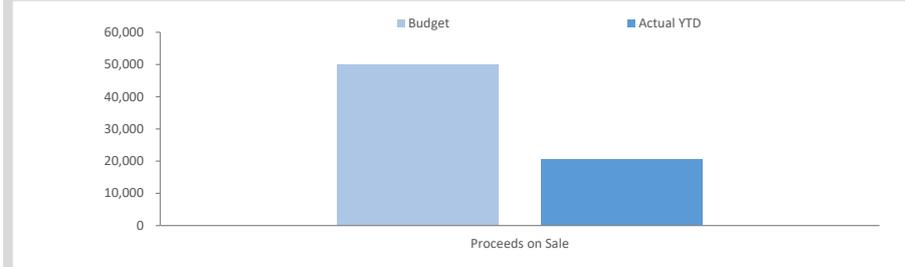
KEY INFORMATION

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.



Asset Ref.	Asset Description	Adopted Budget				Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Plant and equipment</b>													
<b>Transport</b>													
	Crew cab - MI029	8,000	10,000	2,000	0	8,000	10,000	2,000	0	6,233	15,500	9,267	0
	Water truck*	16,500	10,000	0	(6,500)	16,500	10,000	0	(6,500)	0	0	0	0
	JCB backhoe	31,600	15,000	0	(16,600)	31,600	30,000	0	(1,600)	0	0	0	0
	Water tanker trailer	0	0	0	0	0	0	0	0	21,382	5,091	0	(16,291)
		<b>56,100</b>	<b>35,000</b>	<b>2,000</b>	<b>(23,100)</b>	<b>56,100</b>	<b>50,000</b>	<b>2,000</b>	<b>(8,100)</b>	<b>27,615</b>	<b>20,591</b>	<b>9,267</b>	<b>(16,291)</b>

KEY INFORMATION



Proceeds on Sale		
Annual Budget	YTD Actual	%
<b>\$50,000</b>	<b>\$20,591</b>	<b>41%</b>

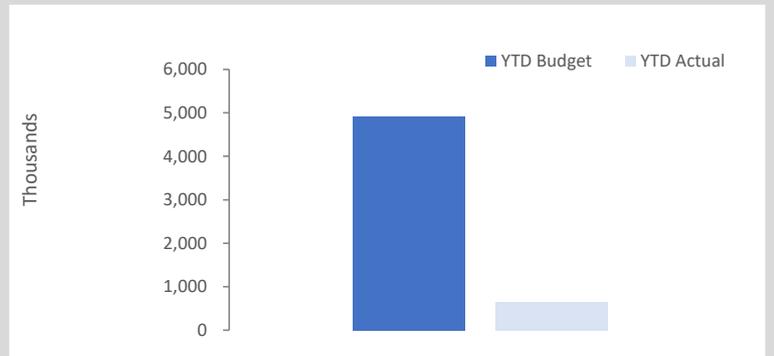
\* Note: Incorrect asset used, should have been the Water Tanker (not the Water Truck), will be corrected in the Budget Review in early 2021.

Capital Acquisitions	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$	\$
Land	0	0	0	5,007	5,007
Buildings - non-specialised	300,500	310,500	285,500	64,672	(220,828)
Buildings - specialised	299,500	299,500	234,500	28,448	(206,052)
Plant and equipment	340,000	340,000	340,000	149,730	(190,270)
Infrastructure - Roads	1,406,774	1,406,774	998,828	165,733	(833,095)
Infrastructure - bridges	2,266,404	2,266,404	0	0	0
Infrastructure - parks & ovals	200,000	200,000	200,000	185,569	(14,431)
Infrastructure - other	102,500	102,500	63,000	56,450	(6,550)
<b>Capital Expenditure Totals</b>	<b>4,915,678</b>	<b>4,925,678</b>	<b>2,121,828</b>	<b>655,609</b>	<b>(1,466,219)</b>
<b>Capital Acquisitions Funded By:</b>					
	\$	\$	\$	\$	\$
Capital grants and contributions	2,990,490	2,990,490	831,086	337,225	(493,861)
Other (Disposals & C/Fwd)	35,000	50,000	50,000	20,591	(29,409)
Contribution - operations	1,890,188	1,885,188	1,240,742	297,793	(942,949)
<b>Capital Funding Total</b>	<b>4,915,678</b>	<b>4,925,678</b>	<b>2,121,828</b>	<b>655,609</b>	<b>(1,466,219)</b>

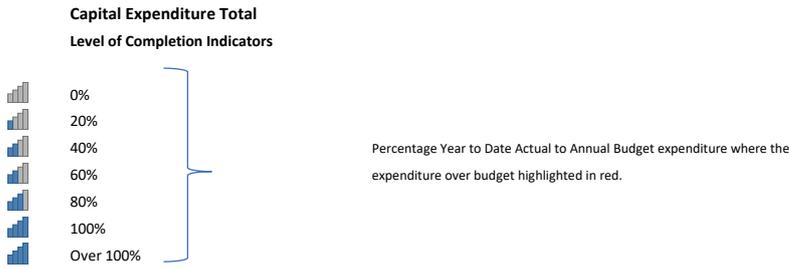
**SIGNIFICANT ACCOUNTING POLICIES**

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.

**KEY INFORMATION**

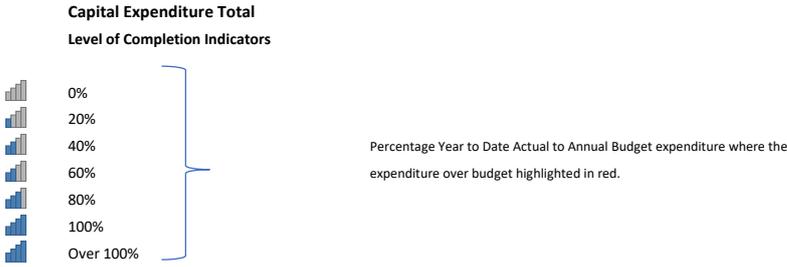


Acquisitions	Annual Budget	YTD Actual	% Spent
	<b>\$4.92 M</b>	<b>\$.66 M</b>	<b>13%</b>
Capital Grant	Annual Budget	YTD Actual	% Received
	<b>\$2.99 M</b>	<b>\$.34 M</b>	<b>11%</b>



Level of completion indicator, please see table at the end of this note for further detail.

Account Description		Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance (Under)/Over
<b>Land</b>						
LC085	25 Victoria Road (Lot 85) - Land	0	0	0	5,000	5,000
	Gifted Land	0	0	0	7	7
<b>Land Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>5,007</b>	<b>5,007</b>
<b>Buildings - non-specialised</b>						
BC083	21 Victoria Road (Lot 83) - Chambers - Building (Capital)	13,000	13,000	13,000	3,779	(9,221)
BC076	76 Phillip Street (Lot 106) - Daycare Centre - Building (Capital)	150,000	150,000	150,000	3,117	(146,883)
BC033	33 Victoria Road (Lot 89) - Residence - Building (Capital)	40,000	40,000	40,000	32,618	(7,382)
BC120	12 Victoria Road (Lot 66) - (APU) - Building (Capital)	0	0	0	(0)	(0)
BC121	12 Victoria Road (Lot 66) - Unit 1 (APU) - Building (Capital)	3,125	3,125	3,125	0	(3,125)
BC122	12 Victoria Road (Lot 66) - Unit 2 (APU) - Building (Capital)	3,125	3,125	3,125	0	(3,125)
BC123	12 Victoria Road (Lot 66) - Unit 3 (APU) - Building (Capital)	3,125	3,125	3,125	0	(3,125)
BC124	12 Victoria Road (Lot 66) - Unit 4 (APU) - Building (Capital)	3,125	3,125	3,125	0	(3,125)
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	12,874	(7,126)
BC021	21 Victoria Road (Lot 83) - Administration Office - Building (Capital)	20,000	20,000	20,000	12,285	(7,715)
<b>Buildings - non-specialised Total</b>		<b>300,500</b>	<b>310,500</b>	<b>285,500</b>	<b>64,672</b>	<b>(220,828)</b>
<b>Buildings - specialised</b>						
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	26,583	1,083
BC598	Recreation Centre - Water infrastructure upgrade (capital)	51,000	51,000	51,000	502	(50,498)
BC016	16 Midlands Road - Railway Station - Building (Capital)	216,000	216,000	158,000	1,363	(156,637)
<b>Buildings - specialised Total</b>		<b>299,500</b>	<b>299,500</b>	<b>234,500</b>	<b>28,448</b>	<b>(206,052)</b>
<b>Plant and equipment</b>						
PE029	Crew Cab Truck - MI029 - Capital	80,000	80,000	80,000	67,730	(12,270)
PE255	Water Truck - MI255 - Capital	90,000	90,000	90,000	82,000	(8,000)
PE262	Backhoe - MI262 - Capital	170,000	170,000	170,000	0	(170,000)
<b>Plant and equipment Total</b>		<b>340,000</b>	<b>340,000</b>	<b>340,000</b>	<b>149,730</b>	<b>(190,270)</b>
<b>Infrastructure - Roads</b>						
RC045	Phillip Street (Capital)	100,000	100,000	100,000	6,056	(93,945)
RC087	Parking Bay South of Midland Road (Capital)	30,000	30,000	30,000	725	(29,275)
RC000	Road Construction General (Budgeting Only)	283,273	283,273	165,228	10,240	(99,418)
RC013	Enokurra Road (Capital)				50,514	
RC011	Mooriary Road (Capital)				5,056	
RRG080	Mingenew - Mullewa Road (RRG)	439,500	439,500	439,500	62,541	(376,959)
RRG024	Milo Road (RRG)	258,000	258,000	116,100	16,422	(99,678)
BS002	Yandanooka North East Road (BS)	296,000	296,000	148,000	14,180	(133,820)
R2R002	Yandanooka North East Road (R2R)	0	0	0	0	0
<b>Infrastructure - roads Total</b>		<b>1,406,774</b>	<b>1,406,774</b>	<b>998,828</b>	<b>165,733</b>	<b>(833,095)</b>
<b>Infrastructure - bridges</b>						
BR0833	Yarragadee - Mingenev - 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
<b>Infrastructure - bridges Total</b>		<b>2,266,404</b>	<b>2,266,404</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Infrastructure - parks &amp; ovals</b>						
PC011	Skate Park - (Capital)	200,000	200,000	200,000	185,569	(14,431)
<b>Infrastructure - parks &amp; ovals Total</b>		<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>185,569</b>	<b>(14,431)</b>



Level of completion indicator, please see table at the end of this note for further detail.

Account Description		Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance (Under)/Over	
<b>Infrastructure - other</b>							
	OC006	Transfer Station - Infrastructure - Capital	30,000	30,000	30,000	39,969	9,969
	OC002	Mingenew Hill Walk Trail - Capital	32,000	32,000	0	1,800	1,800
	OC007	Astrotourism Project	18,000	18,000	18,000	279	(17,721)
	OC008	Remote Tourism Cameras	7,500	7,500	0	0	0
	OC009	Communications tower upgrade	15,000	15,000	15,000	14,402	(598)
<b>Infrastructure - other Total</b>			<b>102,500</b>	<b>102,500</b>	<b>63,000</b>	<b>56,450</b>	<b>(6,550)</b>
<b>Grand Total</b>			<b>4,915,678</b>	<b>4,925,678</b>	<b>2,121,828</b>	<b>655,609</b>	<b>(1,466,219)</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**FINANCING ACTIVITIES**

**NOTE 9**

**BORROWINGS**

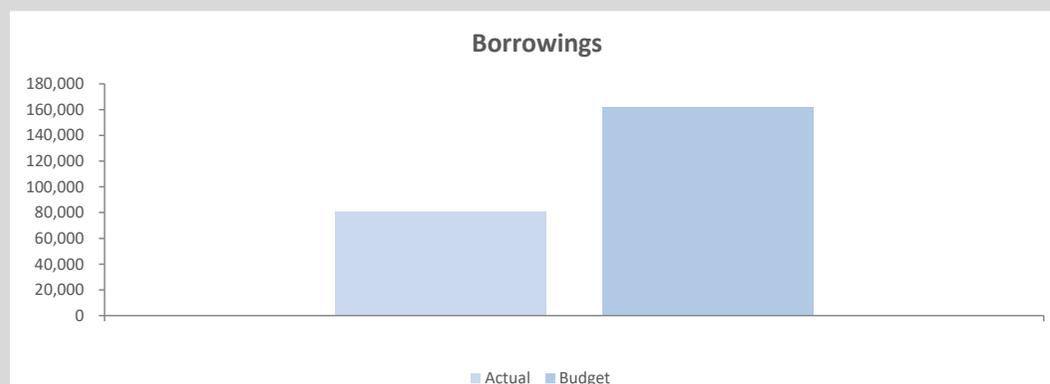
**Repayments - Borrowings**

Information on Borrowings Particulars	1 July 2020	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Education and welfare</b>									
Loan 137 - Senior Citizens Building	44,961	0	0	11,038	22,210	33,923	22,751	840	1,136
<b>Housing</b>									
Loan 133 - Triplex	28,647	0	0	7,033	14,151	21,614	14,496	535	724
Loan 134 - Phillip Street	21,823	0	0	5,358	10,780	16,465	11,043	408	551
Loan 136 - Moore Street	54,423	0	0	13,361	26,884	41,062	27,539	1,017	1,375
Loan 142 - Field Street	25,107	0	0	6,170	12,415	18,937	12,692	470	635
<b>Recreation and culture</b>									
Loan 138 - Pavilion Fitout	43,163	0	0	10,597	21,321	32,566	21,842	806	1,091
<b>Transport</b>									
Loan 139 - Roller	10,580	0	0	2,598	5,227	7,982	5,353	198	267
Loan 141 - Grader	36,738	0	0	9,020	18,148	27,718	18,590	686	928
Loan 144 - Side Tipper	25,132	0	0	6,170	12,415	18,962	12,717	470	635
Loan 145 - Drum Roller	37,338	0	0	9,167	18,444	28,171	18,894	698	943
	<u>327,912</u>	<u>0</u>	<u>0</u>	<u>80,512</u>	<u>161,995</u>	<u>247,400</u>	<u>165,917</u>	<u>6,128</u>	<u>8,286</u>
<b>Total</b>	<b>327,912</b>	<b>0</b>	<b>0</b>	<b>80,512</b>	<b>161,995</b>	<b>247,400</b>	<b>165,917</b>	<b>6,128</b>	<b>8,286</b>
Current borrowings	161,995					81,483			
Non-current borrowings	<u>165,917</u>					<u>165,917</u>			
	327,912					247,400			

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.



<b>Principal Repayments</b>	<b>\$80,512</b>
<b>Interest Earned</b>	<b>\$16,280</b>
<b>Interest Expense</b>	<b>\$6,128</b>
<b>Reserves Bal</b>	<b>\$.43 M</b>
<b>Loans Due</b>	<b>\$.25 M</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

FINANCING ACTIVITIES  
NOTE 10  
LEASES

Repayments - Lease

Information on Borrowings Particulars	Institution	1 July 2020	New Lease		Lease Principal Repayments		Lease Principal Outstanding		Lease Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	
<b>Other property and services</b>										
Photocopier	De Lage Landon	10,400	0	0	1,791	3,732	8,609	6,668	480	960
IT equipment	Finrent	10,318	0	0	3,525	5,599	6,793	4,719	653	1,440
<b>Total</b>		20,718	0	0	5,316	9,331	15,402	11,387	1,133	2,400
Current lease		9,331					4,016			
Non-current lease		11,387					11,387			
		20,718					15,403			

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

OPERATING ACTIVITIES  
NOTE 11  
CASH RESERVES

Cash Backed Reserve

Reserve Name	Opening Balance	Budget Interest 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	136	0	0	0	0	0	0	30,321	30,171
Plant Reserve - Accumulation	153,439	1,425	1,425	692	39,840	39,840	0	0	0	0	194,704	154,131
Recreation Reserve - Accumulation	3,068	38	38	14	0	0	0	0	0	0	3,106	3,082
Employee Entitlement Reserve - Accumulation	67,534	844	844	305	0	0	0	0	0	0	68,378	67,839
Aged Persons Units Reserve - Accumulation	12,670	158	158	57	0	0	0	0	0	0	12,828	12,727
Environmental Reserve - Accumulation	19,444	118	118	88	0	0	0	0	0	0	19,562	19,532
Land Development Reserve - Accumulation	5,724	72	72	26	0	0	0	0	0	0	5,796	5,750
TRC/PO/NAB Building Reserve - Accumulation	22,023	150	150	99	0	0	1,200	0	0	0	22,173	23,322
Insurance Reserve - Accumulation	22,842	285	285	103	0	0	0	0	0	0	23,127	22,945
Economic Development & Marketing Reserve - Accumulation	10,232	2	2	46	0	0	0	0	0	0	10,234	10,278
Covid-19 Emergency Reserve - Accumulation	80,000	1,003	1,003	361	0	0	0	0	0	0	81,003	80,361
	<b>427,011</b>	<b>4,381</b>	<b>4,381</b>	<b>1,927</b>	<b>39,840</b>	<b>39,840</b>	<b>1,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>471,232</b>	<b>430,138</b>

KEY INFORMATION



Other Current Liabilities	Note	Opening Balance 1 July 2020	Liability Increase	Liability Reduction	Closing Balance 31 January 2021
		\$	\$	\$	\$
<b>Contract Liabilities</b>					
Unspent grants, contributions and reimbursements		170,866	825,075	(337,225)	658,716
Lease liability		9,331	0	(5,315)	4,016
<b>Provisions</b>					
Annual leave		91,767	0	0	91,767
Long service leave		44,363	0	0	44,363
<b>Total Provisions</b>					136,130
<b>Total Other Current liabilities</b>					<b>798,862</b>
<b>Amounts shown above include GST (where applicable)</b>					

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

NOTE 13(a)

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent Operating Grant, Subsidies and Contributions Liability					Operating Grants, Subsidies and Contributions Revenue					
	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 31-Jan	Current Liability 31-Jan	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Grants and Subsidies</b>											
<b>General purpose funding</b>											
Grants Commission - General	0	0	0	0	0	154,000	77,000	154,000	0	154,000	74,629
Grants Commission - Roads	0	0	0	0	0	150,000	75,000	150,000	0	150,000	73,268
DCP, BBRF, LRCI	0	371,452	(239,333)	132,119	132,119	851,000	717,000	851,000	0	851,000	239,333
<b>Law, order, public safety</b>											
DFES - LGGS Operating Grant	0	0	0	0	0	18,200	9,100	18,200	0	18,200	12,112
<b>Transport</b>											
MRWA - Direct Grant	0	0	0	0	0	78,000	78,000	78,000	0	78,000	79,640
	<b>0</b>	<b>371,452</b>	<b>(239,333)</b>	<b>132,119</b>	<b>132,119</b>	<b>1,251,200</b>	<b>956,100</b>	<b>1,251,200</b>	<b>0</b>	<b>1,251,200</b>	<b>478,982</b>
<b>Operating Contributions</b>											
<b>Governance</b>											
Gifted Land	0	0	0	0	0	0	0	0	0	0	7
<b>Law, order, public safety</b>											
DFES - Administration contribution	0	0	0	0	0	4,000	4,000	4,000	0	4,000	4,000
<b>Education and welfare</b>											
CWA - Contribution to Autumn Centre	0	0	0	0	0	0	0	0	0	0	45
<b>Transport</b>											
Street Lighting Subsidy	0	0	0	0	0	2,400	2,400	2,400	0	2,400	2,523
<b>Other property and services</b>											
Reimbursements - PWO	0	0	0	0	0	3,500	2,037	3,500	0	3,500	4,019
Fuel Tax Credit Scheme	0	0	0	0	0	45,000	26,250	45,000	0	45,000	14,756
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,900</b>	<b>34,687</b>	<b>54,900</b>	<b>0</b>	<b>54,900</b>	<b>25,350</b>
<b>TOTALS</b>	<b>0</b>	<b>371,452</b>	<b>(239,333)</b>	<b>132,119</b>	<b>132,119</b>	<b>1,306,100</b>	<b>990,787</b>	<b>1,306,100</b>	<b>0</b>	<b>1,306,100</b>	<b>504,332</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021

NOTE 13(b)

NON-OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent Non Operating Grants, Subsidies and Contributions Liability					Non Operating Grants, Subsidies and Contributions Revenue					
	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 31-Jan	Current Liability 31-Jan	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	YTD Revenue Actual (b)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-Operating Grants and Subsidies</b>											
<b>General purpose funding</b>											
Grants Commission - Special Purpose Grant	46,666	0	0	46,666	46,666	0	0	0	0	0	0
Grants Commission - Special Purpose Grant	100,000	0	0	100,000	100,000	0	0	0	0	0	0
<b>Recreation and culture</b>											
DLGSCI - North Midlands Trail Masterplan	24,200	0	0	24,200	24,200	0	0	0	0	0	0
FRRR - Little Well	0	10,000	0	10,000	10,000	0	0	0	0	0	0
<b>Transport</b>											
Regional Road Group	0	186,000	(78,962)	107,038	107,038	465,000	465,000	465,000	0	465,000	78,962
Roads to Recovery	0	172,127	0	172,127	172,127	2,325,490	206,086	2,325,490	0	2,325,490	0
Black Spot	0	80,000	(14,180)	65,820	65,820	200,000	160,000	200,000	0	200,000	14,180
	<b>170,866</b>	<b>448,127</b>	<b>(93,142)</b>	<b>525,851</b>	<b>525,851</b>	<b>2,990,490</b>	<b>831,086</b>	<b>2,990,490</b>	<b>0</b>	<b>2,990,490</b>	<b>93,142</b>
<b>Non-Operating Contributions</b>											
<b>Recreation and culture</b>											
Youth Precinct - Playground Equipment	0	4,750	(4,750)	0	0	0	0	0	0	0	4,750
Youth Precinct - Upgrade	0	746	0	746	746	0	0	0	0	0	0
	<b>0</b>	<b>5,496</b>	<b>(4,750)</b>	<b>746</b>	<b>746</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,750</b>
<b>Total Non-operating grants, subsidies and contributions</b>	<b>170,866</b>	<b>453,623</b>	<b>(97,892)</b>	<b>526,597</b>	<b>526,597</b>	<b>2,990,490</b>	<b>831,086</b>	<b>2,990,490</b>	<b>0</b>	<b>2,990,490</b>	<b>97,892</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**NOTE 14  
BONDS & DEPOSITS**

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 31 Jan 2021
	\$	\$	\$	\$
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	689	(415)	2,189
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,200	0	(1,200)	0
Mingenew Cemetery Group	4,314	0	(4,314)	0
Weary Dunlop Memorial	87	0	0	87
Joan Trust	6	0	(6)	0
Youth Advisory Council	746	0	(746)	0
Centenary Committee	897	0	(897)	0
Community Christmas Tree	432	0	(432)	0
NBN Rental	1,240	0	(1,240)	0
Railway Station Project	4,372	5,211	0	9,583
	<b>18,081</b>	<b>7,892</b>	<b>(9,411)</b>	<b>16,562</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**NOTE 15  
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	<b>Budget Adoption</b>		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
				<b>0</b>	<b>15,000</b>	<b>(15,000)</b>	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2021**

**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
	\$	%			
<b>Opening Funding Surplus / (Deficit)</b>	(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
<b>Revenue from operating activities</b>					
Governance	10,320	132.22%	▲	Timing	Received insurance rebate in full; Reimbursed for 40% of insurance revaluations costs
General Purpose Funding - Other	(476,657)	(53.84%)	▼	Timing	Additional instalment interest received than budgeted; Revenue to be allocated once projects have progressed - DCP, BBRF, LRCI grant funds; Bringing into account Local Government House Trust increase on the valuation; Received less than budgeted for the Financial Assistance Grants; Received less interest than budgeted
Law, Order and Public Safety	2,239	15.35%	▲	Timing	Received less dog/cat registration renewals than budgeted
Health	636	698.90%	▲	Permanent	Received less ESL operating grant funds than budgeted Timing of health licences; Annual Food Premises Inspection fee more than budgeted
Education and Welfare	379	164.07%	▲	Permanent	Additional Autumn Centre hire than budgeted
Housing	11,909	22.58%	▲	Timing	Timing of rental revenue and less vacant properties; Additional reimbursements of tenant utilities
Community Amenities	(8,913)	(10.92%)	▼	Timing	Anticipated receiving revenue from refuse site
Recreation and Culture	5,721	20.24%	▲	Timing	Reimbursement of insurance claim for hockey lights; Reimbursement of purchases for Mingenew Tourists & Promotions Commission; Successful grant application to purchase public use computer; Annual sporting groups leases less than budgeted
Economic Services	9,130	80.07%	▲	Timing	Timing of commercial property lease and community bus hire; Less revenue from standpipe than budgeted
				Permanent	Additional building permit applications than budgeted
<b>Expenditure from operating activities</b>					
Governance	21,712	9.47%	▼	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 legal expenses; Audit fees YTD budget includes 20/21 interim expense
Law, Order and Public Safety	(32,483)	(82.07%)	▲	Permanent	Additional insurance costs than budgeted; Community emergency services budget allocation; Anticipated purchase of ESL protective clothing; Additional maintenance of fire vehicles
Community Amenities	19,817	13.60%	▼	Timing	Timing of processing contract services for refuse collection; Anticipated changes to transfer station access be implemented; Less maintenance and operational than anticipated at the cemetery and public conveniences

Reporting Program	Var. \$	Var. %		Timing/ Permanent	Explanation of Variance
	\$	%			
Recreation and Culture	(28,959)	(4.95%)	▲	Timing	Anticipated Community Grants Scheme payment; Timing of employee, contracts and materials at parks, gardens and ovals and buildings; Insurance expenditure for Town Hall and Yandanooka Hall more than budgeted
Transport	(136,522)	(14.56%)	▲	Timing	Less DOT payments than anticipated; Anticipated loss on sale of asset; Less ancillary maintenance than anticipated; Additional road maintenance than anticipated; Airstrip was fully depreciated last financial year; Additional depreciation on roads than budgeted due to additions from last financial year
Economic Services	(33,414)	(18.56%)	▲	Timing	More building maintenance than anticipated; Additional minor assets purchased; Wildflower promotion; Additional drummuster expenditure; Additional expenditure at the unmanned fuel site
Other Property and Services	(28,837)	(29.84%)	▲	Timing	In lieu on notice; Additional internal plant repairs than budgeted; Additional training for outside staff; Anticipated more leave to be taken; Allocation of Works Manager's salary; Less external parts and repairs than anticipated; Workers compensation not anticipated; Purchased less fuel than budgeted; Purchased additional tyres than budgeted; Additional consultants costs than budgeted
<b>Investing Activities</b>					
Non-operating Grants, Subsidies and Contributions	(733,194)	(88.22%)	▼	Timing	Regulation changes, revenue will be allocated once projects are completed
Proceeds from Disposal of Assets	(29,409)	(58.82%)	▼	Timing	Anticipated disposal of assets
Capital Acquisitions	1,466,219	(69.10%)	▼	Timing	Timing of capital projects including roadworks, building, plant and astrotourism
<b>Financing Activities</b>					
Transfer to Reserves	(572)	22.38%	▲	Timing	Received less interest on reserves than anticipated; Transferred funds from Bonds Held to Industrial Area Development Reserve

**Shire of Mingenew - List of Payments for December 2020 and January 2021**

Chq/EFT	Date	Name	Description	Amount	Totals
MERCH1220	01/12/2020	NAB	NAB MERCHANT FEE - December 2020	-\$103.09	
FEE1220	02/12/2020	NAB	NAB CONNECT FEE and usage for Oct 2020	-\$40.74	
PRINT1220	07/12/2020	DE LAGE LANGDON	Copier Lease - December 2020	-\$356.80	
B1300DEC	15/12/2020	BUSINESS 1300	Live Answering Services - December 2020	-\$99.00	
NABDEC20	21/12/2020	NAB	NAB CONNECT FEE - December 2020	-\$34.49	
NAB231219	23/12/2020	NAB	NAB Connect Fee December 2019	-\$29.24	
IT1220	29/12/2020	FINRENT	IT Equipment Lease - December 2020	-\$656.57	
FEES1220	31/12/2020	NAB	NAB Account Fees - December 2020	-\$8.10	
BPAY1220	31/12/2020	NAB	NAB BPAY Charge - December 2020	-\$8.25	
MERCHDEC20	31/12/2020	NAB	NAB Merchant Fee - December 2020	-\$42.90	
FEEDEC20	31/12/2020	NAB	NAB Service Fee - December 2020	-\$50.00	
PRINT0121	07/01/2021	DE LAGE LANGDON	Copier Lease - January 2021	-\$356.80	
B1300JAN21	15/01/2021	BUSINESS 1300	Live Answering Services - January 2021	-\$102.85	
NABJAN21	28/01/2021	NAB	NAB Connect Fee - January 2021	-\$42.99	
ITJAN21	28/01/2021	FINRENT PTY LTD	IT Equipment Lease - January 2021	-\$656.57	
BPAY0121	29/01/2021	NAB	NAB BPay Fee - January 2021	-\$12.68	
MERCH0121	29/01/2021	NAB	NAB Merchant Fee - January 2021	-\$454.56	
FEE0121	29/01/2021	NAB	NAB Account Fee - January 2021	-\$13.50	
FEES0121	29/01/2021	NAB	NAB Account Fee - January 2021	-\$50.00	-\$3,119.13
EFT14027	03/12/2020	ATOM SUPPLY	Purchase of Sunscreen, Gloves and Respirator Disposable	-\$737.03	
EFT14028	03/12/2020	BUNNINGS Group Limited	Various Items Purchased: Soil, Plants, Health Tonic Liquid and Interior Paint	-\$313.44	
EFT14029	03/12/2020	BOC GASES	Rental Oxygen, Dissolved Acetylene, Arogshield Universal and Cellamix - 29/10/2020 to 27/11/2020	-\$46.98	
EFT14030	03/12/2020	BABA MARDIA ROAD SERVICES	Traffic Management Control at Mullewa Mingenew Road: 02/11/2020 to 06/11/2020	-\$7,562.07	
EFT14031	03/12/2020	Toll Transport Pty Ltd	Freight Charges: Garrards	-\$100.71	
EFT14032	03/12/2020	CUTTING EDGES PTY LTD	Supply of Grader Blades, Plowbolts and Nuts for Grader (MI 541)	-\$3,795.77	
EFT14033	03/12/2020	CHILD SUPPORT AGENCY	Payroll deductions	-\$349.45	
EFT14034	03/12/2020	CRAIGES AUTO ELECTRICAL & AIR CONDITIONING	Check and Repair Wiring to Radio for Grader (MI 541)	-\$922.24	
EFT14035	03/12/2020	DONGARA BUILDING & TRADE SUPPLIES	Purchase of 8mm Poly Rope	-\$28.50	
EFT14036	03/12/2020	ELDERS LIMITED	Purchase of 3 x 20L Glyphosate	-\$566.72	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14037	03/12/2020	GERALDTON MOWER & REPAIR SPECIALIST	Purchase of Catcher Bag Suits for Sthil Blower	-\$143.60	
EFT14038	03/12/2020	GREENFIELD TECHNICAL SERVICES	Engineering and Professional Services for Phillip Street Parking Layout	-\$4,950.00	
EFT14039	03/12/2020	JR & A HERSEY PTY LTD	Various Items: Safety Glasses, Rags, Spray and Mark Paint, Danger Tape, Flagging Tape and Cable Ties	-\$733.26	
EFT14040	03/12/2020	INFINITUM TECHNOLOGIES	Service Monthly Maintenance: December 2020 - Service Agreement, Offsite Backup, Citrix Virtual Apps License, Disk - Cached (GB), Disk - Pure (GB), Instance - High Memory (GB of Ram), Microsoft Windows Server License, Public Internet Data Transit (GB), Veeam License, Office 365 Business Essentials, Office 365 Enterprise, Office 365 Business and Azure PBX Hosting	-\$5,239.52	
EFT14041	03/12/2020	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	LG Professionals WA Annual State Conference and Dinner: Erin Greaves	-\$2,529.00	
EFT14042	03/12/2020	LATERAL ASPECT	Service Fee: November 2020	-\$8,433.33	
EFT14043	03/12/2020	LGRCEU	Payroll deductions	-\$20.50	
EFT14044	03/12/2020	SHIRE OF MINGENEW	Payroll deductions	-\$100.00	
EFT14045	03/12/2020	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Professional Services: Dr Ben MacDonald - 5/11/2020, 12/11/2020, 19/11/2020 and 26/11/2020	-\$3,000.00	
EFT14046	03/12/2020	MINGENEW SPRING CARAVAN PARK	Accommodation for Lateral Aspect: M Lucas and A Acacia for 18/11/2020	-\$224.00	
EFT14047	03/12/2020	MINGENEW IGA X-PRESS & LIQUOR	IGA Account for November 2020: Newspaper, Office Supplies, Seniors Activities, Council Meeting and Northern Country Zone Meeting	-\$339.01	
EFT14048	03/12/2020	Novus Geraldton	Supply, Recalibration and Fit Windscreen to Toyota Prado GXL 2018	-\$862.95	
EFT14049	03/12/2020	O'BRIEN 4WD CENTRE	Purchase of Tailsharf for Toyota Landcruiser - Light Attack Fire Unit - 1ECT827 including bolts, nuts and washer	-\$664.00	
EFT14050	03/12/2020	Ocean Air	Annual Airconditioning Services on Shire owned Buildings	-\$13,187.12	
EFT14051	03/12/2020	OILTECH FUEL	Fuel Purchase for Palm Roadhouse: 17/11/2020 to 2/12/2020	-\$3,676.87	
EFT14052	03/12/2020	PEST A KILL WA	Exterra Eighteenth year: 22/12/2020 to 22/12/2021 for 21 Victoria Road (Lot 83) - Administration Office	-\$2,585.00	
EFT14053	03/12/2020	POOL & SPA MART	Pool Equipment: Hayward Super II 1.25 HP Pump	-\$859.00	
EFT14054	03/12/2020	PEMCO DIESEL PTY LTD	Supply filters and parts for 250 Hour Service for John Deere Grader	-\$771.93	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14055	03/12/2020	QUANTUM SURVEYS PTY LTD	Survey Fee for Lot 106 Phillip Street (including Mobilisation and Accommodation)	-\$4,928.01	
EFT14056	03/12/2020	NUTRIEN AG SOLUTIONS LIMITE	Purchase of Kleenheat LP Gas 45Kg	-\$149.60	
EFT14057	03/12/2020	SHIRE OF TRAYNING	Reimbursement for Dinner at LG Conference	-\$26.65	
EFT14058	03/12/2020	Telstra Corporation	Telstra Account (T311): Satellite Phone Account for 10/11/2020 to 09/12/2020	-\$46.20	
EFT14059	03/12/2020	WESTRAC PTY LTD	Purchase of Converter for Caterpillar Grader (MI 541)	-\$570.41	
EFT14060	03/12/2020	ZURICH AUSTRALIAN INSURANCE LIMITED	Excess Payment for Claim No: 6056990 and referring to Toyota RAV4 Hybrid AWD (177MI)	-\$300.00	
EFT14061	07/12/2020	JLL - Jones Lang Lasalle	Professional Valuation Services: Building, Land and PPE	-\$15,840.00	
EFT14062	17/12/2020	Five Star Business & Communications	Kyocera 7052CI - Billing Period for December 2020	-\$187.26	
EFT14063	17/12/2020	CR Justin Bagley	Councillor Sitting Fees: Councillor Sitting Allowance December 2020	-\$941.00	
EFT14064	17/12/2020	AUSTRALIA POST	Postage Fees: November 2020	-\$141.90	
EFT14065	17/12/2020	Afgri Equipment	Purchase of Various Items: 20L Coolant, Air Filter and Bulk Hose for John Deere Grader	-\$599.08	
EFT14066	17/12/2020	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 for 1/11/2020 to 30/11/2020.	-\$185.24	
EFT14067	17/12/2020	BUNNINGS Group Limited	Purchase of Pine Structure Treated	-\$121.41	
EFT14068	17/12/2020	Bedrock Electrical Services	Replace 3 x 200 Watt Flood Lights at Children's Playground for Rec Centre	-\$3,474.10	
EFT14069	17/12/2020	BULLIVANTS PTY LTD	Test and Certify Concrete Lifter	-\$264.00	
EFT14070	17/12/2020	BREEZE CONNECT PTY LTD	Subscription Charges for 01/11/2020 to 30/11/2020: Trunk ID 12347 and Trunk ID 18850	-\$260.00	
EFT14071	17/12/2020	Toll Transport Pty Ltd	Freight Charges: Garrards, T-Quip and Bullivants	-\$50.00	
EFT14072	17/12/2020	Gary John Cosgrove	Councillor Sitting Fees: President Sitting Allowance and Councillor Sitting Allowance December 2020	-\$3,433.00	
EFT14073	17/12/2020	CLEANAWAY	Waste Collection for Domestic Refuse for Town Site and External Town Site: 30/11/2020	-\$3,846.69	
EFT14074	17/12/2020	CHILD SUPPORT AGENCY	Payroll deductions	-\$349.45	
EFT14075	17/12/2020	CIVIC LEGAL	Professional Fees - Advice	-\$3,300.00	
EFT14076	17/12/2020	DELTA CLEANING SERVICES GERALDTON	Cleaning of Shire Office Building for the month of December 2020	-\$1,230.90	
EFT14077	17/12/2020	DONGARA BUILDING & TRADE SUPPLIES	Purchase of Silicone and Bin	-\$109.82	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14078	17/12/2020	DEAN CONTRACTING PTY LTD	Excavate and Remove Embankment Material from Cut Batter and 3 metres wide through hill on Mingenew - Mullewa Road (RRG)	-\$37,400.00	
EFT14079	17/12/2020	ELDERS LIMITED	Purchase of 20Kg Grey Cement	-\$110.00	
EFT14080	17/12/2020	FREIGHTMORE TRANSPORT PTY LTD	Purchase of New 2020 Liberty Freighters 32,000L Water Tanker	-\$85,200.00	
EFT14081	17/12/2020	CAROL FARR	Councillor Sitting Fees: Councillor Sitting Allowance December 2020	-\$941.00	
EFT14082	17/12/2020	GREENFIELD TECHNICAL SERVICES	Engineering and Professional Services for the Design and Upgrade of the Yandanooka NE Road/Mingenew Morawa Road intersection including taking the design from a 15% stage to a finalised detailed Engineering design	-\$6,534.00	
EFT14083	17/12/2020	GHD PTY LTD	Stage 1 - Concept Design and Progress on Detail Design for Pump Track	-\$4,785.00	
EFT14084	17/12/2020	GARRARDS PTY LTD	Purchase of 20Ltr Pyrethrin Drift for Mosquito Fogging	-\$744.55	
EFT14085	17/12/2020	IRWIN SAND SUPPLIES	Supply of Screened Cream Sand	-\$990.00	
EFT14086	17/12/2020	LGIS	Regional Risk Co-Ordinator Fee 2020-2021 - First Instalment	-\$3,174.94	
EFT14087	17/12/2020	LGRCEU	Payroll deductions	-\$20.50	
EFT14088	17/12/2020	SHIRE OF MINGENEW	Payroll deductions	-\$100.00	
EFT14089	17/12/2020	MINGENEW COMMUNITY RESOURCE CENTRE	Printing of Shire Xmas Party Invitations	-\$11.25	
EFT14090	17/12/2020	MINGENEW HISTORICAL SOCIETY	Community Assistance Grant - Photo Restoration and Mice of Mingenew Display	-\$4,281.50	
EFT14091	17/12/2020	GERALDTON TOYOTA	60,000 Km Service for Toyota Hilux Dualcab SR	-\$551.85	
EFT14092	17/12/2020	MINGENEW SPRING CARAVAN PARK	Accommodation for Peter Wood (Works Manager) and Meals	-\$1,207.00	
EFT14093	17/12/2020	HELLENE MCTAGGART	Councillor Sitting Fees: Councillor Sitting Allowance December 2020	-\$941.00	
EFT14094	17/12/2020	MINGENEW TYRE SERVICES PTY LTD	Supply and Fit Double Coin REM2 and 25' O Ring to John Deere Grader	-\$3,160.95	
EFT14095	17/12/2020	CR Robert William Newton	Councillor Sitting Fees: Deputy President Sitting Allowance and Councillor Sitting Allowance December 2020	-\$1,400.00	
EFT14096	17/12/2020	CR HELEN NEWTON	Councillor Sitting Fees: Councillor Sitting Allowance December 2020	-\$941.00	
EFT14097	17/12/2020	NODE 1 PTY LTD	Unlimited Fixed Wireless: January 2021	-\$140.00	
EFT14098	17/12/2020	Officeworks	Various Stationery Items: Lever Arch File, Clipfolder, Log Book, Foldback Clips, Diary, Desk Pen Holder, Black Pen Box	-\$148.87	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14099	17/12/2020	Ocean Air	Decommission and Remove Existing Ducted Evaporative System, Supply and Install 1x 2.5W LG Wall Mounted Split System for 33 Victoria Road (Lot 89)	-\$5,258.00	
EFT14100	17/12/2020	OILTECH FUEL	Fuel Purchase for Palm Roadhouse: 2/12/2020 to 15/12/2020	-\$3,258.53	
EFT14101	17/12/2020	POOL & SPA MART	Pool Equipment: Barrel Union Hayward Super II Pump	-\$23.00	
EFT14102	17/12/2020	PEMCO DIESEL PTY LTD	Inspection and Electrical Repairs to Isuzu Firetruck	-\$951.61	
EFT14103	17/12/2020	CM RAFANELLI T/AS RAFA RECRUITMENT AND WORKFORCE DEVELOPMENT	Consultancy Fees for Workforce Efficiency Audit	-\$6,500.00	
EFT14104	17/12/2020	Anthony Smyth	Councillor Sitting Fees: Councillor Sitting Allowance December 2020	-\$941.00	
EFT14105	17/12/2020	Telstra Corporation	Telstra Account for November 2020: Office Telstra Account, Councillor Ipads, Fire Officer Mobile and Gardening Mobile	-\$632.53	
EFT14106	17/12/2020	Department Of Transport	Annual Registration Fees: 31/12/2020 to 31/12/2021	-\$6,135.05	
EFT14107	17/12/2020	WESTRAC PTY LTD	Purchase of 250 Hour Service Kit, Primary Element and Secondary Element for Caterpillar Grader (MI 541)	-\$148.82	
EFT14108	17/12/2020	George Vernon Whitecross	Mowing and Whippersnipping at 36 Ikewa Street, 166 Broad Street, 2 Midlands Road, 231 Midlands Road, 240 Midlands Road, R30344 Eleanor Street	-\$960.00	
EFT14109	17/12/2020	YOUNG MOTORS	Supply Cable Parking Brake for Triton Cab Chassis 2.4 litre manual (MI 599)	-\$133.87	
EFT14110	14/01/2021	ALL DECOR	New carpet and underlay at 33 Victoria Rd	-\$2,494.00	
EFT14111	14/01/2021	ADVENTURE PLAYGROUNDS PTY LTD	Purchase of flying fox & platform	-\$29,062.00	
EFT14112	14/01/2021	ABCO PRODUCTS	Toilet paper, hand towel & bin liners	-\$869.99	
EFT14113	14/01/2021	ATOM SUPPLY	Disposable Respirator Masks	-\$298.54	
EFT14114	14/01/2021	BREEZE CONNECT PTY LTD	Subscription charges for Trunk ID 12347 & 18850: 01.12 - 31.12.2020	-\$260.00	
EFT14115	14/01/2021	THE BLOCK MAKERS	Limestone blocks	-\$2,766.40	
EFT14116	14/01/2021	CLEANAWAY	Waste Collection for Townsite & External Townsite for 31/12/2020	-\$4,059.82	
EFT14117	14/01/2021	CHILD SUPPORT AGENCY	Payroll deductions	-\$698.90	
EFT14118	14/01/2021	LANDGATE	Mining UV Tenement Interim Schedule M2020/4 for 17/11/2020 to 15/12/2020	-\$40.60	
EFT14119	14/01/2021	DONGARA DRILLING & ELECTRICAL	Rewire lighting circuit, install ceiling fans & smoke alarms at 33 Victoria Rd	-\$1,869.90	
EFT14120	14/01/2021	Dongara Tyrepower	Replacement of 2 x CAT 12M Grader tyres and new beading	-\$3,879.54	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14121	14/01/2021	DELTAZONE NOMINEES PTY LTD T/AS MIDWEST FIRE PROTECTION SERVICES	Fire extinguisher servicing	-\$3,028.28	
EFT14122	14/01/2021	ELDERS LIMITED	Cement 20Kg x 6	-\$66.00	
EFT14123	14/01/2021	EXTERIA	Drovers Rest Gazebo Table Setting	-\$2,780.80	
EFT14124	14/01/2021	GERALDTON MOWER & REPAIR SPECIALIST	Procut Sprocket Nose	-\$69.00	
EFT14125	14/01/2021	GHD PTY LTD	Stage 2 - Detail Design: Pump Track	-\$4,793.80	
EFT14126	14/01/2021	GREAT SOUTHERN FUEL SUPPLIES	Fuel Usage 08.12.2020	-\$132.46	
EFT14127	14/01/2021	HTD	Subdivision Plans	-\$1,265.00	
EFT14128	14/01/2021	SHIRE OF IRWIN	Consultant EHO Services - December 2020	-\$2,244.25	
EFT14129	14/01/2021	INFINITUM TECHNOLOGIES	Monthly Managed IT Service Agreement January 2021	-\$5,839.60	
EFT14130	14/01/2021	LATERAL ASPECT	Service fee - December 2020 and photo stock images	-\$4,766.83	
EFT14131	14/01/2021	LGRCEU	Payroll deductions	-\$41.00	
EFT14132	14/01/2021	SHIRE OF MINGENEW	Payroll deductions	-\$200.00	
EFT14133	14/01/2021	MINGENEW COMMUNITY RESOURCE CENTRE	A4 B&W Printing	-\$1.05	
EFT14134	14/01/2021	MARKETFORCE	Public Notice of Annual Report, Electors and Council Meetings for 2021	-\$396.46	
EFT14135	14/01/2021	MINGENEW BAKERY	Bakery Account for Nov/Dec 2020 - Catering for Council Meetings	-\$169.70	
EFT14136	14/01/2021	MINGENEW IGA X-PRESS & LIQUOR	IGA Account for December 2020	-\$203.21	
EFT14137	14/01/2021	MINGENEW TYRE SERVICES PTY LTD	Grease Cartridges - 2 boxes	-\$202.75	
EFT14138	14/01/2021	MCLEODS	Review of s3.25 notice for caravan obstruction	-\$1,597.36	
EFT14139	14/01/2021	NEWGROUND WATER SERVICES PTY LTD	Pressure gauges	-\$92.29	
EFT14140	14/01/2021	OUTBACK CLEANING SERVICES	Pre-clean of 33 Victoria Rd	-\$480.00	
EFT14141	14/01/2021	Ocean Air	Repair to Autumn Centre air-conditioner	-\$779.00	
EFT14142	14/01/2021	Office Of The Auditor General	Audit for year ended 30 June 2020	-\$25,080.00	
EFT14143	14/01/2021	OILTECH FUEL	Fuel Usage 15.12.2020 - 29.12.2020	-\$1,690.29	
EFT14144	14/01/2021	Staff	Staff Christmas Party supplies	-\$109.60	
EFT14145	14/01/2021	NUTRIEN AG SOLUTIONS LIMITE	20L Kensban 500	-\$942.48	
EFT14146	14/01/2021	SHIRE OF CHAPMAN VALLEY	Planning Services for October - December 2020	-\$2,376.00	
EFT14147	14/01/2021	SMYTH AGRI SERVICES	20mm impact sprinklers full	-\$214.83	
EFT14148	14/01/2021	Telstra Corporation	Telstra Account for December 2020: Office Telstra Account, Councillor Ipads, Fire Officer Mobile and Gardening & WM Mobile	-\$767.05	
EFT14149	14/01/2021	TWINKARRI PTY LTD	Tree pruning and mulching of Moffet Road	-\$9,383.00	
EFT14150	14/01/2021	T-QUIP	V-Belt Gates	-\$91.30	
EFT14151	14/01/2021	TARTS & CO CATERING	Flowers for Fred Gledhill funeral service	-\$55.00	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14152	14/01/2021	VERDANT ENGINEERING	Wildflower Lookout Trail - Preliminary design	-\$1,980.00	
EFT14153	29/01/2021	Five Star Business & Communications	Photocopy charges	-\$111.64	
EFT14154	29/01/2021	AUSTRALIA POST	Postage - December 2020	-\$212.02	
EFT14155	29/01/2021	ACMA	VL6CF Licence Fee	-\$114.00	
EFT14156	29/01/2021	ATOM SUPPLY	Lay Flat Hose	-\$836.22	
EFT14157	29/01/2021	AIT SPECIALISTS PTY LTD	Provide Fuel Tax Credit claim - December 2020	-\$99.11	
EFT14158	29/01/2021	BUNNINGS Group Limited	Eskies and Coolers	-\$230.42	
EFT14159	29/01/2021	Burando Hill	Foot valve and coupling	-\$279.29	
EFT14160	29/01/2021	COATES HIRE OPERATIONS PTY LTD	Theodolite hire	-\$191.60	
EFT14161	29/01/2021	CHILD SUPPORT AGENCY	Payroll deductions	-\$349.45	
EFT14162	29/01/2021	CRAIGES AUTO ELECTRICAL & AIR CONDITIONING	Truck Alternator	-\$435.00	
EFT14163	29/01/2021	DONGARA DRILLING & ELECTRICAL	Hockey bore repairs	-\$253.00	
EFT14164	29/01/2021	DONGARA BUILDING & TRADE SUPPLIES	Duramax and Hex Bolts	-\$95.15	
EFT14165	29/01/2021	Dongara Body Builders	Inspect water tanker for licencing	-\$194.85	
EFT14166	29/01/2021	GERALDTON MOWER & REPAIR SPECIALIST	3.9mm Diamond Edge Whipper Snipper Cord	-\$153.20	
EFT14167	29/01/2021	GERALDTON HYDRAULICS	Reseal Hydraulic pump	-\$430.27	
EFT14168	29/01/2021	LGRCEU	Payroll deductions	-\$20.50	
EFT14169	29/01/2021	SHIRE OF MINGENEW	Payroll deductions	-\$100.00	
EFT14170	29/01/2021	Mingenew Golf Club	CAS - Reimbursement for Storage Shed	-\$2,054.49	
EFT14171	29/01/2021	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Doctor visiting fees for December 2020	-\$3,000.00	
EFT14172	29/01/2021	Mach 1 Auto One	Steering Wheel Cover	-\$32.07	
EFT14173	29/01/2021	OILTECH FUEL	Fuel usage 01.01.2021 to 19.01.2021	-\$4,297.96	
EFT14174	29/01/2021	Purcher International	FUSO CANTER 815 Crew Cab 3800WB (Automatic)	-\$57,453.00	
EFT14175	29/01/2021	PIRTEK (GERALDTON) PTY LTD	Hose assembly	-\$183.25	
EFT14176	29/01/2021	Pearce Painting	Remove and replace ceiling panel tiles in Council Chambers	-\$4,157.34	
EFT14177	29/01/2021	Staff	Reimbursement for weighbridge docket	-\$25.00	
EFT14178	29/01/2021	NUTRIEN AG SOLUTIONS LIMITE	20mm plastic impact sprinklers	-\$222.42	
EFT14179	29/01/2021	SPECIALIST WHOLESALERS PTY LTD T/AS TRUCKLINE	20L shock wash truck wash formula	-\$277.12	
EFT14180	29/01/2021	TYREPOWER	14.00 R24 Michelin Tyres & Bead O Ring	-\$5,040.62	
EFT14181	29/01/2021	WESTRAC PTY LTD	Repair on MI 027 per revised quote	-\$47,744.86	
EFT14182	29/01/2021	WAYNES SPRAYPAINTING	Re-spraypaint cab and gards on Cat truck	-\$4,400.00	-\$531,954.47
DOT301120	02/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions - 30/11/2020	-\$191.10	
DOT0212202	04/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 02/12/2020	-\$106.45	
DOT031220	07/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 03/12/2020	-\$1,456.00	
DOT041220	08/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 04/12/2020	-\$445.30	
DOT071220	09/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 07/12/2020	-\$1,334.65	

Chq/EFT	Date	Name	Description	Amount	Totals
DOT0912202	11/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 09/12/2020	-\$808.50	
DOT141220	16/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 14/12/2020	-\$268.30	
DOT151220	17/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 15/12/2020	-\$2,178.25	
DOT161220	18/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 16/12/2020	-\$888.50	
DOT171220	21/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 17/12/2020	-\$224.60	
DOT181219	20/12/2020	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions:18/12/2019	-\$143.70	
DOT181220	22/12/2020	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 22/12/2020	-\$236.15	
DOT050121	07/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 05/01/2021	-\$7,864.65	
DOT060121	08/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 06/01/2021	-\$1,663.65	
DOT070121	11/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 07/01/2021	-\$283.35	
DOT110121	13/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 11/01/2021	-\$2,830.00	
DOT120121	14/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 12/01/2021	-\$30,553.55	
DOT130121	15/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 13/01/2021	-\$68.90	
DOT140121	18/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 14/01/2021	-\$9,161.25	
DOT150121	19/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 15/01/2021	-\$52.60	
DOT190121	21/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 19/01/2021	-\$12,983.75	
DOT200121	22/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 20/01/2021	-\$17.30	
DOT210121	25/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 21/01/2021	-\$200.00	
DOT220121	27/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 22/01/2021	-\$19,059.30	
DOT250121	28/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 25/01/2021	-\$567.65	
DOT270121	29/01/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 27/01/2021	-\$63.20	-\$93,650.65
DD9503.1	03/12/2020	SYNERGY	Electricity charges for Rec centre to the period of 15/10/20 to 11/11/20 and Street Lights for the period of 25/10/20 to 24/11/20	-\$2,826.30	
DD9508.1	06/12/2020	Aware Super	Payroll deductions	-\$3,153.11	
DD9508.2	06/12/2020	WA Super	Payroll deductions	-\$110.00	
DD9508.3	06/12/2020	Australian Super	Superannuation contributions	-\$1,356.01	
DD9508.4	06/12/2020	Sun Super	Superannuation contributions	-\$961.44	
DD9508.5	06/12/2020	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$358.14	
DD9508.6	06/12/2020	ANZ Smart Choice Super	Superannuation contributions	-\$87.84	
DD9508.7	06/12/2020	AMP Flexible Super	Superannuation contributions	-\$212.83	
DD9508.8	06/12/2020	Host Plus Superannuation Fund	Superannuation contributions	-\$208.74	
DD9508.9	06/12/2020	Prime Super	Superannuation contributions	-\$274.04	
DD9514.1	14/12/2020	WATER CORPORATION	Various Water Accounts - Water charges to 2/12/2020 & Service charges from 1/11/2020 to 31/12/2020	-\$5,107.24	
DD9514.2	14/12/2020	Australian Taxation Office	BAS - November 2020	-\$2,370.00	

Chq/EFT	Date	Name	Description	Amount	Totals
DD9517.1	20/12/2020	Aware Super	Payroll deductions	-\$2,695.43	
DD9517.2	20/12/2020	WA Super	Payroll deductions	-\$110.00	
DD9517.3	20/12/2020	Australian Super	Superannuation contributions	-\$1,366.21	
DD9517.4	20/12/2020	Sun Super	Superannuation contributions	-\$961.44	
DD9517.5	20/12/2020	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$358.14	
DD9517.6	20/12/2020	ANZ Smart Choice Super	Superannuation contributions	-\$86.49	
DD9517.7	20/12/2020	AMP Flexible Super	Superannuation contributions	-\$212.83	
DD9517.8	20/12/2020	Host Plus Superannuation Fund	Superannuation contributions	-\$210.11	
DD9517.9	20/12/2020	Prime Super	Superannuation contributions	-\$274.04	
DD9520.1	29/12/2020	Western Australian Treasury Corporation	Loan Repayments December 2020	-\$42,103.55	
DD9522.1	31/12/2020	NAB BUSINESS VISA	Visa Transactions - December 2020	-\$2,521.47	
DD9526.1	03/01/2021	Aware Super	Payroll deductions	-\$2,491.02	
DD9526.2	03/01/2021	Australian Super	Superannuation contributions	-\$1,347.83	
DD9526.3	03/01/2021	Sun Super	Superannuation contributions	-\$961.44	
DD9526.4	03/01/2021	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$375.01	
DD9526.5	03/01/2021	AMP Flexible Super	Superannuation contributions	-\$178.39	
DD9526.6	03/01/2021	Host Plus Superannuation Fund	Superannuation contributions	-\$227.66	
DD9526.7	03/01/2021	Prime Super	Superannuation contributions	-\$305.90	
DD9525.1	06/01/2021	SYNERGY	Various Electricity Charges for the period: 20/10/2020 to 16/12/2020	-\$4,034.31	
DD9529.1	12/01/2021	Australian Taxation Office	BAS - December 2020	-\$4,212.00	
DD9535.1	17/01/2021	Aware Super	Payroll deductions	-\$2,852.37	
DD9535.2	17/01/2021	Australian Super	Superannuation contributions	-\$1,464.59	
DD9535.3	17/01/2021	Sun Super	Superannuation contributions	-\$961.44	
DD9535.4	17/01/2021	ANZ Smart Choice Super	Superannuation contributions	-\$55.41	
DD9535.5	17/01/2021	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$242.43	
DD9535.6	17/01/2021	AMP Flexible Super	Superannuation contributions	-\$212.83	
DD9535.7	17/01/2021	Host Plus Superannuation Fund	Superannuation contributions	-\$210.03	
DD9535.8	17/01/2021	Prime Super	Superannuation contributions	-\$274.04	
DD9537.1	21/01/2021	SYNERGY	Electricity for Hall, Yandanooka Hall, Street Lights & Rec Centre for the period of 20/10/20 to 12/1/21	-\$3,559.04	
DD9540.1	21/01/2021	BP Australia Pty Ltd	BP Fuel Account - December 2020	-\$607.30	
DD9544.1	25/01/2021	Western Australian Treasury Corporation	Loan Repayments - January 2021	-\$1,082.45	
DD9546.1	31/01/2021	Aware Super	Payroll deductions	-\$3,112.39	
DD9546.2	31/01/2021	Australian Super	Superannuation contributions	-\$1,519.17	
DD9546.3	31/01/2021	Sun Super	Superannuation contributions	-\$961.44	

Chq/EFT	Date	Name	Description	Amount	Totals
DD9546.4	31/01/2021	ANZ Smart Choice Super	Superannuation contributions	-\$36.49	
DD9546.5	31/01/2021	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$242.43	
DD9546.6	31/01/2021	AMP Flexible Super	Superannuation contributions	-\$212.18	
DD9546.7	31/01/2021	Host Plus Superannuation Fund	Superannuation contributions	-\$209.38	
DD9546.8	31/01/2021	Prime Super	Superannuation contributions	-\$274.04	-\$100,148.41
			Net Salaries	-\$146,307.42	-\$146,307.42
				-\$875,180.08	-\$875,180.08