



ATTACHMENT BOOKLET FOR ORDINARY COUNCIL MEETING

13 October 2021 at 4:30pm

INDEX

7.1 Ordinary Council Meeting Minutes 15 September 2021	1
10.1 Shire of Mingenew Audit & Risk Committee meeting held 15 September 2021	25
10.2 Shire of Mingenew Bushfire Advisory Committee meeting held 23 September 2021	106
11.1.1 WALGA Policy Paper – Elected Member Superannuation Draft	131
12.1.1 Monthly Financial Report for period ending 30 September 2021	138
12.2.1 Accounts for Payment for period 1 September to 30 September 2021	166



MINUTES FOR THE ORDINARY COUNCIL MEETING

15 SEPTEMBER 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	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	3
4.0	PUBLIC QUESTION TIME/PUBLIC STATEMENT TIME	5
5.0	APPLICATIONS FOR LEAVE OF ABSENCE	5
6.0	PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS	5
7.0	CONFIRMATION OF PREVIOUS MEETING MINUTES.....	5
7.1	ORDINARY COUNCIL MEETING HELD 18 AUGUST 2021	5
8.0	ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION	5
9.0	DECLARATIONS OF INTEREST	5
10.0	RECOMMENDATIONS OF COMMITTEES	6
10.1	SHIRE OF MINGENEW EXECUTIVE MANAGEMENT COMMITTEE – 26 AUGUST 2021	6
11.0	REPORTS BY THE CHIEF EXECUTIVE OFFICER.....	7
11.1	WALGA STATE COUNCIL AGM AGENDA 20 SEPTEMBER 2021	7
11.2	EXTRAORDINARY ELECTION – POLLING DAY TO BE SET	11
12.0	FINANCE	15
12.1	FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2021.....	15
12.2	LIST OF PAYMENTS FOR THE PERIOD 1 AUGUST TO 31 AUGUST 2021.....	18
13.0	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN/FOR CONSIDERATION AT FOLLOWING MEETING.....	20
13.1	TEMPORARY EMPLOYMENT OR APPOINTMENT OF CEO POLICY	21
14.0	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING	23
15.0	CONFIDENTIAL ITEMS.....	23
16.0	TIME AND DATE OF NEXT MEETING	23



**AGENDA FOR THE ORDINARY MEETING OF COUNCIL TO BE HELD IN COUNCIL CHAMBERS ON
15 SEPTEMBER 2021 COMMENCING AT 4.30PM**

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member welcomed everyone to the meeting and declared it open at 4:30pm.

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

GJ Cosgrove	Shire President
RW Newton	Deputy President
HR McTaggart	Councillor
HM Newton	Councillor
AR Smyth	Councillor

APOLOGIES

Cr JD Bagley

STAFF

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

GALLERY

Mr Peter Gledhill

3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

The Shire received a written question via email from Mr Geoff Thorncroft on 14 August 2021 which was taken on notice at the 18 August Ordinary Council Meeting:

"As a rate payer of Mingeneew and a former shire employee, I would like a justification from the CEO and president as to the recent 3% rate increase. After witnessing wastage spending, damage to equipment by shire employees with no accountability being held or disciplinary action being taken by the CEO, non-shire employees utilising shire property and bad decision making, I personally find the rate increase non justifiable and would like some accountability put back into the current CEO."

Since the meeting Mr Thorncroft has been issued with a response from the CEO in consultation with the President (sent via email 19 August 2021) as follows:

*"Dear Geoff,
Thank you for your email.*

As with every organisation, Council faces inflationary pressures (rising costs of labour, contracts and materials). These challenges have been quite acute when considering the budget for FY2021/22 as the impact of TC Seroja, coupled with ongoing labour shortages and supply issues linked to COVID-19 push the cost of many shire activities up. For example, Council itself is also facing a \$100,000

excess in relation to its insurance claim for damage sustained by the cyclone; this amount alone is greater than the rates increase.

When managing rising costs, Council has three main avenues: Reduce services, seek greater efficiencies, and increase rates. In order to support the stabilisation of our local population and foster conditions for population growth, Council has tried to retain its current service levels as best it can.

Like you, we would prefer to be able to compensate for increased costs through improved efficiency alone, and over the past few years significant effort has been put into improving Council's systems and processes to support this. There is still work to be done, but this remains a focus for Council and an area that, as CEO, I am held accountable for through both Council Meetings, which consider all Shire expenditure, and my annual performance reviews. In addition, our organisation undergoes independent interim and annual audit, and we have an active internal audit function.

In setting its budget, and determining the rates, Council considers a range of factors:

- The requirements of our Strategic Community Plan, Corporate Business Plan and 5-Year Roads Plan*
- Project stemming from the above, (roadworks make up the majority of Council's annual budget, but we also spend a significant amount on maintaining recreational facilities)*
- Plant replacement and turnover*
- Required legislative and compliance activities; a suite of tasks which only seems to grow more complex – and costly – year-on-year*

Like you, Councillors are very conscious of rates increases, and this is an item that receives significant attention when preparing the budget. Council also sense-checks its rating methodology by looking at what neighbouring Shires are proposing. For comparison, Carnamah and Three Springs both also saw a 3% rise, Morawa 4%, Chapman Valley and Irwin 5%.

In terms of providing value back to ratepayers, we have also been very active in seeking external funding to allow for infrastructure projects and improvements which do not impact on rates. This year's budget is one of Council's largest in recent years, with over 90% of our \$11.6m capital works budget funded by external sources.

In terms of trying to reduce cost to the ratepayer, we actively seek to work with our neighbouring Shires on shared services and joint procurement efforts. We are also continuing to lobby higher tiers of government to try to reduce the growing cost of compliance.

In terms of some of the other matters that you have raised, I am not able to address specific items without specific allegations of wrongdoing. I am also not able to comment on any instances of disciplinary action taken by the organisation against employees, as such things are confidential. I would note though that the organisation has changed significantly since you worked here and that a number of the issues you raised as an employee here have, in fact, been addressed in the 18 months since you left.

Whilst I obviously understand that nobody likes it when their rates increase, I want to assure that you significant effort does go into both keeping rate increases reasonable and improving the way that the Shire operates. If you have suggestions for further areas of improvement, I am more than happy to discuss them and take them on board.

4.0 PUBLIC QUESTION TIME/PUBLIC STATEMENT TIME

Q1. Peter Gledhill referred to the letter he issued to all Councillors that outlined his concern over the declining state of the town over the last few years. Mr Gledhill requested that Council provide an explanation as to why this has occurred.

The Presiding Member outlined that there were organisational changes made a few years ago to reduce the number of employees in the Parks & Gardens crew, that was tried but did not work. Since that time there has been a change in leadership (CEO and Works Supervisor then Manager) who have been focused on system improvements to create efficiencies and reducing labour intensive work practices. However, due to a high staff turnover and the effects of Cyclone Seroja, there has not been an opportunity to put the systems into practice and see the benefits.

The Shire has recently been working with Mr Ian Pullbrook, using his expertise to get advice on suitable plants and care programs that will ensure gardens require minimal watering, such as at the Museum, Mingenew Spring and at Littlewell.

Councillors have passed on your concerns and those raised by others in the community to the Works Manager and CEO, and Council will be reviewing progress in March 2022 to determine if any additional resources are required.

Q2. Mr Gledhill asked if the dead trees along the Rec Centre road can be replaced to fill the gaps?

The President advised this would be addressed.

Mr Gledhill left the meeting at 4:38pm.

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 AUGUST 2021

OFFICER RECOMMENDATION AND COUNCIL DECISION - ITEM 10.1 – RESOLUTION# 01150921

MOVED: Cr HR McTaggart SECONDED: Cr AR Smyth

That the Minutes of the Ordinary Council Meeting held in the Council Chambers on 18 August 2021 be confirmed as a true and accurate record of proceedings.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil.

9.0 DECLARATIONS OF INTEREST

Nil.

10.0 RECOMMENDATIONS OF COMMITTEES

10.1 SHIRE OF MINGENEW EXECUTIVE MANAGEMENT COMMITTEE – 26 AUGUST 2021

EXECUTIVE MANAGEMENT COMMITTEE DECISION – ITEM 10.1.1 – RESOLUTION# 02150921

MOVED: Cr HR McTaggart SECONDED: Cr RW Newton

That Council receives the Minutes of the Executive Management Committee Meeting held in the Council Chambers on 26 August 2021.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

PROCEDURAL MOTION AND COUNCIL DECISION - ITEM 10.1 – RESOLUTION# 03150921

MOVED: Cr HM Newton SECONDED: Cr AR Smyth

That Council closes the meeting to the public at 4:40pm in order to discuss confidential matters affecting an employee, as per s.5.23(2)(b) of the Local Government Act 1995.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

All staff left the meeting at 4:40pm.

EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDATION TO COUNCIL – ITEM 10.1.2 – RESOLUTION# 04150921

MOVED: Cr HR McTaggart SECONDED: Cr AR Smyth

That Council:

1. Endorses the overall performance rating for Mr Hay as the Shire of Mingenew' s CEO for the review period June 2020 to July 2021 as 'Satisfactory'.
2. Endorses the Focus Areas and Actions for July 2021 to June 2022.
3. Schedules the 2021/2022 annual appraisal to be commenced by the July 2022 Ordinary Meeting of Council and completed by the August 2022 Ordinary Meeting of Council.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/3
CASTING VOTE 1

PROCEDURAL MOTION AND COUNCIL DECISION - ITEM 10.1 – RESOLUTION# 05150921

MOVED: Cr HR McTaggart SECONDED: Cr RW Newton

That Council reopens the meeting to the public at 4:48pm in order to discuss a matter affecting an employee, as per s.5.23(2)(b) of the Local Government Act 1995.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

Staff returned to the meeting at 4:48pm.

11.0 REPORTS BY THE CHIEF EXECUTIVE OFFICER

11.1 WALGA STATE COUNCIL AGM AGENDA 20 SEPTEMBER 2021

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
File Reference:	GR.LRL.4
Disclosure of Interest:	Nil
Date:	23 August 2021
Author:	Erin Greaves, Governance & Community Manager
Authorising Officer:	Nils Hay, Chief Executive Officer
Voting Requirements:	Simple Majority

Summary

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

Key Points

- The WALGA State Council Annual General Meeting is scheduled to be held on Friday, 20 September 2021 commencing at 9:00am and will be held at Crown Perth (Grand Ballroom) to coincide with the 2021 Local Government Convention.
- The State Council requires two voting delegates to be nominated and endorsed by local governments and the Shire's voting delegates were appointed at the 18 August 2021 Ordinary Council meeting (Cr Cosgrove and the Chief Executive Officer were appointed)

OFFICER RECOMMENDATION AND COUNCIL DECISION - ITEM 11.1 – RESOLUTION# 06150921

MOVED: Cr RW Newton

SECONDED: Cr AR Smyth

That Council endorses the WALGA State Council motions for the Annual General Meeting scheduled for 20 September, as follows:

1. That the AGM Association Standing Orders be adopted.
2. That the Minutes of the 2020 WALGA Annual General Meeting be confirmed as a true and correct record of proceedings.
3. That the 2021 Annual Report, including the 2020/21 Audited Financial Statements, be received.
4. That the WALGA Constitution be amended as follows:
 1. INSERT Definition – "*Present*" means attendance in person or by electronic means deemed suitable by the Chief Executive Officer.
 2. Clause 5 (10) – DELETE "and Associate Members".
 3. Clause 5 (11) – DELETE "Ordinary Member or", REPLACE "State Council" with "Chief Executive Officer" in the first sentence, INSERT "or its delegate" after State Council in the second sentence.
 4. Clause 6 (3) – REPLACE "31 May" with "30 June".
 5. Clause 7 (2) – REPLACE "30 June" with "31 July".
 6. Clause 11 (1) – after Chief Executive Officer, INSERT "in accordance with the Corporate Governance Charter".
 7. Clause 11 (2) – after Chief Executive Officer INSERT "by providing notice to State Councillors of the date, time, place and purpose of the meeting"
 8. DELETE Clause 11 (3)
 9. Clause 12 (1) – DELETE "as, being entitled to do so, vote in person"

10. DELETE Clause 12 (2)
 11. Clause 12 (3) – DELETE “as, being entitled to do so, vote in person”
 12. Clause 12 (4) – DELETE “as, being entitled to do so, vote in person”
 13. Clause 16 (1) & (2) – After Any election INSERT “other than to elect the President or Deputy President”, REPLACE “generally in accordance with the provisions of the Local Government Act 1995 as amended (2) For the purposes of the election referred to in subsection (1)” with “as follows”.
 14. Clause 16 (2) (f) – REPLACE two instances of “2” with “1”.
 15. INSERT Clause 16A – Election Procedure – President and Deputy President
 - (1) An election to elect the President or Deputy President shall be conducted as follows:
 - (a) the Chief Executive Officer or his/her delegate shall act as returning officer;
 - (b) representatives are to vote on the matter by secret ballot;
 - (c) votes are to be counted on the basis of “first-past-the-post”;
 - (d) the candidate who receives the greatest number of votes is elected;
 - (e) if there is an equality of votes between two or more candidates who are the only candidates in, or remaining in, the count, the count is to be discontinued, and the meeting adjourned for not more than 30 minutes;
 - (f) any nomination for the office may be withdrawn, and further nominations may be made, before or when the meeting resumes;
 - (g) when the meeting resumes, an election will be held in accordance with sub-sections 1(a), 1(b), 1(c) and 1 (d);
 - (h) if two or more candidates receive the same number of votes so that subsection 1(d) cannot be applied, the Chief Executive Officer is to draw lots in the presence of any scrutineers who may be present to determine which candidate is elected.
 16. Clause 21 (4) – REPLACE “Chairman” with “Chair”.
 17. Clause 22 (1) – REPLACE “in August or September of” with “prior to 31 October”.
 18. Clause 22 (3) – DELETE “in person”
 19. DELETE Clause 22 (4) (b).
 20. Clause 23 (3) – DELETE “in person”
 21. Clause 24 (2) – DELETE “and of which vote is to be exercised in person”
 22. Clause 24 (4) – DELETE “as, being entitled to do so, vote in person”
 23. Clause 28 (1) – DELETE “The common seal shall be held in the custody of the Chief Executive Officer at all times.”
 24. Clause 29 (1) – DELETE “as, being entitled to do so, vote in person”
 25. Clause 29 (2) – DELETE “as, being entitled to do so, vote in person”
 26. Clause 31 (4) (c) – DELETE “and Regional Development”.
5. That WALGA makes urgent representation to the State Government to address the high cost of development in regional areas for both residential and industrial land, including the prohibitive cost of utilities headworks, which has led to market failure in many towns in the Wheatbelt and Great Southern regions.
 6. That WALGA lobby the State Government to increase the CSRFF funding pool to \$25 million per annum and revert the contribution ratio to 50% split to enable more community programs and infrastructure to be delivered.
 7. That WALGA strongly advocates to the State Government to increase funding for the Regional Telecommunications Project to leverage the Federal Mobile Black Spot Program and provide adequate mobile phone coverage to regional areas that currently have limited or no access to the service.
 8. Regarding a review of the *Mining Act 1978*.

- 1) To call on Minister Bill Johnston, Minister for Minister for Mines and Petroleum; Energy; Corrective Services to instigate a review of the 43-year-old *Mining Act* to require mining companies to abide by environmental regulations, and to support research and development into sustainable mining practices that would allow mining without detriment to diversification and community sustainability through other industries and development.
- 2) That abandoned mines in regional Western Australia receive a priority action plan with programmes developed to work with remote resource communities to assist in the rehabilitation of these mines as a job creation programme, with funding allocated for diversification projects for support beyond mine life across Western Australia.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

Attachment

11.1.1 WALGA State Council AGM Agenda – 20 September 2021

Background and Comment

A summary of the WALGA reports and background to the motions are provided below:

1.1 Amendments to WALGA's Constitution

The proposed amendments to WALGA's Constitution were endorsed by a special majority of State Council at the meeting on 7 July 2021 and as Constitutional Amendments must be endorsed at an AGM, they are put forward for a decision by Special Majority.

The amendments propose to:

- remove requirements for delegates to attend annual and special general meetings in person; and,
- change the financial year end to 30 June, from the previous 31 May year end to align with WALGA's.
- Allow a second vote to be conducted if two candidates tie in an election for President or Deputy President;
- Clarify the application process for Ordinary and Associate Members;
- Simplify the process for providing notice of State Council meetings;
- Allow motions at Special State Council meetings to be passed with a simple, as opposed to absolute, majority, except as required elsewhere in the Constitution, such as the absolute majority requirement to adopt the budget; and,
- Tidy up outdated wording.

1.2 Cost of Regional Development

A number of local governments have raised the urgent issue of a shortage of long-term and short-term accommodation for workers and the high cost of developing land. Market failure in the provision of residential and industrial land occurs across most of regional Western Australia. State Government intervention was previously provided through the Regional Headworks Program, funded by Royalties for Regions, and through commitments from the utility providers to spread the costs of upgrading and extending infrastructure to service additional land across their customer base, rather than pass these costs to the developer. These arrangements no longer exist. It is proposed that WALGA advocate for government intervention to ensure that housing for workers for vacancies in industry in rural areas is delivered at a reasonable cost.

As the Shire of Mingenew is considering a housing strategy and have earmarked areas for residential land development to promote local investment and given the impacts of Cyclone Seroja on accommodation availability in the Shire and region, a reduction in development costs would be welcome.

1.3 CSRFF Funding Pool and Contribution Ratios

There is currently \$12.5 million available in the 2021 Community Sporting and Recreation Facilities Fund (CSRFF). The total amount of funding available under the CSRFF program is \$15 million per annum for the next 4 years. Over the last four CSRFF funding rounds, the WA State Government has contributed an average grant amount of \$424,270 to 91 projects. It is suggested that Clubs are not able to contribute their one third required contribution towards facilities and major projects as required under the current CSRFF framework.

Therefore, it is recommended that WALGA lobby the State Government to increase the funding available to \$25 million per annum and to increase the ratio to 50%. In this way, the total number of projects could still be maintained and the impost on local clubs and Local Government ratepayers could be reduced. It is noted that WALGA have been advocating for an increase for a number of years.

1.4 Regional Telecommunications Project

State funding for regional telecommunications has been declining over time and there does not appear to be any increases planned and service providers, such as Telstra are reluctant to invest in infrastructure upgrades without third party funding. Therefore, it is recommended that WALGA advocate for increased State-government support to improve regional telecommunications through co-contributions by the State Government to leverage federal programs to regional areas that limited or no access.

1.5 Review of the Environmental Regulations for Mining

The motion, submitted by the Shire of Dundas, proposes a review of the Mining Act, requiring mining companies to abide by environmental regulations, and to support research and development into sustainable mining practices, and that abandoned mines be prioritised for rehabilitation programs in partnership with local governments.

Whilst the Shire of Mingenew has minimal

Statutory Environment

Local Government Act 1995

WALGA AGM Association Standing Orders

Policy Implications

As highlighted within the Agenda.

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.

11.2 EXTRAORDINARY ELECTION – POLLING DAY TO BE SET

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: GV.ELE.7
Disclosure of Interest: Nil
Date: 10 September 2021
Author: Erin Greaves, Governance & Community Manager
Authorising Officer: Nils Hay, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

At the close of nominations for the three vacant positions (four-year terms to 2025) at 4pm on Thursday 9 September, two nominations were received. As there are less candidates than vacancies, an extraordinary election is required to fill the remaining vacancy.

Key Points

- On 9 September 2021 at 4pm nominations were declared closed for the 2021 Local Government Elections and two nominations were received
- Gavin Pearse and Anthony Smyth were elected unopposed
- Section.4.57 of the Local Government Act states that an extraordinary election must be held for the remaining vacant position
- The Act requires that the Shire President or Council may set the date of the Polling Day for an Extraordinary Election whilst having regard to the procedural requirements and timelines
- The statutory election timeframe requires that the polling day is held at least 92 days from when the vacancy occurs but within 4 months – it is proposed that the Election Day be scheduled for December before the Christmas break
- If no nominations are received at close of nominations in the extraordinary election, Council may appoint an eligible person by absolute majority decision

OFFICER RECOMMENDATION AND COUNCIL DECISION - ITEM 11.2 – RESOLUTION# 07150921

MOVED: Cr RW Newton

SECONDED: Cr HR McTaggart

That Council:

1. in response to receiving less candidates than vacancies in the 2021 Ordinary Local Government Election at the close of nominations 4pm, 9 September 2021, sets the Polling Day for the 2021 Extraordinary Election for one vacancy (term to 18 October 2025), to be Monday, 13 December 2021 in accordance with s4.9 of the Local Government Act 1995;
2. holds the Extraordinary Election as an in-person Election to be run by the Shire of Mingenew.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

Attachment

11.2.1 Proposed Election Timeframe

Background

For the 2021 Local Government Election there were three vacancies, with the following Councillors' terms expiring on 16 October 2021 (Election Day);

Cr Helen Newton
Cr Robert Newton

Cr Anthony Smyth

Each vacancy is a four-year term and each Council position is to represent the whole of the Mingenew district following the decision to abolish the ward system in 2020 (effective for this election).

At 4pm on Thursday, 9 September 2021, nominations closed for candidates in the Ordinary Local Government Elections for the Mingenew District, at which time two nominations had been received and one Council position, therefore remains vacant. Section 4.57 of the Local Government Act states that *"If, at the close of nominations, there are no candidates for the office or offices to be filled at the election, an extraordinary election is to be held to fill the office or offices as if it or they had become vacant on the day after the close of nominations"*. Whilst Ordinary Elections must be held on the third Saturday in October, an Extraordinary Election date can be held on any day the President or Council decide [s.4.9 of the Local Government Act 1995].

Nominations were received from Mr Gavin Pearse (new) and Mr Anthony Smyth (renominated) and they were declared elected unopposed (swearing will occur prior to the November Council Meeting). No election will be required on 16 October 2021 but, because a seat remains vacant, and Extraordinary Election will be held once a date can be set.

If, after close of nominations in the Extraordinary Elections, no nominations have been received, Council may appoint an eligible person who is willing to accept the appointment, in accordance with s.4.57(3) and (4).

Section 4.37(3) provides that a new Residential and Owners and Occupiers Roll does not need to be prepared if it is required for an extraordinary election and the extraordinary election day is less than 100 days after the election day for another election. In this instance, the Ordinary election day in 2021 is 16 October 2021 and 100 days after this date is 25 January 2022 (calculated in accordance with s.61(1)(g) of the Interpretation Act). The CEO will need to provide a written request to the Commissioner to approve the use of the most recently prepared rolls following the setting of a date for the new Election Day.

Comment

The proposed date of Monday, 13 December 2021 for the Election Day has been chosen as:

- it falls within the 92 days to four months' timeframe
- it minimises the period for which Council operates without one Councillor
- the nomination period is at the beginning of November, allowing for any decision making related to the Extraordinary Election to be dealt with at the November Ordinary Council meeting
- Whilst the time of year for nominations in early November and Election Day potentially in December is not ideal, as many electors may be busy with harvest, holiday preparation and end of year events, it is considered a more viable option than January, with many people out of town.
- Election duties can occur on a Monday without additional resourcing required
- The Council meeting agenda and associated preparations will have occurred mostly the week prior therefore, minimising the impact on staff workload

To understand the proposed timing for preparing electoral rolls, statutory notices and nominations, a draft timeline has been prepared based on the recommended Polling Day (Attachment 11.2.1).

An alternative date would be to hold the Election Day on or around 7 January 2022 (must be no later than 8 January), with nominations closing at the end of November 2021. This may make it challenging for a new Councillor to prepare for their nomination and campaign over the Christmas period. Holding the election between 10 December and 8 January does provide a reasonable period to complete Councillor inductions etc before the next Ordinary Council meeting which will not be until February 2022.

Council does have the ability to seek approval from the Electoral Commissioner to hold the election later than 4 months under section 4.9(2), but this would require the Shire to give public notice of the close of rolls and prepare new electoral rolls for the election.

Statutory Environment

Local Government Act 1995

Local Government (Elections) Regulations 1996

4.57. Less candidates than vacancies

- (1) *If, at the close of nominations, there are no candidates for the office or offices to be filled at the election, an extraordinary election is to be held to fill the office or offices as if it or they had become vacant on the day after the close of nominations.*
- (2) *If, at the close of nominations, the number of candidates is less than the number of offices to be filled at the election —*
 - (a) *the candidate or candidates is or are elected; and*
 - (b) *an extraordinary election is to be held to fill the remaining office or offices as if it or they had become vacant on the day after the close of nominations.*
- (3) *If, at the close of nominations for an extraordinary election required under subsection (1) or (2) there are no candidates or the number of candidates is less than the number of offices to be filled at the election, the council may appoint* to any unfilled office a person who would be eligible to be a candidate for election to the office and who is willing to accept the appointment.*

** Absolute majority required.*

- (4) *A person appointed under subsection (3) is to be regarded as having been elected.*

4.9. Election day for extraordinary election

- (1) *Any poll needed for an extraordinary election is to be held on a day decided on and fixed —*
 - (a) *by the mayor or president, in writing, if a day has not already been fixed under paragraph (b); or*
 - (b) *by the council at a meeting held within one month after the vacancy occurs, if a day has not already been fixed under paragraph (a).*
- (2) *The election day fixed for an extraordinary election is to be a day that allows enough time for the electoral requirements to be complied with but, unless the Electoral Commissioner approves or section 4.10(b) applies, it cannot be later than 4 months after the vacancy occurs.*
- (3) *If at the end of one month after the vacancy occurs an election day has not been fixed, the CEO is to notify the Electoral Commissioner and the Electoral Commissioner is to —*
 - (a) *fix a day for the holding of the poll that allows enough time for the electoral requirements to be complied with; and*
 - (b) *advise the CEO of the day fixed.*

Policy Implications

Nil.

Financial Implications

There may be additional advertising costs due to requirements of holding an extraordinary election however this is not expected to be significant.

The Election process can take up a significant amount of resources in preparing notices, rolls, nomination packs, information sessions, managing records, ballot papers, reports and templates however, the cost to the local government if the Electoral Commission were to run the election as a postal election is significantly more. If Council did wish to consider this as an option, based on the recommended Polling Day, the Shire would need to notify the Electoral Commissioner by 24 September 2021 of its intent.

Strategic Implications

Community Strategic Plan

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

Comment

Summary of Funds as per bank statements – Shire of Mingenew as at 31 August 2021	
Municipal Funds – Corporate cheque account	\$323,465
Cash on Hand	\$100
Trust Fund	\$1
Municipal Funds – Business Maximiser	\$983,109
Term Deposit – Reserves	\$472,169

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 2021/22 financial year.

The 2020/21 Annual Financial Report has not been audited and is subject to change, this may alter the opening surplus for the 2021/22 financial year.

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

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

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

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

PROCEDURAL MOTION AND COUNCIL DECISION - ITEM 13.0 – RESOLUTION# 10150921

MOVED: Cr RW Newton

SECONDED: Cr AR Smyth

That Council:

1. returns the Item: Temporary Employment or Appointment of CEO Policy to the table for discussion, as presented at the 18 August 2021 Ordinary Council Meeting (Resolution#08180821); and
2. notes the additional CEO comments provided on the Policy based on feedback provided by WALGA.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 6/0

- It is standard practice in the local government industry to offer up to 100% of the cash component.
- 100% is considered appropriate given the expectations that the employee is to carry all of the risks associated with the role and therefore the reward needs to be commensurate
- An Acting or Temporary appointment provides a career development experience that Council should promote
- Important to note that Council are only paying the difference in wage between the employees' usual cash salary and the CEO's for no more than 6 weeks
- The risk Council run in setting a lower rate or scaled rate based on skills/experience is threefold:
 - o The employees may choose not to accept the appointment, and then Council is beholden to market conditions and rates for attracting an external professional (which are expected to be above the equivalent rate based on 100% of the existing cash salary);
 - o Determining a policy around what skill level/experience deserves what rate would be challenging, of which the CEO would still have discretion in determining
 - o The time associated with trying to attract and on onboard an external professional to take on a short period would be cost prohibitive to Council

The Shire's Workforce Plan has a goal to *"Develop our people capabilities to be passionate and innovative contributors to the success of our organisation."* Two of the strategies proposed for achieving this goal is to *"Identify employees interested in internal advancement and promote opportunities for leave coverage or increased workload etc."* and *"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."* This risk in adopting a lower than 100% cash component remuneration for short term appointments is that existing staff will not take on additional responsibilities, particularly given that this has been the practice for previous appointments.

Comment

The policy outlines that an Acting CEO is to be appointed for any leave periods greater than 48 hours and less than 6 weeks (noting this applies to periods of leave only and not for absences when the CEO may be attending to matters outside the Shire for periods greater than 2 consecutive working days). By decision of Council an Acting CEO appointment may be extended beyond 6 weeks (but for less than 12 months) if the CEO remains available in accordance with the policy

Remuneration of the Acting or Temporary CEO is to be in accordance with the policy; providing for 100% of the cash component (only) of the substantive CEO's reward package, and all other benefits to be determined by Council resolution. The remuneration is based on standard industry practice, which reflects the level of responsibility and risk associated with the role.

Consultation

WALGA

Statutory Environment

Local Government Act 1995

Policy Implications

As outlined.

Financial Implications

The Shire's Budget provides for leave provisions for the CEO and associated acting appointments.

Strategic Implications

Community Strategic Plan

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

MINGENEW SHIRE COUNCIL ORDINARY MEETING MINUTES – 15 September 2021

14.0 **NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
Nil.

15.0 **CONFIDENTIAL ITEMS**
Nil.

16.0 **TIME AND DATE OF NEXT MEETING**
Next Ordinary Council Meeting to be held on Wednesday 13 October 2021 commencing at 4.30pm.

17.0 **CLOSURE**
The meeting was closed at 5:04pm.

These minutes were confirmed at an Ordinary Council meeting on 13 October 2021.

Signed _____
Presiding Officer

Date: _____



MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING

15 SEPTEMBER 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 1 JUNE 2021	3
5.0	OFFICERS' REPORTS.....	4
	5.1 INTERIM AUDIT 2020/21	4
	5.2 SHIRE OF MINGENEW INTERNAL AUDIT PLAN – FLEET MANAGEMENT	6
	5.3 IMPLEMENTATION PROGRESS – TENDERING AND PROCUREMENT AND EMPLOYMENT PRACTICES INTERNAL AUDIT REPORTS	8
	5.4 EOI FOR INDEPENDENT MEMBER – RESIGNATION OF MR BATTILANA.....	11
6.0	CLOSURE	14



AGENDA FOR THE AUDIT AND RISK COMMITTEE MEETING OF THE SHIRE OF MINGENEW TO BE HELD IN COUNCIL CHAMBERS ON 15 SEPTEMBER 2021 COMMENCING AT 1:00PM

- 1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
- 2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**
Committee Members
Cr RW Newton
Cr HM Newton
Cr HR McTaggart
Cr AR Smyth – arrived 1:09pm
Mr M Battilana (Apology)

Staff

Nils Hay, Chief Executive Officer
Jeremy Clapham, Finance and Administration Manager
Erin Greaves, Governance and Community Manager

3.0 DECLARATIONS OF INTEREST

The CEO disclosed an Impartiality Interest in Item 5.2 Internal Audit Plan – Fleet Management, as the person responsible for fleet management oversight and the person conducting the audit.

4.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

4.1 AUDIT & RISK COMMITTEE MEETING HELD 1 JUNE 2021

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 4.1

MOVED: Cr HR McTaggart **SECONDED:** Cr HM Newton

That the Minutes of the Audit & Risk Committee Meeting of the Shire of Mingenew held in the Council Chambers on 1 June 2021 be confirmed as a true and accurate record of proceedings.

VOTING DETAILS:

CARRIED UNANIMOUSLY 3/0

5.0 OFFICERS' REPORTS

5.1 INTERIM AUDIT 2020/21

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: FM.AUD.2021
Disclosure of Interest: Nil
Date: 2 September 2021
Author: Jeremy Clapham – Finance & Admin Manager
Authorising Officer: Nils Hay, Chief Executive Officer
Voting Requirement: Simple Majority

Summary

This report recommends that Council endorse the recommendation from the Audit & Risk Committee to receive feedback from the auditors in relation to the Interim Audit for the 2020/21 financial year

Key Points

- Annual interim audit for financial year ended 30 June 2021
- One finding and recommendation was made in regard to implementing a multi-factor authentication system

AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.1

MOVED: Cr HM Newton

SECONDED: Cr HR McTaggart

That the Audit & Risk Committee recommends to Council that it receives the correspondence prepared by the Office of the Auditor General (OAG) and Nexia Australia in relation to the Interim Audit for the financial year ended 30 June 2021.

VOTING DETAILS:

CARRIED UNANIMOUSLY 4/0

Committee Comments

It was noted that multi-factor authentication was the only matter raised in the Interim Audit, and that officers have already taken steps to commence rolling this out within the organisation. The Committee enquired if this would apply to Councillors?

The Finance and Administration Manager advised he would clarify and advise Councillors of any requirements.

Nexia will be conducting the end of year Audit 4-8 October 2021.

Attachment:

5.1.1 Interim Audit Report for 2020/21 – Nexia Australia

5.1.2 Interim Management Letter to Shire of Mingenew President for 2020/21 - OAG

Background

The interim audit for the financial year ending 30 June 2021 took place in June 2021 and was conducted by Nexia Australia, on behalf of the Office of the Auditor General (OAG).

Comment

The interim audit that was carried out in June 2021 found that control environment of the Shire was effective for the purposes of the required audit and it is expected that reliance can be placed on selected internal

controls in completion of the final audit in October 2021. There was only one control deficiency noted relating to general IT controls. It was noted that the Shire had not implemented MFA (Multi Factor Authentication) for access (including remote) to its network and IT systems. MFA is in the budget for this financial year and will be implemented before the end of September 2021.

Consultation

- CEO
- Finance and Administration Manager
- Nexia Australia
- OAG

Statutory Environment

Local Government Act 1995
Local Government (Audit) Regulations 1996
Local Government (Functions & General) Regulations 1996

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Strategic Community Plan 2019-2029

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

Shire of Mingenew

Interim Audit Report to the Council Year Ended 30 June 2021

25 August 2021

Strictly Private & Confidential

Table of contents

1. Executive summary	3
2. Internal controls evaluation	4
2.1 Background and Summary Findings	4
2.2 Details of Work Performed	5
2.3 Overall Conclusion	8

1. Executive summary

Audit Status	We have completed the interim audit of the Shire of Mingenew (the Shire) for the year ended 30 June 2021. We found the control environment to be effective for the purposes of our audit and expect to place reliance on selected internal controls in completing our final audit field work in October 2021.
Purpose of the report	The purpose of this report is to provide feedback to the Shire's Council and senior management on the results of tests of internal controls conducted during our interim audit of the financial year ended 30 June 2021.
Context	As the contracted auditor performing the audit on behalf of the OAG, we are obligated to report on whether or not the internal controls exercised by the Shire are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.
Audit findings	<p>There was one control deficiency noted relating to General IT Controls.</p> <p>Refer to section 2 for details of the internal controls testing performed and the results of these.</p>

2. Internal controls evaluation

2.1 Background

During our interim audit procedures, we evaluated the effectiveness of the Shire's internal controls on three levels – design, implementation and operating effectiveness. As part of this evaluation, we gained a detailed understanding of the policies and procedures over the following business cycles:

- Bank Reconciliations;
- Procurement, payments and accounts payable;
- Payroll and employee benefits;
- Accounts preparation;
- Use of credit cards; and
- General IT controls.

2.2 Summary of Observations

Bank reconciliations	No control deficiencies or weaknesses identified.
Procurement, payments and accounts payable	No control deficiencies or weaknesses identified. At the specific request of the Shire's Council members, we also scoped in testing of expenditure incurred for employee home office equipment. There were no issues identified.
Use of credit cards	No control deficiencies or weaknesses identified.
Payroll and employee benefits	No control deficiencies or weaknesses identified.
Accounts preparation	No control deficiencies or weaknesses identified.
General IT controls	One control deficiency noted - From our review of IT General Controls, we noted the Shire did not implement Multi-Factor Authentication for remote access to its network and IT systems.

2. Controls evaluation (continued)

2.3 Details of work performed

WORK PERFORMED	KEY OBSERVATIONS
BANK AND CASH	
Documented key internal controls Performed a walkthrough Control testing of a sample of bank reconciliations	<ul style="list-style-type: none">Reconciliations were performed in a timely manner each month.Reconciliations were signed to evidence review and approval by the Finance & Administration Manager.
EXPENDITURE	
<i>Procurement, payments and accounts payable</i>	
Documented key internal controls Performed a walkthrough Control testing of a sample of expenditure transactions	<ul style="list-style-type: none">Appropriate procurement processes were followed in line with the Shire's purchasing policy for all samples we tested.All purchase invoices were matched to their respective purchase orders.All purchases and supplier payments were approved in accordance with the Shire's Delegation of Authority.All payments were approved by dual signatories in line with the Shire's Delegation of Authority.All invoices selected for testing were recorded correctly in the general ledger.
<i>Use of credit cards</i>	
Documented key internal controls Performed a walkthrough Control testing of a sample of credit card transactions	<ul style="list-style-type: none">We noted that the monthly use of credit cards for Shire expenditure was minimal.There were only 3 credit cards on issue to Shire employees (at the date of enquiry) and these are all members of senior management. A Credit Hard Holder Register is maintained.There is a dedicated Corporate Credit Card policy and this was reviewed as recently as 16 December 2020.Invoices were provided by the credit card holders to support all transactions that we tested.Employee declarations were signed by the relevant employee and reviewed by the CEO/Council in a timely manner.Credit card transactions were reconciled in a timely manner as part of the monthly financial reporting cycle.
<i>Working from home expenses</i>	
Documented key internal controls Control testing of a sample of expenditure transactions	<ul style="list-style-type: none">All staff were required to work from home during the government ordered lockdown during the year ended 30 June 2020. Certain staff also had to work from home during the year ended 30 June 2021 in accordance with other periodic lockdowns.Staff were granted permission by the CEO to claim expenditure necessary to set up a home office space that met the required specifications.All expenses we tested were for home office equipment and were appropriately authorised in line with the Shire's purchasing policy and Delegation of Authority.

2. Controls evaluation (continued)

2.2 Details of work performed (continued)

WORK PERFORMED	KEY OBSERVATIONS
PAYROLL	
<i>New Hires</i>	
Documented key internal controls	<ul style="list-style-type: none">▪ Employment contracts were sighted for the new employees tested. The employment contracts were signed by the new employees and the CEO.▪ Employee details captured in the new employee form were correctly recorded in the Synergy soft accounting system.▪ We checked that new employees were not paid before their start date by examining the payroll report in the fortnight before their date of commencement.
Performed a walkthrough	
Control testing of new employees	
<i>Fortnightly pay-runs</i>	
Documented key internal controls	<ul style="list-style-type: none">▪ Personnel files were sighted for all employees tested including a review of employment contracts.▪ The timesheet for the pay period was reviewed for the selected employees. This was approved by the appropriate supervisor in all cases.▪ The rate of pay for the employees tested in the pay periods selected were agreed to employment contracts.▪ Pay-runs were approved for payment by senior management in line with the Shire's Delegation of Authority.
Performed a walkthrough	
Control testing of a sample of payments to existing employees pay runs	
<i>Terminations</i>	
Documented key internal controls	<ul style="list-style-type: none">▪ We noted that the letter of resignation or letter of termination was signed by the relevant persons for the samples tested.▪ An acknowledgement letter was signed and issued by the CEO for the samples tested.▪ We noted that the resignation/termination letter was put on the relevant employee's file.▪ We checked that employee entitlements and final pay were paid to the terminating employees tested.
Performed a walkthrough	
Control testing of terminating employees	
<i>Leave</i>	
Documented key internal controls	<ul style="list-style-type: none">▪ Leave applications were correctly recorded and submitted.▪ Leave applications were approved by the appropriate line manager(s).▪ Leave hours paid in the relevant fortnight pay run matched the approved leave application.
Performed a walkthrough	
Control testing of a sample of leave applications / approvals	

2. Controls evaluation (continued)

2.2 Details of work performed (continued)

WORK PERFORMED	KEY OBSERVATIONS
ACCOUNTS PREPARATION	
Documented key internal controls Performed a walkthrough Control testing of a sample of monthly financial reports	<ul style="list-style-type: none">▪ We noted that bank reconciliations were prepared by the Finance Officer and reviewed by the Finance and Administration Manager in a timely manner.▪ We noted that month end journals were reviewed by the Finance and Administration Manager.▪ Checked that reconciliations were performed for all balance sheet items (e.g. Bank, Debtors, Creditors, FAR, Petty Cash, Leave Provisions) and that these were reviewed by the Finance and Administration Manager.▪ We noted that the Monthly Financial Report and all reconciliations were reviewed by the Chief Executive Officer (CEO).▪ We noted that the Monthly Financial Report was adopted by the Shire Council by agreeing to the Council Minutes.
GENERAL IT CONTROLS	
We made enquiries of the finance team of the IT Controls in place including access, back-up and anti virus software. We obtained a copy of the Synergy soft access matrix.	<ul style="list-style-type: none">▪ The Shire's whole IT environment is managed by Infinitem Technologies. Services covers the backups, IT security, general IT support and all IT hardware installation.▪ Access to the Shire's general ledger within Synergy Soft is not restricted by module based on staff role/description. However, various processing functions require more than 1 person involved to ensure proper segregation and all transactions are reviewed by Finance and Administration Manager.▪ We observed that accesses to employee computers and the accounting software are password protected.▪ All backups are done by Infinitem. These can be performed hourly or daily. The servers are cloud based and backups are offsite and kept at a data warehouse in Perth. <p>Control deficiency noted</p> <ul style="list-style-type: none">▪ Through enquiry, it was noted that the Shire did not implement Multi-Factor Authentication for remote access to its network and IT systems.

2.3 Overall conclusion

Based on the work performed we did not identify any significant deficiencies in internal control which require communication to those charged with governance and management in relation to the key systems and processes. Therefore we intend to place reliance on the operating effectiveness of the internal controls, for the purpose of our final audit, for the following key cycles:

- Bank reconciliations;
- Purchases, payments and accounts payable;
- Payroll and employee benefits;
- Accounts preparation;
- Use of credit cards; and
- General IT controls.

Nonetheless, as internal controls can be over-ridden, our audit procedures during the final audit phase will include other procedures to help provide the required level of audit assurance.



Nexia Australia

Level 3, 88 William Street
Perth
Western Australia
6000

Tel: +61 8 9463 2463

www.nexia.com

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Our Ref: 8340

7th Floor, Albert Facey House
469 Wellington Street, Perth

Mr Gary Cosgrove
President
Shire of Mingenew
PO Box 120
MINGENEW WA 6522

Mail to: Perth BC
PO Box 8489
PERTH WA 6849

Tel: 08 6557 7500
Email: info@audit.wa.gov.au

Dear President

**ANNUAL FINANCIAL REPORT
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2021**

We have completed the interim audit for the year ending 30 June 2021. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate the overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

Management Control Issue

We would like to draw your attention to the attached deficiency in internal control that was identified during the course of the interim audit. This matter has been discussed with management and their comments have been included on the attachment. The matter reported is limited to the deficiency that was identified during the interim audit that we have concluded is of sufficient importance to merit being reported to management. The matter may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the Local Government (Audit) Regulations 1996. If so, we will inform you before we finalise the report.

An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of your Shire and may not be suitable for other purposes.

We have forwarded a copy of this letter to the CEO. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7542 if you would like to discuss these matters further.

Yours faithfully

LIANG WONG
ASSISTANT DIRECTOR
FINANCIAL AUDIT
26 August 2021

5.2 SHIRE OF MINGENEW INTERNAL AUDIT PLAN – FLEET MANAGEMENT

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
File Reference:	FM.AUD.20.21
Disclosure of Interest:	Nils Hay – Impartiality Interest (auditor for this report)
Date:	9 September 2021
Author:	Nils Hay, Chief Executive 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 2021/22, an internal audit has been undertaken on the fleet management, 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 2021/2022 is to audit the Shire's policies, procedures and risk management relating to fleet management
- At the last internal review of the Shire's Operational Risk Profile Register, two fleet-related elements were judged to have inadequate controls in place

AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.2

MOVED: Cr HM Newton SECONDED: Cr AR Smyth

That the Audit & Risk Committee recommends to Council that it:

- 1. Receives the Fleet Management Internal Audit Report as per Item 3 audit risk theme '1. Asset Management and 2. Misconduct' of the Internal Audit Plan; and**
- 2. Notes the recommendations from the Fleet Management Internal Audit Report.**

VOTING DETAILS:

CARRIED UNANIMOUSLY 4/0

Committee Comments

- Suggest that body work and paint should be factored into maintenance requirements
- Consider processing fuel tax credits internally
- Advertise disposal of plant locally as may provide a better return on investment
- Cr HM Newton commended the CEO and staff on the report

Attachment

5.2.1 Fleet Management Internal Audit Report

Background

The Shire of Mingenew Internal Audit Plan, as adopted in February 2021, identified Fleet Management as the risk theme to be audited in the first quarter of 2021/22. As such, an Internal Audit Report has been prepared.

Comment

The Shire has conducted an internal audit of its fleet management activities, examining:

- Vehicle maintenance and usages
- Disposal/purchasing processes

- Compliance with relevant policies, procedures and legislation
- Documentation and reporting

In general, this is an area which has seen both operational and procedural improvements in recent years, however there were still a number of recommendations for improvement found:

- Better documentation of vehicle maintenance workflows and education of relevant staff
- Capturing a documented procedure for vehicle usage data collection
- Investigation of vehicle monitoring systems
- Development of an internal guideline or policy to outline preferred turnover period for plant and fleet
- Improved record-keeping procedures around purchasing and disposal processes
- Investigation of alternative methods to more accurately tracking fuel usage
- Improved documentation of relevant record-keeping workflows generally, and education for relevant staff

These actions are proposed to be implemented during the remainder of the calendar year.

Consultation

Leadership Team

Statutory Environment

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Local Government (Functions and General) Regulations 1996

Policy Implications

Minimal; potential consideration of guideline/policy around fleet turnover periods.

Financial Implications

Nil

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

Executive Summary:

The purpose of this report is to assess the adequacy of the Shire of Mingenew's fleet management systems and processes. The Shire's fleet (including Bushfire Equipment) with a carrying value of \$1,446k makes up 14% of its total of the Property, Plant and Equipment assets, and fleet maintenance expenses are a material line item in Council's annual budget.

During previous reviews of the Operational Risk Profile Register, it has been found that the Shire's Plant Replacement Program and Fleet Management System were inadequate and, therefore, in need of improvement. Review of these systems forms part of Council's Internal Audit Plan, with the review to take place by 30 September 2021, and implementation of recommendations by 31 December 2021.

Through this audit, the Shire's fleet management will be examined through several themes and recommendations for improvement provided.

Theme 1: Vehicle maintenance and usage

Vehicle Maintenance:

The Shire completes the following basic maintenance tasks internally:

- Daily vehicle checks
- Top-up of oil, water and other fluids as required
- Pump up tyres if required
- Greasing of machinery

Routine and larger maintenance tasks are currently managed by contract mechanics Pemco, who visit the Shire fortnightly to complete works. The process works as follows:

1. Pemco are provided with a list of required works, based upon feedback from staff (captured in the daily vehicle check sheets, and ad-hoc reporting through the Works Manager) and vehicle hours/kilometres.
2. Pemco prioritise and complete the work.
3. Pemco provide a report back to the works manager on work completed, or any further issues/defects identified.
 - o This report is sent with the invoice for each item serviced/repaired detailing what work has been carried out and any items that still require attention.
 - o A sticker is placed on each piece of machinery detailing the hours or Km's when the next service is due.
 - o Repair works are programmed to be carried out as soon as practicable.

This process was introduced in May 2021 out of recognition that the Shire's internal mechanical repair capacity was limited, which was resulting in some routine and minor maintenance being delayed, which was resulting in larger overall maintenance costs. An RFQ process was undertaken for mechanical services, and Pemco engaged.

This arrangement will be reviewed ahead of FY22/23 budget preparations to determine whether it is providing value.

For major work (e.g. engine rebuilds) Council may go through a competitive quotation process in line with Council's purchasing policy. It is noted that, in some instances, this can be challenging as a combination of factors, including:

- Desire to use OEM parts/servicing
- Inability to accurately quote work without detailed inspection
- Discovery of additional work that materially alters scope during repair works

The above can, and has, pushed the value of work above purchasing thresholds previously. In discussion with the Shire's auditors and WALGA it was agreed that value for money can still be obtained under these circumstances, where:

- It is possible to compare the labour rates of various providers
- There may be some value ascribed to utilising a particular provider (e.g. using the OEM to service a piece of plant, as this may preserve warranties/resale value)
- It would be impractical to – part-way through a job – seek a quote from another provider, as there would be a cost associated with relocating the piece of plant to obtain that quote

The current process, whilst relatively new, appears to be operating smoothly, and cost-effectively. Servicing is happening on a reliably regular basis and the quality of work has been consistent, furthermore there is an improved level of tracking and reporting of the work that is taking place. It will be reviewed towards the end of the 12-month engagement to determine whether it is an appropriate model to take forwards.

Areas for Improvement:

1. Whilst the current workflow is understood by key staff, and practically functioning, it is not well documented. It is recommended that this process is documented in an internal procedure. This will allow future auditing of the process to ensure it is being followed. This includes things like:
 - a. Submission and review of daily vehicle checks
 - b. Capture of ad-hoc requests for repairs/defect reports
 - c. Document flow between Shire and servicing contractor
 - i. Work requests
 - ii. Work reports
 - iii. Invoicing
 - d. Education of staff

Vehicle Usage:

Work Usage:

Vehicle usage is tracked in several ways:

- Daily vehicle check sheets (completed by operators, which capture vehicle hours, and dates that vehicles are used)
 - o All registered plant and fleet have vehicle check sheets in them; the check sheets are submitted weekly and reviewed by the Works Manager
- Staff timesheets (completed by staff and signed off by their manager, which capture the job that vehicles are used for, along with the amount of time they are used)
- Monthly vehicle hours reports (collected by staff members, which capture vehicle operating hours/kilometres at the end of each month and form part of the monthly plant report which is presented to Council)

No formal monitoring process exists to determine whether Council work vehicles are being improperly used. The Works Manager conducts worksite visits and inspections on a regular basis, and is able to match work output with vehicle usage as part of the timesheet approval process.

Internally, there has been investigation of the introduction of vehicle monitoring systems – as both a means of monitoring vehicle use and location from a safety and productivity perspective. Such systems are quite expensive, costing around \$1,000 annually per vehicle for tracking and monitoring, and around \$2,000 annually per vehicle if the service includes satellite communications, a solar tracker and a duress function.

Private Vehicle Usage:

The CEO and Finance and Administration Manager are provided with vehicles for unrestricted private use within WA. Both vehicles are subject to daily vehicle checks and monthly vehicle hours reports.

Both vehicles have been serviced by Toyota according to manufacturer's recommended service intervals.

Fuel:

Fuel usage is tracked by comparing overall fuel usage on a month by month basis. There is no formal process of tracking fuel for individual vehicles. Some of the works plant is fuelled using mobile fuel tanks, which do not measure or track the fuel very accurately.

All fuel for the Shire is obtained via fuel cards, either at Palm Roadhouse or BP network (for administration vehicles only). Fuel receipts are matched against the charge by the fuel companies on a fortnightly basis. There is currently a 90% compliance rate for fuel receipts being kept for Palm Roadhouse fuelling, with regular reminders provided to staff to keep fuel receipts and submit them to the office.

From August 2021, fuel usage per km or hours used will be added to the monthly Plant Report.

Areas for Improvement

2. Again, there is no documented workflow for the capture of vehicle usage data, particularly the vehicle check workflow. A written process should be developed to capture this, to allow for future audit of the process.
3. Vehicle monitoring systems would provide an additional layer of oversight and control over fleet usage. A plan for the implementation of such a system should be developed and costed, noting that targeted monitoring, particularly of vehicles that tend to work remotely in more isolated circumstances, are of a higher priority in terms of operator safety.

Theme 2: Disposal / purchasing processes

Vehicle Turnover Planning:

Council annually adopts, as part of the budget process, the 10-year plant replacement schedule. This document is developed by the Executive, primarily senior Works staff, to map out the ongoing replacement of Council's fleet. It underwent significant review as part of the 21/22 budget preparation.

Historically, due to budget constraints, this process has seen replacement dates for major plant and fleet pushed out. This has the potential to increase maintenance costs and reduce trade-in value

when turnover eventually does take place. With recent purchases, the option of financing through loans has been considered – and may be required further in future.

There is currently no formal policy or guidelines to govern vehicle turnover. Guides, such as the IPWEA Plant & Vehicle Management Manual can inform this process, as can the policies of other local governments – particularly larger regional local governments who have dedicated fleet management staff.

Areas of Improvement:

4. An internal guideline or Council Policy outlining preferred turnover periods for various types of plant would allow a more consistent approach to the disposal of vehicles and give greater consistency to the 10-year plant replacement schedule.

Purchasing:

The Shire’s purchasing policy has been followed for all vehicle purchases over the past two years, with purchases under the tender threshold receiving at least three quotes and all those over going through a public tender process.

Date	Plant/Fleet	Process
August 2021	Toyota Prado	Quotation Process (at least 3 quotes received)
August 2021	Toyota Rav4 Hybrid	Quotation Process (at least 3 quotes received)
August 2021	Toyota Hilux	Quotation Process (at least 3 quotes received)
August 2021	Grader (Cat 12M Replacement)	Public Tender
August 2020	Backhoe Loader	Public Tender
August 2020	Crew Cab Truck	Quotation Process (at least 3 quotes received)
July 2020	30,000L Water Tanker	Quotation Process (at least 3 quotes received)

Disposal:

The local government act has been adhered to for the disposal of all Shire plant and fleet for the period examined.

Date	Plant	Process
August 2021	Toyota Prado	Quotation Process (trade-in)
August 2021	Toyota Rav4 Hybrid	Quotation Process (trade-in)
August 2021	Toyota Hilux	Quotation Process (trade-in)
August 2021	Cat 12M Grader	Public Tender (trade-in)
August 2020	Backhoe Loader	Public Tender (trade-in)
August 2020	Crew Cab Truck	Quotation Process (trade-in)
July 2020	Water Tanker	Public submissions (In accordance with s3.58 (3) of the Local Government Act 1995)

Areas for Improvement:

5. Whilst proper purchasing and disposal processes have been followed, the filing of some quotation processes had not been completed. A clear written procedure capturing this process should be developed and communicated to staff involved in the procurement of plant and fleet.

Theme 3: Compliance with policies, procedures and legislation pertaining to fleet management

Fuel rebates:

Council's fuel rebates are managed externally by AIT Specialists, who are experts in this field and provide the service to a variety of Local Governments. They are able to stay abreast of the many changes that occur in this area, which are not always promulgated to the taxpayer. They undertake the fuel rebate calculations on a monthly basis and charge 10% of the amount claimable. There is an ongoing agreement with them, which provides for 30 days notice to terminate at any time.

When AIT were initially engaged in January 2019, they did an exercise going back to January 2015 to check the Shires fuel tax credit calculations, and obtained a refund of \$22,448 (that had previously been under claimed) for the Shire. Since then they have done the monthly fuel credit claims, with the monthly refunds in the range of \$1k - \$3k, depending on the amount and type of fuel used.

Fringe benefits tax:

The Shire pays the fringe benefits tax for all employees as per employment contracts. The fringe benefits period is from 1 April to 31 March each year, with the annual return to be completed by May each year. Quarterly prepayments are made each quarter, together with the submission of the Business Activity Statement. Any over or under amount is paid or received when the FBT return is assessed. The FBT calculations are externally reviewed as part of the Shire's annual audit; no issues have been identified.

Policies and Legislation:

As noted above, Council is meeting its policy and legislative requirements for the purchasing and disposal of plant and fleet.

Council has no other policies relating to fleet management.

Areas for improvement:

6. Investigate alternative methods to track fuel usage

Theme 4: Documentation and reporting of fleet management

Vehicle Servicing:

As noted above, records of vehicle servicing are provided to the accounts department, and Works Manager, as part of the invoicing process when work is completed. This information is stored with the Shire's financial records, and made available for Councillors to review along with all creditor payment documentation on a monthly basis.

Vehicle Usage:

As noted above, daily vehicle checks are documented through the vehicle check sheets, usage allocated to cost centres through timesheets, and hours/kilometres captured monthly as part of end of month processes.

The documentation of workflows in this area was identified as an area for improvement.

Fleet Management Costs:

Costs are captured through SynergySoft, with both timesheet and purchase order data captured and costed to the relevant item of plant or fleet.

Fuel costs are processed in Synergy Soft via the creditors system, by processing invoices from the various fuel suppliers used by the Shire.

Both of the above form part of the monthly plant report, which is presented to Council at the Ordinary Council Meeting.

Areas for Improvement:

7. Whilst processes and documentation are generally improving, there is still a lack of systemisation in terms of getting material into the digital filing system. Documenting and following set workflows should improve this.

Summary:

Plant and fleet management is an area that has been improving in the past couple of years, with greater systemisation and structure. There are still deficiencies, primarily in terms of documenting processes and record-keeping follow-up, as the areas for improvement identified demonstrate.

It should be noted that, with the addition of an experienced Works Manager to the Shire workforce, there has been a greater understanding of effective fleet management introduced, and several improvements made, particularly with regards to servicing.

It is recommended that, the follow-up from this report, be that the 7 areas for improvement be addressed.

5.3 IMPLEMENTATION PROGRESS – TENDERING AND PROCUREMENT AND EMPLOYMENT PRACTICES INTERNAL AUDIT REPORTS

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: GV.AUT.2
Disclosure of Interest: Nil
Date: 30 August 2021
Author: Erin Greaves, Governance Officer
Authorising Author: Nils Hay, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

To note the actions taken to address any recommendations received from the Internal Audit on Tendering and Procurement and Misconduct (received 8 February 2021) and Employment Practices, Fraud Management and Misconduct (received 1 June 2021).

Key Points

- An Internal Audit Report was considered by this Committee on 8 February 2021 on Tendering and Procurement, and Misconduct
- The implementation of any outcomes was scheduled within the Internal Audit Plan to be achieved in quarter 2 of 2020/21
- An Internal Audit Report was considered by this Committee on 1 June 2021 on Employment Practices, Fraud Management and Misconduct
- The implementation of any outcomes was scheduled within the Internal Audit Plan to be achieved in quarter 2 of 2020/21

AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL - ITEM 5.3

MOVED: Cr McTaggart **SECONDED:** Cr HM Newton

The Audit & Risk Committee notes the implementation of the Internal Audit Plan recommendations on Tendering and Procurement and Misconduct and Employment Practices, Fraud Management and Misconduct, as noted within this report.

VOTING DETAILS:

CARRIED UNANIMOUSLY 4/0

Committee Comments

Nil

Attachments

5.3.1 Internal Audit Report – Tendering and Procurement and Misconduct (Feb 2021)

5.3.2 Internal Audit Report – Employment Practices, Fraud Management and Misconduct (June 2021)

Background

Local Governments are required to keep a register of delegations and to review the delegations at least once every financial year, as per *Local Government Act 1995* s5.18 and s5.46. These delegations include those from Council to the Chief Executive Officer and Committees, and the Chief Executive Officer to other staff. Council has not yet reviewed the Register this financial year.

Relevant management staff were consulted in the lead up to the preparation of this report.

Comment

An update on actions/recommendations made through the Internal Audit Reports are provided in the tables below:

Tendering and Procurement, and Misconduct

Recommendation 1 – The Shire review its Purchasing Policy to ensure consistency with better practice standards and advice provided by WALGA.
✓ Purchasing Policy reviewed and amended at the Ordinary Council meeting held on 17 May 2021 (Resolution#03190521)
Recommendation 2 – Review its Pre-qualified Suppliers Policy following the establishment of a Panel to ensure effectiveness and appropriateness
Review to commence following completion of procurement activities for Cyclone Seroja recovery / insurance claims.
Recommendation 3 – 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.
✓ Incorporated into Training Plan for consideration in 2022/23.
Recommendation 4 – 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.
✓ Procurement has been included in employee and Elected Member inductions.
Recommendation 5 – The Shire maintains a Tender Register on its website.
✓ The Shire includes the Tender Register on its website.
Recommendation 6 – The Shire establish formal Tender procedures, checklist, and templates to ensure compliance with legislative requirements and internal controls.
✓ Tender procedures, a compliance checklist and templates have been developed.
Recommendation 7 – Develop a Tender Agenda template to ensure compliance with legislation and better practice to assist Elected members in their decision making
✓ A Tender Agenda template has been developed.
Recommendation 8 – Shire Inductions (Employee and Elected Member) include adequate coverage of the requirement and means to disclose Conflicts of Interest
✓ Conflicts of Interest are included in employee and Elected Member Inductions
Recommendation 9 – Elected Members participate in training modules relevant to Financial and Conflicts of Interest.
✓ Mandatory Training now includes a Conflicts of Interest unit for Elected Members. Interests are included in Elected Member inductions and a new information sheet has been developed for availability at Council meetings (summarising interest disclosure requirements at meetings).
Recommendation 10 – 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.
A template evaluation form is being developed to include information about gifts, interest and confidentiality (with a declaration) to ensure panel members are aware of requirements and any misconduct risk is reduced.
Recommendation 11 – The Shire explores the introduction of a ‘Requisitions’ function within its Purchase Order module to delineate between those requesting purchase orders and those authorising
As the Shire has committed to the transition from IT Vision’s SynergySoft to IT Visions Altus system, any new modules are on hold until the transition has been trialled for Payroll. In the meantime, the Shire considers the current module to be satisfactory, and the associated risk rating to be moderate.

Recommendation 12 – Staff be provided internal training to ensure they are familiar with system requirements and internal policies and procedures relating to purchasing activities.
To be actioned.
Recommendation 13 – Ensure applicable delegations are listed within any Council policies to ensure any policy review includes review of any affected delegations.
This has been done for new policies and will be updated with the next Delegations Register review in May 2022.
Recommendation 14 – The Shire seeks advice from other local governments / external parties to determine a more efficient system for managing and reviewing contracts.
To be actioned.
Recommendation 15 – Adopt a Fraud and Misconduct Framework
To be actioned.
Recommendation 16 – Include fraud prevention and awareness in inductions (Employee and Elected Members)
✓ Fraud Prevention and Awareness has been included in Employee and Elected Member Inductions

Employment Practices, Fraud Management and Misconduct

Recommendation 1 – Consider all process gaps identified in this report when undertaking a review of the Shire of Mingenew HR Policies and Procedures in 2021 to ensure they remain relevant and appropriate.
Review of HR Policies and Procedures to be conducted in preparation for next Audit & Risk Committee meeting
Recommendation 2 – Implement a process for which employees make annual declarations about changes to their status/circumstances and include this process in the Employee Performance Development Procedure.
Annual Performance Review documentation currently being updated to incorporate this requirement.
Recommendation 3 – Implement a 100-point identity check for all new employees
✓ New employees will be required to meet the requirements of a 100-point identity check, this has been added to the Shire's New Employee Checklist.
Recommendation 4 – Develop an Employee Screening procedure
Currently being developed; to be included in HR Policies and Procedures Manual

It is proposed that the Internal Audit Plan will be reviewed at the next Audit & Risk Committee meeting, following the Final Audit (for 2020/21) and completion of a review of the Shire's Operational Risk Register.

Statutory Environment

Local Government Act 1995

Policy Implications

As outlined within the action plan above.

Financial Implications

Nil.

Strategic Implications

Community Strategic Plan 2019-2029

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

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

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
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.

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 Website	Yes No	Yes No	Yes No
Notice of awarded tender Successful Unsuccessful	Yes Yes	Yes 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

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

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

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

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

Internal Audit Report – Employment Practices, Fraud Management and Misconduct



Objective

The Shire of Mingenew Audit & Risk Committee have identified that the objective of this internal audit is to determine if the Shire has suitable policies and procedures in place for screening employees and whether that includes verifying identity, employment history, education / professional qualifications, performing criminal history checks. This review considers the processes used or recommended for both new recruits and existing employees.

Internal Audit – Identified Risks

- 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

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

Informing Documents

OAG Report 24 – Verifying Employee Identity and Credentials (June 2018-19) **(APPENDIX 1)**
Australian Standard 4811-2006 'Employment Screening'

Policies

Policy Reviews

The Shire has a suite of Human Resource policies (approved and managed by the CEO) relating to employment:

POLICY	DESCRIPTION	LAST REVIEWED
1.4	Employee Performance Development Policy and Procedure (APPENDIX 2)	19 October 2020
1.8	Recruitment and Selection Policy (APPENDIX 3)	19 October 2020

Policy and Procedure 1.4 Employee Performance Development

This policy is designed to ensure that employee performance and development reviews are conducted in an efficient and effective manner and that consistent standards are maintained throughout the Shire of Mingenew.

This policy provides the mechanism for annual employee screening (at the annual performance review) but does not explicitly outline the requirements around what is to be checked. In some instances, it has been the Shire's practice, to gain copies of driver's licences of staff at each annual review to ensure they are current and valid however, this has not necessarily been consistent for all employees, nor has it extended to any other licence checks.

Policy and Procedure 1.8 Recruitment and Selection

This policy is designed to ensure appropriate and consistent recruitment standards are maintained throughout the Shire of Mingenew operations. It provides a resource to assist managers to carry out the recruitment of employees in accordance with the principles outlined in section 5.40 of the *Local Government Act 1995 (WA)* (the Act) and maximise the probability of successful recruitment and selection decisions.

The Procedure specifically discusses screening requirements for new employees, as follows:

- Identity check – requires photographic identification such as a Driver's Licence or Passport

- Reference Checks and Academic Results – requires applicants to provide at least two recent employment or educational-based referees that can be contacted by the Shire of Mingenew including a referee that is a current or recent manager. Applicants may also be required to provide certified copies or originals of academic results, professional qualifications or work- related licences.
- Criminal Record Screening – will be a requirement, depending on the role. The requirement will be outlined with any Position Description
- Bankruptcy Check – required for applicants applying for senior financial positions
- Working with Children Check – required for applicants to positions that are expected to engage with children
- Conflicts of Interest – candidates and panel members required to disclose any actual/perceived/potential conflicts of interest as soon as practical after the conflict becomes known.

In Practice

Candidates are required to provide photographic ID (passport or Driver's Licence). ID is checked to ensure that it is current (within expiry) and valid (doesn't appear to be tampered with and corresponds with other information provided by the applicant) and maintained within the Shire's recordkeeping system. Candidates that have an overseas address listed on their application or ID is requested to provide evidence of their right to work in Australia.

Referee checks are conducted prior to engaging any new employees and are recorded. Whilst the Shire has not recruited for any positions requiring formal qualifications as an essential criterion in the reporting period, common practice would be to verify any claimed qualifications/achievements directly with the relevant educational institution.

Criminal Record Screening is not requested for all vacancies. A risk assessment is undertaken for each position i.e. a position that has a high level of responsibility and access to or control of internal systems would be considered high risk. This requirement is outlined in any advertising for positions. This also applies to Bankruptcy checks, although no vacancies for senior financial roles have occurred within the reporting period for this internal audit.

The Working With Children Check (WWCC) is a compulsory screening program and therefore the requirements are managed by the Department of Communities. Each position is assessed prior to advertising to determine if the role requires a WWCC e.g. Community Development Officer role and then advertised as an inherent requirement of the role.

Conflicts of Interest requirements are discussed in developing a panel. Panels commonly consists of the applicable supervisor/manager and another officer from a different functional area or Governance Officer (due to HR experience and qualifications).

The Shire's practices and processes can be improved through conducting a comprehensive review of the current policies and procedures, and ensuring staff are aware of the requirements and implications. This includes training management staff to they understand the importance of ongoing screening of employees.

OAG Expectations

The Office of the Auditor General (OAG), in Report 24, recommended the following:

- LGs have a policy in place which covers the verification process for all potential employees and the monitoring process for existing employees, including:
 - Qualifications, licences and memberships are valid
 - Referee / reference reports are obtained and reviewed as part of the selection process
 - Identity checks
 - Right to work in Australia checked
 - Criminal background / WWC checks are undertaken and periodically reviewed (for appropriate roles)
 - Maintaining records to verify above checks have occurred and outcome of those checks
 - Annual declarations made by employees to verify licences and circumstances

- LGs have assessed the risk associated with each position and determined whether a criminal background or working with children check is required.

Risk Profile Review

As per the Shire's Risk Register, the Shire's overall controls regarding employment practices are considered to be adequate, having in place the following control measures:

- HR Policies and Procedures (adequate)
- Training needs analysis and Training Register (inadequate)
- Staff Inductions (inc Code of Conduct review) (effective)
- Performance Reviews process (adequate)
- Workforce Plan (inadequate)

In assessing the risks around employment practices, the following treatment actions have been identified:

Actions (Treatments)	Due Date	Responsibility	Status
Adopt Workforce Plan	Mar-21	CEO	Completed
Create a training needs analysis	Apr-21	CEO / GO	In progress
Develop Attraction and Retention Plan	Jun-21	GO	In progress
Develop a workforce survey to measure employee satisfaction	Dec-21	CEO / GO	Not started

Creating a training needs analysis is a treatment option for mitigating fraud risk. The Shire is currently developing a training and skills matrix that includes expiry dates for relevant licences and time-based qualifications to ensure that these can be monitored and followed up as required. This will reduce the risk of internal fraud and provides a mechanism to monitor and record this process.

Future Risks

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, remain a risk. Improved inductions and training programs will assist in mitigating these risks and needs can be identified through the Training & Skills Matrix.

Identified Gaps

This internal audit process has identified the following gaps, which will be addressed by the recommendations below:

- There is no formal, comprehensive identity check in place for all applicants seeking employment (prior to commencement all new employees are currently required to present/provide a copy of their WA driver's licence only)
- There is no formal procedure or consistent practice in place for the screening of applicants seeking employment
- There is no formal process to regularly (annually) check changes to licenses/qualifications

Recommendations

Recommendations
1. Consider all process gaps identified in this report when undertaking a review of the Shire of Mingenew HR Policies and Procedures in 2021 to ensure they remain relevant and appropriate.
2. Implement a process for which employees make annual declarations about changes to their status/circumstances and include this process in the Employee Performance Development Procedure.
3. Implement a 100-point identity check for all new employees
4. Develop an Employee Screening procedure

Prepared by Erin Greaves, Governance Officer, Shire of Mingenew
May 2021

Western Australian Auditor General's Report



Verifying Employee Identity and Credentials



Office of the Auditor General Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

Mail to:

Perth BC, PO Box 8489
PERTH WA 6849

T: 08 6557 7500

F: 08 6557 7600

E: info@audit.wa.gov.au

W: www.audit.wa.gov.au

National Relay Service TTY: 13 36 77
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The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

Verifying Employee Identity and Credentials



**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

VERIFYING EMPLOYEE IDENTITY AND CREDENTIALS

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

This focus area audit assessed whether 8 local government entities had suitable policies and procedures in place for screening new employees, and for monitoring existing employees for changes in their circumstances which may impact their employment.

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

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

CAROLINE SPENCER
AUDITOR GENERAL
19 June 2019

Contents

- Auditor General’s overview..... 4
- Executive summary 5
 - Background 5
 - Conclusion 5
 - What we did 5
- What did we find? 7
 - Only 3 entities had policies and procedures for verifying employee identity and credentials..... 7
 - There were many instances where staff identity or eligibility to work in Australia was not checked..... 8
 - Reference checks were not done for more than half the new employees we tested 8
 - Some entities were not consistently obtaining working with children checks 9
 - Entities need to improve how they monitor existing employees for changes in their status 9
 - Recommendations 10
 - Response from entities..... 11
- Appendix 1: Better practice principles 12

Auditor General's overview

This focus audit examined controls for verifying the identity and credentials of new employees and monitoring the status of existing employees.

We previously performed this audit in 2015 for state government entities. This report covers a sample of local government entities.

Our audit found that all entities need to improve their practices for screening employees. We identified many instances where local government entities were not checking the identity, right to work in Australia, employment history, qualifications and criminal backgrounds of new and existing employees.

While this audit was not designed to identify individual cases of inappropriate staff appointment, it did reveal significant shortcomings in policy and practices. If not addressed, these control weaknesses could impact the quality of employees in, and the integrity of, the public sector.

These focus audits can be considered as 'hygiene' audits as they give an indication of the health of various management controls. We conduct these audits as an extension of our annual financial audits, using more detailed testing than is required for forming our financial audit opinions.

The findings of these audits are likely representative of issues in other government entities that were not part of our sample. I encourage all entities, and not just those audited, to periodically assess themselves against these risks and controls on an ongoing basis. Our better practice checklist at Appendix 1 has been designed to assist entities to run their own hygiene checks.



Executive summary

Background

The activities and functions carried out by local government entities (entities) are diverse and involve a great deal of interaction with local communities. It is therefore essential that they recruit the right people.

Entities need sound, consistently applied employee screening processes to confirm the identity, integrity and academic credentials of potential employees. The screening process usually involves undertaking referee checks, checking criminal backgrounds and verifying employment history and educational qualifications. It is also important that entities continue to monitor employees, to identify changes in their circumstances which may impact their duties. The rigour of the processes may vary depending on the duties of the role and the related risks of employing the wrong person.

We previously performed this audit in 2015 for state government entities and found many instances where identity, qualifications, criminal backgrounds and right to work in Australia were not checked prior to employment.

Conclusion

All of the 8 entities we audited need to improve their policies and practices for screening employees.

We found many instances where entities did not check the identity, right to work in Australia, employment history, qualifications and criminal backgrounds of employees prior to their commencement. We also found instances where entities did not obtain a working with children check for positions which required it. These findings create a risk that an entity may employ inappropriate or unqualified staff.

Only the Shire of Boyup Brook and the City of Melville were monitoring their employees for all significant changes to their status which could impact their employment.

What we did

The focus of this audit was to assess if the sampled entities were adequately screening their employees to verify their employment history and performance, to check professional qualifications, to verify an employee's identity and right to work in Australia and, where appropriate, identify and assess criminal records.

We assessed the policies and practices at 8 entities, of varying size and location. We used the following lines of inquiry:

1. Do entities have suitable policies and procedures for screening employees?
2. Did entities adequately screen new employees to verify their identify, check employment history and educational/professional qualifications, and perform risk based criminal record checking?
3. Are entities monitoring existing employees for changes in their status (new criminal convictions or discontinuance of essential qualifications)?

The audit examined whether controls were in place to support good recruitment practices. It was not designed to identify individual cases of inappropriate appointment.

We tested a sample of 306 employees across 8 entities to assess screening practices. Our sample included a mix of new and existing employees.

We conducted this audit under section 18 of the *Auditor General Act 2006* and in accordance with Australian Auditing and Assurance Standards. The approximate cost of undertaking the audit and reporting is \$125,000.

The following 8 entities were included in this audit:

Entities
City of Melville (Melville)
City of Subiaco (Subiaco)
Shire of Boyup Brook (Boyup Brook)
Shire of Coolgardie (Coolgardie)
Shire of Dundas (Dundas)
Shire of Williams (Williams)
Town of Claremont (Claremont)
Town of Victoria Park (Victoria Park)

What did we find?

All 8 entities need to improve their practices in some way, with none of the entities displaying good policies or practices for verifying employee identity and credentials.

Only 3 entities had policies for verifying employee identity and credentials

Robust employee screening processes and procedures help entities to recruit appropriate staff and ensure that current staff remain suitable for their roles.

Policies and procedures for verifying employee identity and credentials should require checking of claims made by potential employees including their identity, relevant professional qualifications, memberships or licenses, prior work history, right to work in Australia and, where appropriate, criminal background. If there are any specific requirements for a position, such as qualifications or a working with children check, entities should clearly document these requirements in position description forms and these checks should also be part of the recruitment and monitoring processes.

Only Melville, Subiaco and Dundas had policies for verifying employee identity and credentials. Although the policies for these entities covered most requirements, there is scope for them to be improved by mandating a 100-point identity check and requiring periodic checking of staff for changes in their circumstances which may impact their employment.

It is important that recruitment policies and related documentation provide clear guidance to staff on instances where criminal background or working with children checks are required for the position. As noted in our 2015 report, criminal background checks are important for many positions, but not necessarily every position. Each entity needs to consider the need for criminal background or working with children checks based on the duties and risks of the position and the requirements of legislation.¹

While the majority of entities did not have specific policies and procedures for verifying employee identity and credentials, several had included the requirement for criminal background checks in position description forms. However, at Boyup Brook, Coolgardie and Williams, there was no requirement to perform criminal background checks for important positions. For certain positions, such as senior officers who approve key transactions and positions involving procurement, finance, human resource management and information system management, there should be some level of criminal background checks for potential employees.

Circumstances of individual employees can change over time, and it is therefore important that policies and procedures include requirements to monitor existing employees. This can include, where appropriate, periodic criminal background checks and requesting evidence that staff have maintained their essential qualifications. It is also good practice to require annual declarations from employees advising of any changes in their circumstances.

For the 3 entities with policies for verifying employee identity, only Melville's policy required periodic criminal background checks for positions requiring a criminal background check. In addition, none of the policies required employees to make annual declarations about changes to their status.

¹ *Working with Children (Criminal Record Checking) Act 2004*

There were many instances where staff identity or eligibility to work in Australia was not checked

It is essential to confirm the identity of all new employees. Australian Standard 4811-2006 'Employment Screening' regards this as an essential step in a recruitment process. This should be done prior to their commencement, preferably using a 100-point identity check. It is also important to verify that the potential employee has a right to work in Australia prior to engaging them in paid work.

From our sample of 306 employees, we found 81 instances (26%)² where there was no evidence that the entity checked the identity of the staff prior to employment. For a further 198 employees, across all 8 entities, the verification was inadequate because it fell short of the documentation needed for a 100-point check.

Of particular concern was the high percentage (89%) where there was no evidence of checking an applicant's eligibility to work in Australia. This shortcoming applied to every entity in our sample.

We found that most entities had identified the essential qualifications for positions, such as university degrees, first aid certificates or licenses, and clearly articulated these requirements in position description forms. For the regional entities in our sample, our testing confirmed that the entities were verifying that applicants held these essential qualifications prior to their employment. However, at Melville, Victoria Park and Subiaco, we found 54 instances (45%) where there was no evidence of this checking.

Reference checks were not done for more than half the new employees we tested

Reference or referee reports are an important tool to verify claims made by potential employees about their employment history and experience, and to clarify any uncertainties. In some instances, the checks may reveal information about a potential employee that was not readily apparent from other checks and documentation. They provide useful information about the integrity of applicants and should be a mandatory step in all recruitment procedures.

Entities can perform reference checks in a number of ways, including phone calls, emails or pro-forma forms. While a minimum two reference checks from appropriate referees is advisable, this may not be necessary for all positions. For more senior positions and roles that have significant financial responsibility, two reference checks are highly recommended.

We sampled 153 employees recruited by the entities in the period between 1 July 2015 and 20 September 2018. For more than half our sample (79 employees across all entities), we found there was no evidence that a reference check was performed as part of the recruitment process.

Most of the entities we reviewed had assessed whether a criminal background check was required for the position. However, entities were not consistently performing criminal background checks in line with their policies or position description forms. In total, we found 63 instances at 5 entities³ where a criminal background check was required, but there was no evidence that it was performed.

² City of Melville, City of Subiaco, Shire of Dundas, Town of Claremont, Town of Victoria Park

³ City of Melville, City of Subiaco, Shire of Dundas, Town of Claremont and Town of Victoria Park

Criminal background checks, before commencement of employment and periodically thereafter, are an important way of identifying employees whose background may represent a risk to the entity, other employees or customers.

Some entities were not consistently obtaining working with children checks

Because of the diverse nature of activities and functions performed by entities, there are a number of positions which involve working with vulnerable people in the community, such as children. The *Working with Children (Criminal Record Checking) Act 2004* and *Working with Children (Criminal Record Checking) Regulations 2005* require people engaged in 'child-related work' to have a working with children check card. While the requirements of the act may not apply to every position involving work with children, we believe it is good practice to perform these checks for these positions.

Melville, Claremont, Boyup Brook, Dundas and Williams had assessed the need for working with children checks and, based on our sample testing, were obtaining these checks as required. Subiaco, Coolgardie and Victoria Park had a small number of instances where management considered a working with children check was required, but there was no evidence that it was obtained.

Entities need to improve how they monitor existing employees for changes in their status

If a position requires an employee to hold a licence, working with children check card, or a professional qualification, entities should regularly monitor whether employees continue to hold the required qualification/clearance. Similarly, if the position requires the employee to have a criminal background check, there should be periodic checks to ensure that there has not been a change in circumstances which could cause a risk to the entity, other employees and customers.

Only Boyup Brook and Melville had procedures in place to regularly monitor employees for all significant changes in their status. Consequently, there is a risk that the other entities may be unaware if there is a change in circumstance, such as a loss of licence, which would affect the employee's capacity to perform their duties.

Recommendations

Public sector entities should:

1. have approved policies and procedures for verifying employee identity and credentials which cover:
 - using a 100-point identity check
 - criminal background checks, based on the risks associated with the position
 - periodic monitoring of existing employees
2. assess the positions which may require a criminal background or working with children check and ensure that these requirements are clearly documented in position description forms
3. for high risk positions, or positions where there is an ongoing requirement to hold a licence or professional qualification, obtain regular declarations from employees that there is no significant change in their circumstances
4. ensure that sufficient documentary evidence is obtained prior to appointment which supports an employee's
 - identification and right to work in Australia
 - professional qualifications and memberships
 - criminal background or capacity to work with children (where necessary)
5. perform appropriate referee checks for all potential employees and ensure that all employees' reference checks are retained in their employee or recruitment file
6. develop a procedure for monitoring the expiry dates of licences, certificates or working with children checks so that they can be followed up with the employee close to expiry date
7. perform periodic criminal background checks for positions which require it.

Under section 7.12A of the *Local Government Act 1995*, all sampled entities are required to prepare an action plan addressing significant matters relevant to their entity for submission to the Minister for Local Government within 3 months of this report being tabled in Parliament and for publication on the entity's website. This action plan should address the points above, to the extent that they are relevant to their entity, as indicated in this report.

Response from entities

The local government entities audited accepted the recommendations and confirmed that where relevant, they either have amended policies and practices or will improve human resource processes.

Appendix 1: Better practice principles

The following table shows control principles on which our audit focused. They cover a number of practices and controls related to verifying employee identity and credentials which are also recommended in Australian Standard 4811-2006 'Employment Screening'. They are not intended to be an exhaustive list.

Verifying employee identity and credentials	Focus Area	What we expected to see
Policy	Policies and procedures	<ul style="list-style-type: none"> Policy is in place which covers the verification process for all potential employees and the monitoring process for existing employees.
	Risk Assessment	<ul style="list-style-type: none"> Entities have assessed the risk associated with each position and determined whether a criminal background or working with children check is required. Position description forms clearly document the requirements of each position including any essential qualifications, licences and memberships and whether any criminal background or working with children checks are required.
Recruitment and Appointment	Qualifications	<ul style="list-style-type: none"> Entities verify essential qualifications, licences and memberships during the recruitment process.
	Past Work History	<ul style="list-style-type: none"> Referee/reference reports are obtained and reviewed as part of the selection process.
	Identity and Right to Work	<ul style="list-style-type: none"> Entities check the identity of successful applicants using a 100-point identification check. Entities confirm successful applicants' right to work in Australia by reviewing passports, visas and/or birth certificates.
	Criminal Background checking	<ul style="list-style-type: none"> Criminal background or working with children checks are obtained (where required) and reviewed by the entity.
	Recordkeeping	<ul style="list-style-type: none"> Entities retain documentation to demonstrate that they verified the potential employee's qualifications, past work history, identity, right to work in Australia and criminal background prior to the start date.
Monitoring of Existing Employees	Declarations	<ul style="list-style-type: none"> Employees provide an annual declaration to advise whether there has been a significant change in their circumstance which could impact their employment.
	Review	<ul style="list-style-type: none"> Entities monitor the expiry date of essential qualifications/licences and follow up with employees close to the expiry date. Where criminal background checks are required for the position, they are re-performed on a periodic basis.

Source: OAG based on Australian Standard AS 4811-2016 'Employment Screening'

Auditor General's Reports

Report number	Reports	Date tabled
23	Improving Aboriginal Children's Ear Health	12 June 2019
22	Opinions on Ministerial Notifications	5 June 2019
21	Engaging Consultants to Provide Strategic Advice	5 June 2019
20	Information Systems Audit Report 2019	15 May 2019
19	Audit Results Report – Annual 2018 Financial Audits	15 May 2019
18	Firearm Controls	15 May 2019
17	Records Management in Local Government	9 April 2019
16	Management of Supplier Master Files	7 March 2019
15	Audit Results Report Annual 2017-18 Financial Audits of Local Government Entities	7 March 2019
14	Opinions on Ministerial Notifications	13 February 2019
13	Opinion on Ministerial Notification	23 January 2019
12	Managing Disruptive Behaviour in Public Housing	20 December 2018
11	Opinions on Ministerial Notifications	20 December 2018
10	Opinions on Ministerial Notifications	18 December 2018
9	Treatment Services for People with Methamphetamine Dependence	18 December 2018
8	Opinions on Ministerial Notifications	10 December 2018
7	Audit Results Report – Annual 2017-18 Financial Audits of State Government Entities	8 November 2018
6	Opinion on Ministerial Notification	31 October 2018
5	Local Government Procurement	11 October 2018
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

Office of the Auditor General Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

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

T: 08 6557 7500

F: 08 6557 7600

E: info@audit.wa.gov.au

W: www.audit.wa.gov.au



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1.4 Employee Performance and Development Policy

Policy Statement

This policy is designed to ensure that employee performance and development reviews are conducted in an efficient and effective manner and that consistent standards are maintained throughout the Shire of Mingenew.

The Shire of Mingenew recognises that continuing to focus on the career development of its employees is a beneficial strategy in retaining resources and developing each employee's potential.

Scope of Policy

This policy applies to all Shire of Mingenew employees with the exception of:

- The Chief Executive Officer.
- Temporary employees that are engaged for less than 6 months.

Commitment

Shire of Mingenew is committed to conducting performance reviews in a fair and consistent manner. The Shire of Mingenew is committed to ensuring that the associated processes will be based on merit and expressed in terms of the established performance/selection criteria.

Each employee will be appraised on an annual basis to discuss performance and development plans and the appraisal will take the form of an exchange of views between employees and their immediate line manager/supervisor.

Performance plans will consist of performance objectives (related to overall business objectives), performance standards, and a development plan to ensure the employee has the skills and knowledge to meet the specified objectives.

The Shire of Mingenew will commit to ensuring that Supervisors and Line Managers are equipped to utilise Performance Management processes and techniques.

Employee Performance and Development Reviews

Further details provided for in the Employee Performance and Development Procedure.

The Induction

The Shire of Mingenew will conduct an induction when an employee is new to the Shire of Mingenew, and when a current employee's job has changed significantly.

An induction meeting forms part of an employee's orientation to the job and provides an opportunity for the line manager/supervisor to:

- formally set the expectations, requirements and objectives of the role;
- outline the key responsibilities of the employee in the role; and
- establish a training and development program.

The Annual Review:

The purpose of the Annual Review meeting is to:

- a) allow the employee and the line manager/supervisor to agree on the final assessment of the employee during the full review period, which is usually twelve months.

The final assessment is based on:

- the extent to which key performance indicators (KPI's) and/or objectives have been met (taking into account the degree to which obstacles have interfered); and
 - a judgment of the expected behaviours being demonstrated.
- b) ensure that the line manager/supervisor formally tasks the employee for the next review period, and to set up training and development needs and strategies.
 - c) encourage the employee to provide constructive feedback to his/her line manager/supervisor in relation to their leadership, support and guidance.

Informal Feedback Meetings

During the 12-month review period, regular informal discussions and two-way communication must take place so that the formal Annual Review Meeting provides no surprises for either the employee or the line manager/supervisor.

Training & Development

The Shire of Mingenew commits to providing training and development in line with the requirements of the role, budgetary limitations and operational needs of the organisation for effective strategic planning. Where training and development opportunities are identified as part of the Employee Performance and Development review process this should be provided to the CEO for review and action.

Underperformance

Where unsatisfactory performance is identified by the Shire of Mingenew this will be dealt with through this policy coupled with the disciplinary policy and performance management policy. Sustained and/or serious underperformance may lead to disciplinary action and/or termination of employment

Variation to This Policy

This policy may be cancelled or varied from time to time to reflect changes in organisational policy, best practice in performance appraisals and compliance with the relevant legislation. All the organisation's employees will be notified of any variation to this policy by the normal correspondence.

Related Corporate Documents

Employee Performance and Development Procedure
Employee Performance and Development Appraisal Form
Employee Performance Improvement Plan

Policy Number	1.4
Policy Version	2019.1
Policy Owners	Chief Executive Officer
Creation Date	16 July 2019
Last Reviewed	19 October 2020
Next Review Due	This policy should be reviewed every 12 months (annually), or more often where circumstances require.

1.4.1 Employee Performance and Development Procedure

The aims of the appraisal

The aims of the employee performance and development review are to:

- improve performance;
- improve communication;
- motivate employees and
- assess the role of the employee.

Frequency of employee performance and development reviews

Employee performance and development reviews will be conducted as outlined below, unless special permission to delay the review has been sought through the Chief Executive Officer. Permission will only be granted in circumstances such as prolonged higher duties arrangements and periods of leave.

- The Induction – Within 4 weeks of commencement
- Probationary Review
- The Annual Review
- Informal Feedback Meetings – On an ongoing basis

Responsibility of Employee

To actively participate in the employee performance and development review meeting along with setting goals and working towards the objectives set through the review process.

Responsibility of Supervisor

To schedule and conduct the employee performance and development review meetings (including informal feedback meetings) in line with the timeframes set out in this procedure and to give honest and constructive feedback on an ongoing basis. There should be no surprises to the employee during the formal review process.

Meetings

Employee performance and development reviews will be conducted in a confidential manner.

Employees will be given at least a weeks' notice that the meeting will take place. The meeting will be conducted with the employee and their immediate supervisor, and/or another appropriate officer with permission of the Chief Executive Officer.

As the employee performance and development review meeting is not a disciplinary meeting, there is no requirement for the Shire of Mingenew to offer the employee a support person.

Position Descriptions

Position descriptions form the basis for the performance appraisal. The Shire of Mingenew will, as part of the performance appraisal process, review the position description to ensure that it accurately reflects the employee's role.

Consideration for a reclassification review will only be undertaken where there is substantial change to the position requirements and/or duties.

Key Performance Indicators

The Shire of Mingenew in consultation with the employee will set key performance indicators (KPI), which will form part of the employee performance and development review.

KPIs implemented as part of the review process will relate to personal targets for individual employees and departments. When setting KPIs they will cover:

- overall business/strategic objectives of the Local Government, Department and role;
- measure areas that will influence the success of the Local Government;
- specific role or project aims and milestones; and
- indicate areas requiring further action.

Organisational Values & Behaviours

The Shire of Mingenew will ensure that the employee performance and development review will measure the employee's ability to adhere to organisational values as outlined in the Strategic Community Plan. The review will also measure the employee's behaviour in line with the code of conduct, Shire of Mingenew policies and expected standards of behaviour.

The Appraisal

The appraisal will be conducted through the set form. Once the appraisal is completed it will be sent to the Manager/CEO for approval before being placed on the employee's personnel file.

Confidentiality

The Local Government and employee will maintain the strictest of confidentiality through the process.

Variation to this Procedure

This procedure may be amended from time to time. All Shire of Mingenew's employees will be notified of any variation to this policy by the normal correspondence method.

Procedure Number	1.4.1
Procedure Version	2019.1
Procedure Owners	Chief Executive Officer
Creation Date	16 July 2019
Last reviewed	19 October 2020
Next Review Due	This procedure should be reviewed every 12 months (annually), or more often where circumstances require.

1.8 Recruitment and Selection Policy

Policy Statement

This policy is designed to ensure appropriate and consistent recruitment standards are maintained throughout the Shire of Mingenew operations. It provides a resource to assist managers to carry out the recruitment of employees in accordance with the principles outlined in section 5.40 of *the Local Government Act 1995 (WA)* (the Act) and maximise the probability of successful recruitment and selection decisions.

Principles:

Merit and Equity

The Shire of Mingenew is committed to recruitment, selection, promotion, and other personnel decisions being fair, consistent and compliant with the principles set out in section 5.40 of the Act. These principles include but are not limited to:

- Employees are to be selected and promoted in accordance with the principles of merit and equity; and
- No power with regard to matters affecting employees is to be exercised on the basis of nepotism or patronage; and
- Employees are to be treated fairly and consistently; and
- There is to be no unlawful discrimination against employees or persons seeking employment by a local government on a ground referred to in the Equal Opportunity Act 1984 or on any other ground; and
- Employees are to be provided with safe and healthy working conditions in accordance with the Occupational Safety and Health Act 1984.

Recruitment and selection practices must evidence reasonable measures to attract a broad range of suitable candidates from which the most suitable candidate may be selected. Practices shall not be designed to limit or exclude the ability for suitable candidates to apply.

Confidentiality of Information and Conflict of Interest

All employees involved in the recruitment and selection process shall be bound by:

- strict standards of confidentiality; and
- disclosure of interest requirements;

As outlined in the Shire of Mingenew's Code of Conduct.

Equal Employment in the Workplace

The Shire of Mingenew recognises its legal, moral, social and ethical obligations to actively promote and practice the principles of equal opportunity in all aspects of employment.

The Shire of Mingenew will ensure:

- All advertisements, job descriptions and titles are non-discriminatory;
- The most suitable person is appointed to a position based on qualifications, skills, expertise, experience and aptitude;
- All personnel forms are non-discriminatory and relevant in phrasing and requirements; and
- Benefits and entitlements are accessible and administered in a consistent manner throughout the workforce.

Application:

This policy covers the recruitment and selection of all Shire of Mingenew vacant positions other than the Chief Executive Officer.

CEO recruitment and employment procedures are prescribed in the relevant sections of the Act and the Local Government (Administration) Regulations 1996.

Recruitment and selection of positions which have been previously determined as 'senior employees' in accordance with section 5.37 of the Act, will accord with the requirements of this policy in addition to requirements for the CEO to inform Council of any decision to employ or dismiss a 'senior employee'.

Authorities and Responsibilities

The Chief Executive Officer (or his/her nominee) is responsible for the recruitment and selection of employees:

- including assessing the need to recruit for a position;
- within the scope of their direct or indirect supervision;
- within approved budget allocations only;
- in accordance with this policy and relevant operational procedures;
- in consultation with the Human Resources Manager / Officer; and
- may execute resulting employment contracts on behalf of the Shire of Mingenew.

The CEO may nominate, by written authority, for recruitment and selection of an employee to be undertaken by another officer who is responsible for the direct supervision of the position, subject to the CEO being satisfied that the officer is adequately experienced or trained to ensure procedural integrity of the recruitment and selection process.

Process and Procedures

Documented recruitment procedures must reflect favourably on the organisation and ensure that practices are transparent, professional and fair, and in accordance with the principles of section 5.40 of the Act.

Review of Positions

The Shire of Mingenew reserves the right to review the continuing need for any position within the Shire of Mingenew's existing organisational structure and in context of the allocation of resources to meet the objectives of the Workforce Plan, Community Strategic Plan and Corporate Business Plan.

Recruitment Decisions

The Recruitment decisions will be based upon:

- present and future corporate needs;
- alternative staffing needs i.e. structural change and/or redistribution of duties to other positions;
- selection methods (psychometric testing, interviews, reference and background checks);
- selection criteria, skills and capabilities required for the role;
- attraction strategy - advertising, remuneration, benefits and candidate sourcing methods;
- alternative methods if the process is unsuccessful or preferred candidate declines;
- use of external consultants, appointed in accordance with the Purchasing Policy.

The Chief Executive Officer will be responsible for making the final decision for all appointments.

Selection & Appointment

Selection of the preferred candidate must demonstrate substantial alignment with the requirements of the role, as determined in the Recruitment Strategy.

Probation

Unless otherwise agreed by the CEO, appointments of more than six months shall require a probation period of at least three months.

Record Keeping

Records must be created and maintained to evidence compliance with this policy, in accordance with the *Local Government's Record Keeping Plan and the State Records Act 2000*.

Policy Governance

The CEO determines this policy and may cancel or vary the policy from time to time to reflect changes in organisational policy, best practice in recruitment processes and compliance with the relevant

legislation. All the organisation's employees will be notified of any variation to this policy by the normal correspondence.

Related Documents

Internal

- Recruitment and Selection Procedure
- Equal Employment Opportunity Policy
- Discrimination, Harassment and Bullying
- Grievances, Investigation and Resolution Policy
- Purchasing Policy

External

- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- *Equal Opportunity Act 1984*
- *Occupational Safety and Health Act 1984*

Variation to This Policy

This policy may be cancelled or varied from time to time to reflect changes in organisational policy, best practice in recruitment processes and compliance with the relevant legislation. All the organisation's employees will be notified of any variation to this policy by the normal correspondence.

Policy Number	1.8
Policy Version	2019.1
Policy Owners	Chief Executive Officer
Creation Date	15 August 2019
Last Reviewed	19 October 2020
Next Review Due	This policy should be reviewed every 12 months (annually), or more often where circumstances require.

1.8.1 Recruitment and Selection Procedure

This procedure is designed to ensure the Shire of Mingenew develops a sound Recruitment Strategy, utilises best practice selection methods, undertakes the appropriate pre-employment checks before offering employment to new and existing employees, and verifies employee credentials on an ongoing basis.

Objectives

- To ensure recruitment attracts quality applicants from the widest possible pool of candidates including existing Shire of Mingenew staff members.
- To ensure selection processes are competitive, merit-based and undertaken in a timely and effective manner.
- To provide clear guidance for officers participating in the recruitment and selection process to ensure consistency, fairness and statutory compliance.

Recruitment Strategy

Before the Local Government commences a recruitment process, a Recruitment Strategy must be considered by the Manager responsible for the recruitment process in conjunction with the CEO.

The Recruitment Strategy will contemplate:

- present and future corporate needs
- alternative staffing needs i.e. structural change and/or redistribution of duties to other positions
- the development of a new or revised position description
- competencies, skills and capabilities required for the role
- use of an external recruitment consultant (if required) and appointed in accordance with the Shire of Mingenew's Purchasing Policy
- attraction strategy including advertising, remuneration, benefits and candidate sourcing methods
- selection methods
- the relevant pre-employment checks that must be conducted once a preferred candidate is selected, and
- alternative methods if the process is unsuccessful or preferred candidate declines.

The Recruitment Strategy and the review of the position description for the role will assist the Local Government to develop a list of essential requirements, key competencies and attributes for the role. To ensure alignment with the Council's strategic goals and budget allocations, all new or replacement positions identified as requiring recruitment, must be authorised by the Chief Executive Officer.

Selection Methods

Direct Selection

The Chief Executive Officer may, at their discretion, select on merit a prospective employee (internal or external) for appointment to a position without advertising the vacancy. External direct selections will be generally only be made in the case of short-term casual or temporary employment.

Direct selections will be made in the following circumstances:

- Where a position requires a high degree of specialist knowledge or skill;
- Where a major re-organisation has taken place, jobs have been re-designed, and/or where exiting employees must be accommodated within the new organisational structure; or
- Where direct selection is in the best interests of the smooth operation of the Council.

Internal Recruitment

The Chief Executive Officer may elect to fill the vacancy by inviting applications from existing employees. This process can be utilised where a number of potential candidates, with the required specialist knowledge or skills, have been identified within the Shire's workforce.

The advertising of all internal vacancies will be co-ordinated through the CEO. Internal positions will be advertised on staff noticeboards and employees will be given at least five (5) working days to apply for internally advertised positions.

External Advertising and Applications

The Chief Executive Officer may elect to recruit persons externally through placing an advertisement in the local or regional newspaper and Shire website, online job boards, or listing the vacancy with a specialist recruitment agency.

All externally advertised positions will also be advertised internally, with internal applications being invited from current employees. The line manager of the position or CEO will be appointed as the contact officer for all advertised positions.

Acknowledgement of applications

All applicants will receive written (may include by electronic means) confirmation of their application and an outline of the recruitment process.

Shortlisting of Applicants

The purpose of short listing is to select from the applicants received, a smaller group to proceed to the interview stage.

The first step in short listing is to assess if the applicants appear to meet the essential criteria based on their application. It is not necessary that every applicant who meets the essential criteria be interviewed. Ideally the number of candidates for interview should be three or four.

Interviews

All positions require a minimum of one round of interviews prior to the final selection being made. Interview questions should include a series of behavioural based questions relating to the key performance requirements of the position and be based on the defined selection criteria. Candidate responses to the interview questions will be scored using a standardised scoring process.

Record Keeping

During the recruitment and selection process, applications and information relating to applications will be recorded and stored appropriately.

Once the recruitment process has been finalised and an appointment confirmed, internal applications will be transferred to the personnel files. External applications will be stored in accordance with the provisions of the Archives Act 1983 and Personal Information Protection Act 2004.

The report recommending the appointment of the successful candidate will be filed to ensure transparency of the process if disputes should arise.

Personal Information Form

Successful applicants will be required to complete a Personal Information form which will ensure that the Council is provided with relevant employment information including personal details and includes a declaration that the information provided is true and accurate.

The Shire may request information about any medical conditions or disabilities that impact on an applicant's ability to carry out the duties of a position. As an equal opportunity employer, the Shire requests this information to highlight any accommodations that may be required to support an applicant with a medical condition or disability.

Identity Check

Successful applicants should provide a certified copy of suitable photographic identification such as a driver's licence or passport.

Reference Checks and Academic Results

A preferred candidate will need to provide at least two recent employment or educational-based referees that can be contacted by the Shire of Mingenew including a referee that is a current or recent manager. Applicants may also be required to provide certified copies or originals of academic results, professional qualifications or work-related licences.

Criminal Record Screening

Depending on the risks associated with a particular role, the Local Government may require the preferred candidate to produce a current National Police Clearance issued by the WA Police. The requirement for a position to provide a National Police Clearance will be documented in the position description for the role. Information of which will be provided within the Position Description.

Bankruptcy Check

A bankruptcy check may be required for applicants applying for senior financial positions within the Council.

Working with Children Check

Applicants applying for positions in which individuals are expected to engage with children may be required to apply for or produce a current Working With Children (WWC) card.

Pre-Employment Health Assessment

A pre-employment health assessment will be required as part of the recruitment process for all positions.

Job Offers and Employment Commencement

On approval from the Chief Executive Officer and the completion of the required pre-employment checks, the successful applicant will be offered the position.

Employment Agreements/Contracts

All successful applicants will receive a letter of appointment (Award based employee) or a letter of offer and employment contract (common law contract).

The letter of appointment and letter of offer/employment contract are some of the most important documents that may be issued by the Council. Together with the prospective employee's acceptance, it forms the basis of the contract of employment. Documenting the employment relationship will ensure that the prospective employee knows on what terms they are agreeing to work, thus minimising any doubt, as well as the likelihood of any future disputes.

The offer of employment should contain the following information as a minimum:

- Position title and duties together with a copy of the position description
- Employee's classification, wage rate and payment arrangements
- Duration of employment
- Supervisor authority
- Hours of work and place of work
- Superannuation details
- Leave entitlements
- Probationary period and review mechanisms
- Termination mechanisms
- References to the applicable award, industrial agreement and employee policies and procedures.

The employment documents must be signed and returned by the applicant prior to the commencement of employment.

A personnel file containing the employee's application for employment, interview reports, letter/contracts of employment and pre-employment checks will be set up by the payroll officer. All personnel information will be kept on this file and will be made available to the individual employee to view on request.

Probationary Period

All new employees may be appointed subject to a three-month probationary period and will be committed in writing at the outset of employment.

The employee's performance will be formally reviewed at least once during the three-month period. The line manager should provide the employee with feedback on their work performance and any areas where unsatisfactory performance has been identified.

Should a probationary employee be demonstrably not suitable for the position on the basis of their capacity and abilities, their employment may be terminated subject to the provisions of the relevant employment legislation, the relevant Award or contractual entitlements and Council's staffing policies.

Where it has been decided that an employee has performed satisfactorily in order to be granted ongoing employment, the following procedures shall be followed:

- the employee's permanent status will be confirmed in writing;
- the manager and employee will meet to discuss any performance issues, areas of improvement and areas of positive performance, and record these discussions in writing;
- any training needs of the employee will be identified and record these training needs in in writing;
- the employee should be given the opportunity to provide feedback regarding the probationary process and the matters that were discussed during the probationary process; and
- Identify and explain areas within the Key Performance Indicators which require improvement.

Failure to complete a final probationary review within the set timeframe will not automatically result in an employee being permanently appointed to that position. If the final probationary review is not completed within the set timeframe, the employee on probation will be contacted as soon as practicable and informed that their probationary will be extended to allow for a final assessment to be conducted.

Extension to the Probationary Period

The Shire of Mingenew may decide to extend the probationary period beyond the initial probationary period rather than appoint the employee permanently. Any decision to extend the probationary period should take into account the factors outlined below:

- employee absence or change in management;
- the employee's performance or a review of the employee's efforts to rectify their performance;
- the guidelines set out in the relevant award, letter of employment and/or contract of employment;
- the measures taken during the probationary period to discuss the deficiencies of the employee;
- the nature and seriousness of the deficiencies;
- the efforts by the employee to rectify any deficiencies;
- Whether the nature of the work requires a longer probationary period in order to assess the employee's capacity to perform the role;
- the employee's personal circumstances such as previous experience, knowledge, age, expectations and family responsibilities; and
- any other factor deemed relevant by the Local Government.

The employee should be informed where the Shire of Mingenew decides to extend the probationary period and this extension should be confirmed in writing.

Recruitment and Selection Process

The Shire of Mingenew's Recruitment and Selection process for most positions will follow the below course:

Conduct Job Analysis	See further guidance under "Job Analysis".
Position Description finalised and Selection Panel appointed	Approved by CEO.
Vacancy is advertised	Applications are accepted for a minimum of 14 days.
Application and queries accepted until 4pm on closing date	Late applications are not accepted, unless approved by the CEO under exceptional circumstances.
Applications assessed against key selection criteria	Each application is treated confidentially and in all cases the selection panel will assess each application on its merits.
Shortlisted candidates are contacted to attend interview	At the time of contact for interview please advise of any special needs. In some cases, candidates may be requested to provide examples of their work in preparation for the interview.
Panel interviews / Practical Assessments are conducted	The interview will have structured set of questions which are relevant to the position. For Practical Assessments, candidates may be asked to demonstrate their competencies through a set physical activity, based on set evaluation criteria.
Candidates not shortlisted are notified	All candidates not progressing will receive notification.
Referees are contacted for preferred candidate(s)	Referees must be direct supervisor/manager from last two employees. The Shire may ask for additional referees as required.
Successful candidate notified	Successful candidates are notified as soon as possible, usually within ten (10) working days of the interview.
Police clearance/medical checks undertaken	Applicants may be requested to provide a Police Clearance Certificate and complete a pre-placement medical (to determine fitness for work). Refusal to participate may forfeit applicant's progression in the recruitment process.
Letter of offer issued	Using the Shire's "Letter of Employment Offer" template with salary and conditions as stated in advertisement for vacancy.
Unsuccessful candidates who attended interview are notified once offer to successful candidate accepted	All unsuccessful candidates will receive notification.

Some adjustment may be necessary, dependent on the position, number of candidates that have applied and internal resourcing. Procedural fairness and legislative requirements must be adhered to at all times, as outlined within the Shire's Recruitment and Selection Policy.

Conflict of interest

A conflict of interest arises when an individual's personal, external or financial interests, or those of a person with whom he or she has a close personal relationship, come into conflict with the performance of his or her duties to the Shire. A conflict of interest may be actual, perceived or potential.

Candidates and Panel members are required to disclose a conflict of interest as soon as practical after the conflict becomes known.

Canvassing

Canvassing of Shire employees (including Elected Members) will not be tolerated and any candidate found to be participating in canvassing may forfeit their progression in the Recruitment process.

Variations to Employment

Should at any time during the period of employment, any of the terms and conditions of employment need to be changed or varied for whatever reason, a new contract of employment should be completed, and the employee must agree prior to the variations or change taking place.

Inductions

All employees are required to complete an Employee Induction within 2 days of commencement and will be conducted by the relevant line manager or Governance Officer.

Variation to This Procedure

This procedure may be cancelled or varied from time to time to reflect changes in organisational policy, best practice in recruitment processes and compliance with the relevant legislation. All the organisation's employees will be notified of any variation to this procedure by the normal correspondence.

Procedure Number	1.8.1
Procedure Version	2019.1
Procedure Owners	Chief Executive Officer
Creation Date	15 August 2019
Last Reviewed	19 October 2020
Next Review Due	This procedure should be reviewed every 12 months (annually), or more often where circumstances require.

5.4 EOI FOR INDEPENDENT MEMBER – RESIGNATION OF MR BATTILANA

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: FM.AUD.21.22
Disclosure of Interest: Nil
Date: 10 September 2021
Author: Nils Hay, Chief Executive Officer
Authorising Author: Nils Hay, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

Following the recent resignation of Maurice Battilana as the Shire of Mingenew's Audit and Risk Committee Independent Member, it is being recommended that a public process be undertaken to seek a replacement.

Key Points

- Process to be guided by Committee Terms of Reference
- CEO to administer process with Council to approve any appointment

AUDIT & RISK COMMITTEE RECOMMENDATION TO COUNCIL – ITEM 5.4

MOVED: Cr Smyth SECONDED: Cr McTaggart

That the Audit & Risk Committee recommends to Council that the Chief Executive Officer undertake a public Expressions of Interest process to seek an independent member for the Audit and Risk Committee.

VOTING DETAILS:

CARRIED UNANIMOUSLY 4/0

Committee Comments

- Consider promoting option for attending meetings electronically – Governance and Community Manager to clarify requirements

Attachments

5.4.1 Letter of Resignation – Maurice Battilana

5.4.2 Terms of Reference – Audit and Risk Committee

Background

In March 2019 Maurice Battilana was endorsed by Council as the independent member on Council's Audit and Risk Committee. Mr Battilana also serves as the CEO at the Shire of Chapman Valley. Following his recent resignation from that role, he has also resigned from his position on the Audit and Risk Committee. As such, a vacancy exists.

The attached Terms of Reference, adopted in February 2021, outlines the process for appointment, and expectations on independent members.

Comment

A suitably qualified independent member is a valuable addition to the Committee, as they can provide additional skills as well as outside perspective on matters. It is acknowledged that, because of the inability to remunerate the role, there may be a limited pool of prospective parties. Nevertheless, a public Expressions of Interest process should be undertaken in order to test that market.

A letter of thanks will also be sent to Mr Battilana in recognition of his contribution to the committee.

Statutory Environment

Local Government Act 1995

5.9. Committees, types of

- (1) In this section — **other person** means a person who is not a council member or an employee.
- (2) A committee is to comprise —
 - (a) council members only; or
 - (b) council members and employees; or
 - (c) council members, employees and other persons; or
 - (d) council members and other persons; or
 - (e) employees and other persons; or
 - (f) other persons only.

5.10. Committee members, appointment of

- (1) A committee is to have as its members —
 - (a) persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and
 - (b) persons who are appointed to be members of the committee under subsection (4) or (5).

**Absolute majority required.*

- (2) At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.
- (3) Section 52 of the *Interpretation Act 1984* applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the council.
- (4) If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.
- (5) If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —
 - (a) to be a member of the committee; or
 - (b) that a representative of the CEO be a member of the committee, the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

7.1A. Audit committee

- (1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.
- (2) The members of the audit committee of a local government are to be appointed* by the local government and at least 3 of the members, and the majority of the members, are to be council members.

**Absolute majority required.*

- (3) A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent the CEO as a member of an audit committee.
- (4) An employee is not to be a member of an audit committee.

Policy Implications

Nil – the attached Committee Terms of Reference guide the process

Financial Implications

Nil; the position cannot be remunerated; however reasonable travel expenses can be reimbursed.

Strategic Implications

Community Strategic Plan 2019-2029

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

From: [Nils Hay](#)
To: [Erin Greaves](#)
Subject: Fwd: Finance Committee
Date: Friday, 10 September 2021 4:16:08 PM
Attachments: [image001.png](#)

Nils Hay
Chief Executive Officer
Shire of Mingenew
M: 0419 647 661
T: (08) 9928 1102

From: Maurice Battilana <ceo@chapmanvalley.wa.gov.au>
Sent: Wednesday, August 25, 2021 3:10:25 PM
To: Nils Hay <ceo@mingenew.wa.gov.au>
Subject: Finance Committee

Caution: This email originated from outside the organization. Be cautious with links and attachments.

Hi Nils

As per our recent discussion, I wish to formally resign from the Shire of Mingenew Finance Committee as I will be leaving local government at the end of 2021.

I have enjoyed my time on the Committee and wish you all the very best in the future.

Kindest regards

Maurice Battilana | CHIEF EXECUTIVE OFFICER



Address 3270 Chapman Valley Road | Nabawa | WA | 6532
Mailing Address PO Box 1 | Chapman Valley Road | Nabawa | WA | 6532
www.chapmanvalley.wa.gov.au | email ceo@chapmanvalley.wa.gov.au
phone (08) 9920 5011 | fax (08) 9920 5155 | mobile 0429 205011

*Disclaimer by the Shire of Chapman Valley: -
This email is private and confidential. If you are not the intended recipient, please advise us by return email immediately, and delete the email and any attachments without using or disclosing the contents in any way. The views expressed in this email are those of the author, and do not represent those of the Shire of Chapman Valley unless this is clearly indicated.*

 please consider the environment before printing this email.



TERMS OF REFERENCE

Audit and Risk Committee

1.0.1

Title:	1.0.1 – AUDIT AND RISK COMMITTEE TERMS OF REFERENCE
Adopted:	19 December 2018
Last Reviewed:	17 February 2021
Associated Legislation:	Sections 7.1A, of the Local Government Act A1995. Regulations 16 of the Local Government (Audit) Regulations 1996
Associated Documents:	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
Review Responsibility:	Audit & Risk Committee
Delegation:	-

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 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 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 external 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 is 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 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 requirements (commonly 3-4 times per year) .

Additional 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.

6.0 CLOSURE

Prior to closing the meeting, the Committee thanked retiring Councillors HM Newton and RW Newton for their contributions and value to the Committee.

Meeting closed 1:50pm.



BUSH FIRE ADVISORY COMMITTEE MEETING

MINUTES FOR THE SHIRE OF MINGENEW BUSH FIRE ADVISORY COMMITTEE MEETING TO BE HELD AT THE SHIRE CHAMBERS ON 23 SEPTEMBER 2021 COMMENCING AT 6PM.

1.0 DECLARATION OF OPENING

The Chief Bushfire Control Officer, Murray Thomas opened the meeting at 6:03pm.

2.0 RECORD OF ATTENDANCE / APOLOGIES

Murray Thomas
Paul Flanders
Anthony Smyth
Tim Dempster
Rob Holmes
Rocky Brennan
Jordan Bechard
Nick Duane
Justin Bagley
Alex Pearse
Andrew Green
Ian Comben, Department Fire & Emergency Services
Sarah Conlin, Bushfire Risk Planning Coordinator
Nils Hay, Shire of Mingenew CEO
Erin Greaves, Shire of Mingenew GCM

Apologies

Phillip Soullier
Daniel Michael
Jarrad Heitman
Jon Holmes

3.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

3.1 Bush Fire Advisory Committee AGM held 8 March 2021

BUSH FIRE ADVISORY COMMITTEE DECISION – ITEM 3.1

Moved: Anthony Smyth

Seconded: Nick Duane

That the Minutes of the Shire of Mingenew Bush Fire Advisory Committee Annual General Meeting held 8 March 2021 be confirmed as a true and accurate record of proceedings.

CARRIED

4.0 OFFICERS REPORTS

4.1 Chief Bush Fire Control Officer Report- Murray Thomas

- Other than high fuel load leading into 21/22 Fire Season, nothing to report

4.2 Captains Reports-

4.2.1 Yandanooka

4.2.2 Lockier

4.2.3 Guranu

4.2.4 Mingenew North

4.2.5 Mingenew Town

- Anthony Smyth noted the car fire incident from 24 July that the Town Brigade attended – Incident Report provided for issuing to DFES
- Thanks to those who attended the training prior to this meeting

4.3 Shire CEO Report

- 20/21 Operating Grant has been acquitted
- Awaiting replacement date for Fast Attack
 - DFES have a backlog on new vehicle builds, which is why this is overdue
- Recent funding application for Fire Shed upgrade not funded
 - DFES capital funding being put towards addressing backlog of vehicle builds
- Funding application for waterbombing/firefighting infrastructure at Mingenew airstrip successful
 - Project to be delivered largely in FY22/23
 - Feedback will be sought from BFAC around requirements from a firefighting perspective (see General Business)
- An application has been made under Western Power's Bushfire Volunteers Grant program to fund 2 x Cel-Fi units that has previously been rejected by DFES for State Government funding (a prerequisite of this grant program is that it would fund equipment not otherwise available through ESL or other local government grant programs).
- Increased fuel load this year has been raised with DFES on several occasions following TC Seroja
 - Some roadside mulching ongoing, but this will only partially address this issue
- Bushfire Risk Management Officer, Sarah Conlin, will be commencing shortly to develop the Shire's Bushfire Risk Management Plan (she will present at this meeting)
- Block inspections have already commenced in town, with residents being notified of required works ahead of 1 October Firebreak Notice cut-off

4.4 DFES Report

- Ian Comben discussed preferred fire reporting method – suggest all fires to be reported to Triple Zero, preferably through Shire as likely to have on the ground knowledge to quickly identify location and other contacts. Ian to provide information to Shire on what information is likely to be asked when reporting to assist.
- Everyone is encouraged to use Channel 11 (Emergency UHF) for communication during a fire
- Be aware that DFES is available to assist with resources – personnel and machinery (noting additional fleet is available during high season)
- A reminder that PPE/PPC must be used when fighting fires
- Two flyers available:
 - Hardship Assistance Scheme for BFAC members
 - Changes to Australian Warning System
- Workplace, Health and Safety changes being implemented in January 2022 – lots of talk around indemnity for volunteers and concerns from volunteers – looks likely that this will be resolved before changes are implemented.

4.5 Other Agency Reports

Nil.

5.0 GENERAL BUSINESS

5.1 Bushfire Risk Management Plan

Sarah Conlin from DFES provided a short presentation about the development of the Bushfire Risk Management Plan. As part of this process, it was recommended that Sarah be appointed as a Bush Fire Control Officer; as has been done for her engagements in other local government areas.

[copy of presentation available on request to Shire]

BUSH FIRE ADVISORY COMMITTEE DECISION – ITEM 5.1

Moved: Justin Bagley Seconded: Nick Duane

That Sarah Conlin be appointed as a Bush Fire Control Officer for the purposes of completing the Shire of Mingenew's Bushfire Risk Management Planning process.

CARRIED

5.2 Airstrip Upgrades

Council has secured Federal funding to undertake a range of upgrades to the Mingenew airstrip, which will improve operability for both RFDS (raising it to RFDS standard) and waterbombing/firefighting. The approved scope of works included:

- Bore
- Water storage (~250kL)
- Pump
- Fast fill standpipe
- Portable lighting
- Gate/fencing
- Storage for foam/fittings
- Training for interested parties on waterbombing/filling operations

The Committee suggested clarifying RFDS requirements around length of strip.

5.3 Burning behind Autumn Centre

After COVID and cyclone postponing efforts a few times, advice is sought from Members around some appropriate dates to conduct this work, so we can seek to coordinate with Water Corporation and DFES. At this stage, March/April next year appears the most suitable/realistic target.

Ian Comben advised DFES could be available to assist.

5.4 PPE & Equipment Needs

Members advised the following is required:

- Goggles
- High quality disposable masks (not ventilators)
- Gloves
- Jumper leads and jump start packs

It was also suggested that the DFES service checklist be provided to Pemco for use when servicing fire appliances. Ian Comben to forward checklist to Shire.

5.5 Personnel Records and Training

It was noted at the last meeting that current DFES personnel records of registered volunteers does not reflect actual volunteers, based on advice from Captains. The Shire is liaising with those volunteers who are not registered to complete the relevant application form and will update DFES with the information.

DFES have also provided a list of volunteers and the training they have completed – see attached. This may assist in determining training needs and feedback is sought from the Committee on any priority areas (if any).

Members are encouraged to forward any paperwork to the Shire for recording and forwarding to DFES (or as otherwise required).

5.6 Work Health and Safety Act – Volunteering Safely

It is proposed that the attached '*Local Government Bushfire Volunteers Returning Home Safe and Well – A Practical Guide*' be issued to new volunteers as part of the onboarding process, and to ensure the Shire meets its obligations to provide a safe workplace.

5.7 Other Matters

- Ian Comben sought to clarify if the Committee was satisfied with the recent changes to the Prohibited Burning period, noting that it doesn't align with neighbouring local governments? The Committee agreed that this has been considered and the change is suitable.

6.0 TIME AND DATE OF NEXT MEETING

Next Bush Fire Advisory Committee Meeting to be held Monday, 14 March (TBC).

7.0 CLOSURE

The meeting is closed at 7:15 pm.

Local Government Bushfire Volunteers Returning Home Safe and Well

A Practical Guide

June 2021

Acknowledgement

The WA Local Government Association (WALGA) and LGIS acknowledge the Traditional Owners of the land and pays respects to Elders past, present and emerging.

Table of Contents

Introduction	2
Work Health and Safety Act	3
How can you volunteer safely?.....	4
Managing your risk mindset.....	4
Policies and Procedures.....	5
Why training is key?.....	6
Consultation and Communication.....	7
Managing the Risks	8
Common Hazards and Controls.....	9
Fire and Smoke	9
Manual Handling.....	10
Falling Objects and Debris	11
Vehicle safety.....	12
Plant and equipment.....	13
Flammables (Petrol/Diesel).....	13
Asbestos	14
Your Health & Wellbeing as a Volunteer	15
Emotional Distress and Having the Right Frame of Mind.....	16
Using Personal Protective Equipment or Clothing	17
The Role of DFES.....	18
Thank You	19

Introduction

Local Governments in Western Australia manage bushfire brigades made up of volunteers from the local community. The role of these volunteers is highly valuable and important to local communities, but by the nature of the work, can pose hazards to volunteers, that if not managed properly can lead to harm.

As a volunteer you will be exposed to many environments with varying degrees of risk. You may encounter such hazards as fire and smoke, falling objects, debris, asbestos, manual handling, fatigue, dehydration, emotional distress and road hazards

This list is not exhaustive, but highlights the importance that volunteers are prepared and protected when they attend fire grounds or volunteering activities.

This booklet is designed to provide guidance to those who volunteer for their Local Government Brigade. It is not a replacement for other important safety information you receive, rather a compliment to that information.

Fundamental to ensuring you are equipped to volunteer effectively and safely is to be trained.

In addition, working collaboratively and positively with your Brigade, fellow volunteers and Local Government will prepare you to keep safe and perform your duties to the best of your abilities.

Knowing how to manage risk and how to act responsibly in your role are of great importance to you and your local community.

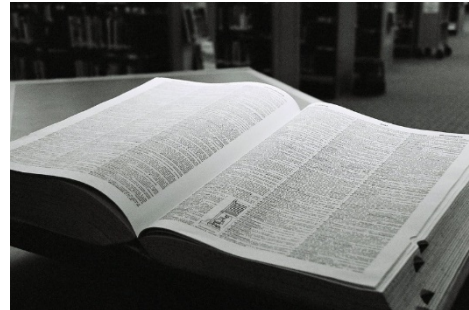
Work Health and Safety Act

Safety Legislation

Under the Work Health & Safety Act volunteers are considered in the same context as a worker.

Volunteer

A **volunteer** is a person who is acting on a voluntary basis (irrespective of whether the person receives out-of-pocket expenses).



Within safety legislation a person is a **worker** if the person carries out work in any capacity for a person conducting a business or undertaking, in this case the Local Government. This includes working as a **Volunteer**.

Duty of Care as a Volunteer

- Take reasonable care for their own health and safety; and
- Do not adversely affect the health and safety of other persons; and comply, so far as reasonably able, with any reasonable instruction that is given by the person conducting the business or undertaking to allow the person to comply with this Act; and
- Cooperate with the local government and brigade in ensuring your safety.

This includes:

- Participating in consultation and communication
- Reporting hazards and incidents
- Using personal protective clothing (PPC), personal protective equipment (PPE) and Respiratory protective equipment (RPE) appropriately
- Following safety documentation and reasonable instruction
- Attend any required training

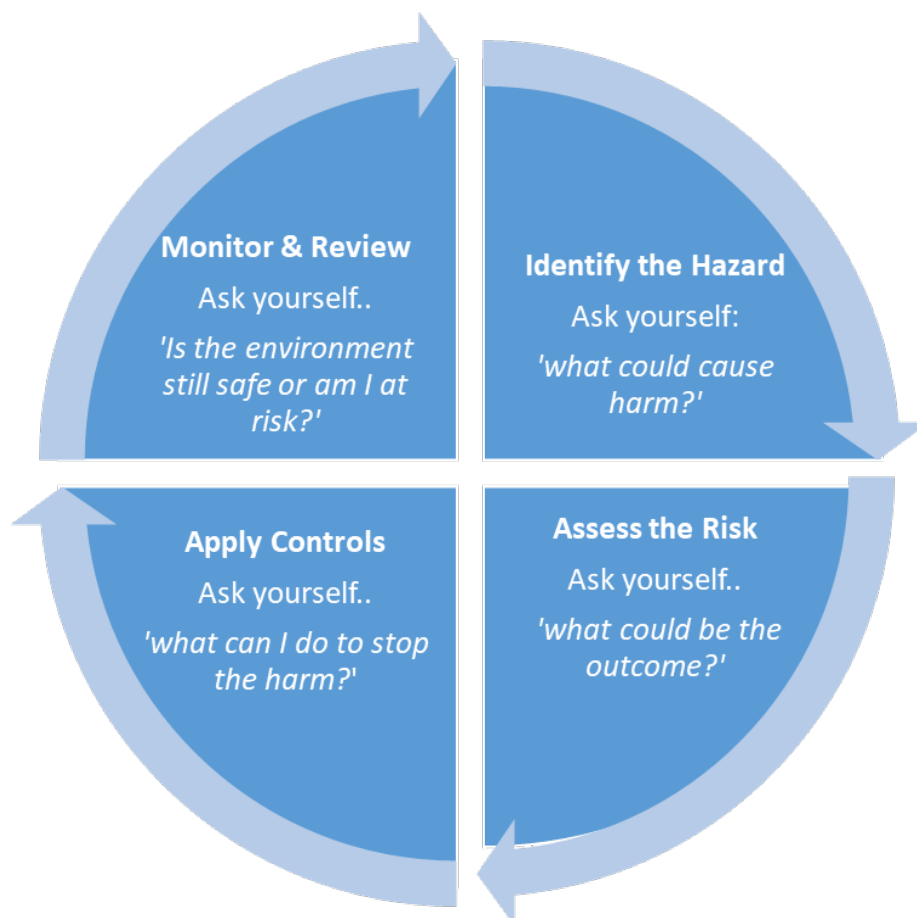
How can you volunteer safely?

Fundamental to volunteering safely is ensuring you approach every task with a risk management mindset. That is, whilst working with your brigade, ensuring you consider the risks associated with the activity, and have a clear plan that uses measures to control those risks.

The role of a bushfire volunteer is dynamic, and whilst risk management is always considered in the planning, when on the ground and faced with a pending situation, it may not always be possible to conduct a formal risk assessment. This is why you must always have a risk management mindset

The diagram below is an example of how you can take a risk management approach to volunteering:

Managing your risk mindset



Policies and Procedures

Local Governments and your brigades have developed policies and procedures in relation to how they as an organisation support and manage the safety of volunteers. These may include but not be limited to:

- Safety Policy
- Hazard identification, risk assessment and control procedures
- Hazard and incident reporting processes and procedures
- Fitness for work policy – including drug & alcohol.
- Task or activity process – Standard operating procedures
- Personal Protective Equipment and Personal Protective Clothing
- Respiratory Protective equipment
- Plant and equipment use and instructions
- Volunteer safety manual
- Issue resolution processes

It is important you are familiar with these documents as they relate to your role as a volunteer. Please talk with your Brigade or Local Government if you are unfamiliar with the relevant policies and procedures or how they relate to you.



Why training is key?

To ensure that you are adequately prepared to perform your tasks and activities in a safe and healthy manner it is important that you participate in all training, and are deemed competent in the activities that you will perform.

Training may be delivered in a class environment, such as at the brigade, or on the job; both are equally as important and set the foundation for how you will perform your role as a bushfire volunteer.

If you are having difficulty in understanding any aspect of the training provided, speak to your Brigade or Local Government, and they will review the training and work with you to ensure you have a good understanding.



Consultation and Communication

Effective consultation and maintaining open communication are key to having a positive safety environment.

Whilst recognising the diverse nature of volunteers and competing responsibilities, as a volunteer it is important you attend and participate in as many group meetings as possible. These meetings occur to ensure volunteers are given consistent messages, up to date safety and health information as it relates to tasks and activities to be performed, as well as build comradery amongst the brigade; which is a fundamental component of volunteering together safely.

If you are unable to attend a group meeting, inform your brigade as soon as possible so they can provide you with any information you may have missed.



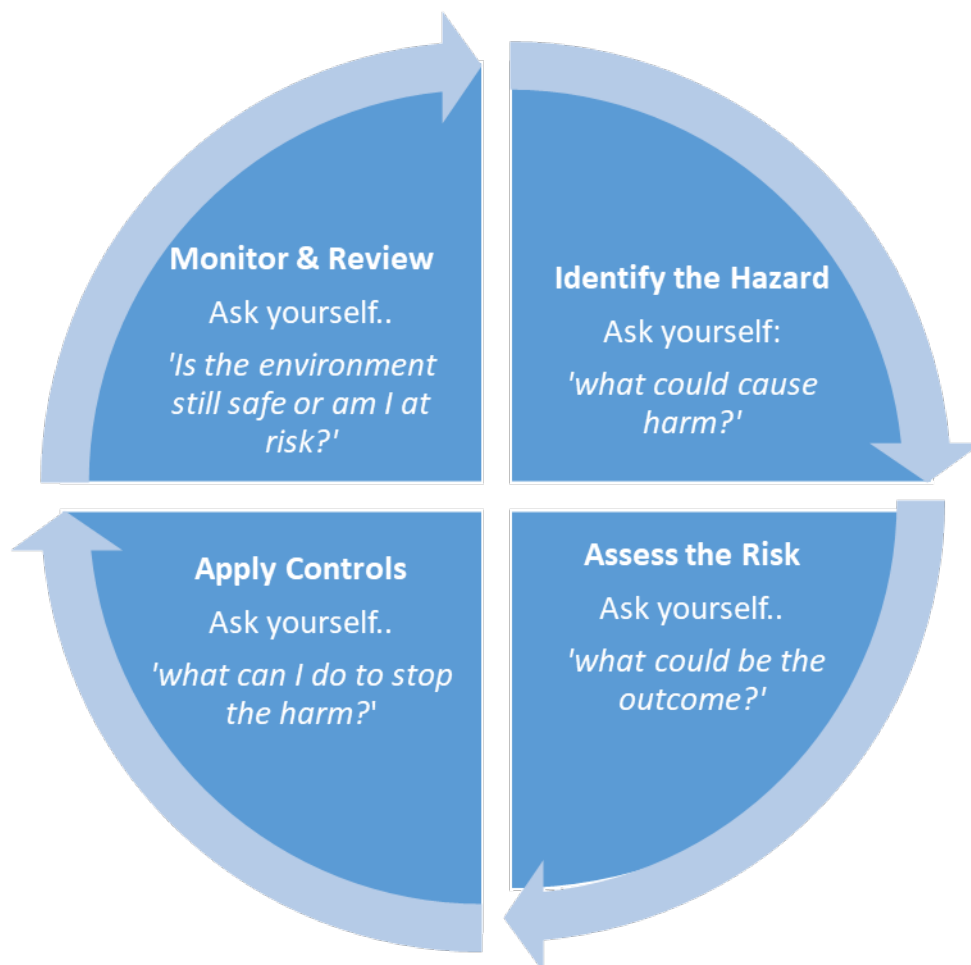
Managing the Risks

As mentioned earlier, managing risks is about having the mindset to identify, assess, and work out the controls in a dynamic environment where you continue to review those controls to make sure they are effective or whether we need to change anything.

It is fundamental that each task you approach is with a risk mindset, whilst working with your brigade.

It is understood that in the role of a bushfire volunteer, it may not always be possible to conduct a formal risk assessment. So, it is important that you continually assess the risks for all activities, from the time activated.

The diagram below is an example of how you can apply a risk management mindset whilst volunteering.



Common Hazards and Controls

When volunteering, you will be exposed to many hazards. On the following pages you will find information on those hazards, as well as common controls.

This information is by no means complete as every situation is different, which is why you must always approach volunteering with the risk management mindset.

It is important that we identify and report hazards so that action can be taken to address. Within your role as a volunteer, you should identify and report any hazards to your Brigade or Local Government

You can do this by:

- Formal hazard reporting processes
- Performing a “take 5” or similar (job size up)
- Participating in crew briefings
- Ensuring you have situational awareness
- Attend training and drills
- Incident reports (reactive)
- Red flag warnings

Fire and Smoke

The hazards of fire and smoke present numerous risks. These can include:

- Exposure to high heat
- Fume inhalation
- Carbon Monoxide exposure
- Dehydration
- Reduced visibility
- Damage to structures

You will be provided training by your brigade and instruction on what to do in situations where these hazards are present.

Additionally, the training you receive on the correct use of Personal Protective Equipment, Personal Protective Clothing and Respiratory Protective Equipment will be of utmost importance to controlling these hazards.

Manual Handling

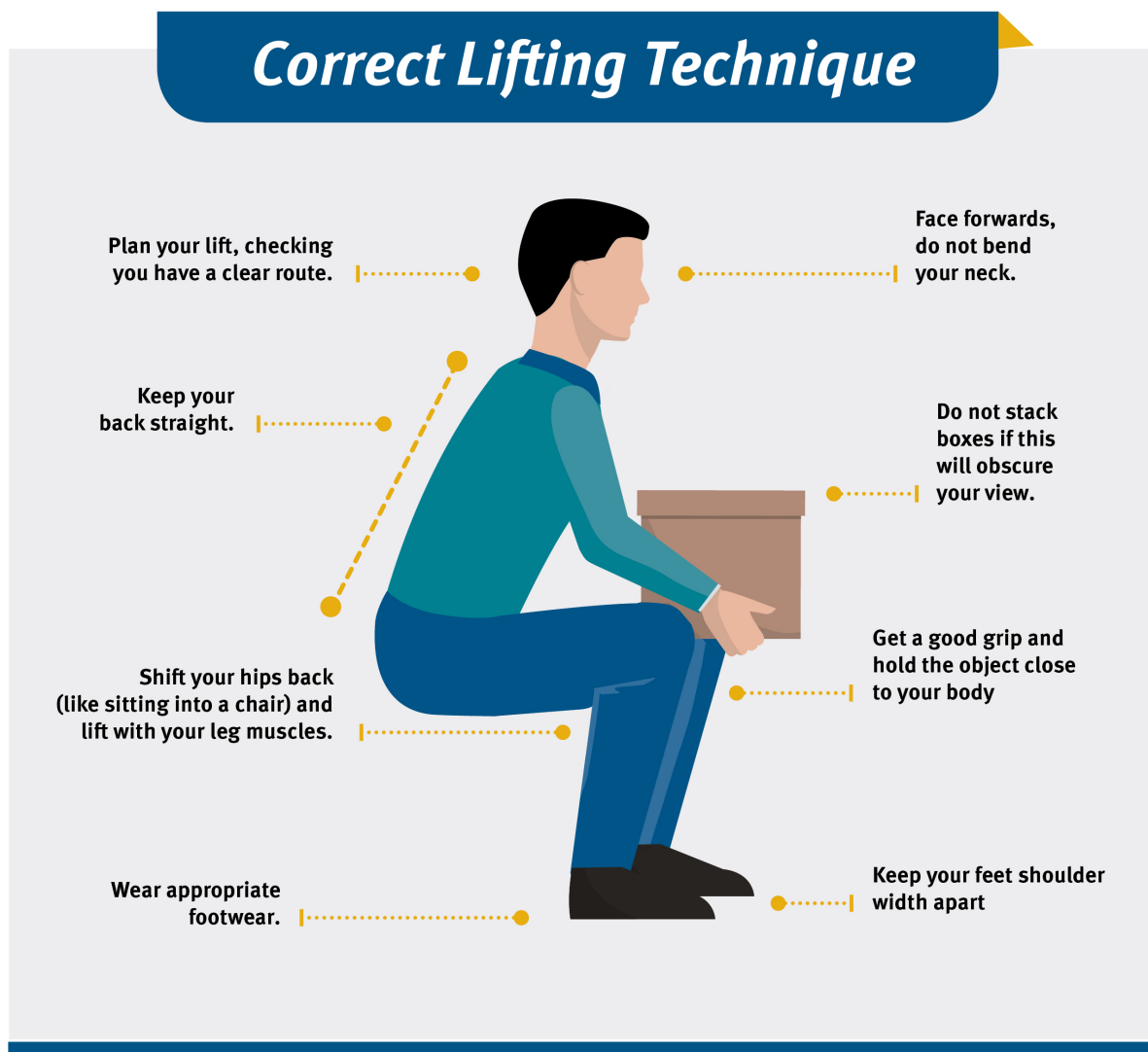
As a bushfire volunteer, you will be involved in numerous manual handling and lifting tasks.

This may include:

- Moving fallen trees and debris
- Using a fire hose
- Using and maintaining vehicles
- Using and maintaining equipment

It is important you attend training and always follow correct manual handling techniques.

The following demonstrates safe manual handling principles:



Falling Objects and Debris

Both falling objects such as tree branches, and on the ground debris (typically causing trip and fall injuries), pose hazards to volunteers. These hazards are present in a wide variety of situations.

While the personal protective clothing, and equipment you are provided will help reduce the risk associated with these hazards in some way, they cannot be relied on solely. This is particularly important when falling objects such as trees and branches can be a common occurrence on a fire ground.

Trees, branches, power lines and poles are all objects that can fall in the event of a fire or weather event.

Where possible keeping yourself and vehicles clear of the drop zone is the best form of control.

It is important to always take note of what is above you and your overall surroundings, and take direction from your brigade.



Vehicle safety

Preparation for an emergency response begins before an alarm is raised.

Having a sound knowledge and understanding of how the vehicles and equipment you will be using or operating, and being competent in their use is vitally important, with this in mind it is important that you complete any training.

Your brigade should provide you with an induction to all equipment including vehicles.



Plant and equipment

Bushfire volunteers use a variety of plant and equipment within their role.

It is important that volunteers familiarise themselves with these items, and how to operate them safely.

There are many ways in which this can be achieved, a few are listed below.

- Ensure that you are using the correct piece of equipment for the task.
- Familiarise yourself with the manual or safe operating procedures for the plant or equipment.
- Having the correct level of personal protective clothing and equipment is vital, this should be included in the manual or safe operating procedure.
- Carry out any prestart checks, make sure the equipment isn't damaged – if it is don't use it, and report it.

Post Activity

- Conduct post operational inspection or maintenance
- Conduct any brigade processes on returning the item.
- Ensure that any damaged equipment is reported, so this can be addressed.

Flammables (Petrol/Diesel)

Bushfire volunteers should be aware of the hazards that are involved when working with flammables, most commonly petrol and diesel.

The potential for explosion and fire is ever present during training and response processes.

Hot refuelling of plant and storage of fuel can be very dangerous in this working environment and should not be conducted without approval and supervision from a superior.

Some of the risks associated with these products include damaging skin, eyes and respiratory systems. It is vital that volunteers familiarise themselves with the safety data sheet, which explains how injuries should be treated as well as outlining the correct form of personal protective clothing or equipment needed.

It is good practice to have copies of safety data sheets in vehicles to access should the need arise.

Asbestos

Many environments that bushfire volunteers respond to may have asbestos containing materials. Volunteers should approach and treat the hazard in a manner that ensures the safety of all crew members.

It is imperative that volunteers use the correct PPC. This should include P2 respiratory protection, full overalls with sleeves down and safety glasses or goggles, this can be further enhanced with disposable overall or chemical protective clothing.

It is important that volunteers try to limit the release of any asbestos fibres during incident operations.

The following points provide general guidance.

- Hand tools should be used instead of powered tools as their use reduces the amount of potential fibre release
- Keep to a minimum the movement of ash and debris (e.g. turning over) and ensure it is carefully carried out to prevent/reduce the amount of fibres that may be released
- DO NOT intentionally break any asbestos into smaller pieces
- Leave intact and undisturbed individual pieces of asbestos cement sheeting if the fire/damage has disturbed and distributed it over a wide area
- If disturbed, ensure the asbestos is wet down, using a fine spray and moved as short a distance as possible (but still within the risk area) to a safe place
- Ensure good personal hygiene both during and post incident.



Your Health & Wellbeing as a Volunteer

Mental Fatigue

As a bushfire volunteer, mental fatigue could be an outcome of exposure to different types of demands that leaves you feeling exhausted which impacts overall function:

Type of Demand	What this looks like for a Bushfire Volunteer
<p>Cognitive demands</p> <p>Tasks that are mentally demanding due to long periods of high concentration and difficult decision making.</p>	<ul style="list-style-type: none"> ▪ Reactive nature of emergency situations ▪ Being switched-on 100% to adequately attend during emergency situations
<p>Emotional demands</p> <p>Work that is emotionally challenging, due to high emotional involvement, or having to regularly disguise emotion whilst volunteering.</p>	<ul style="list-style-type: none"> ▪ Loss of life ▪ Being a pillar of support within a community
<p>Physical demands</p> <p>Tasks or a physical environment that negatively impacts our health.</p>	<ul style="list-style-type: none"> ▪ Handling equipment ▪ Moving obstacles ▪ Maintenance of equipment ▪ Standing for long periods of time
<p>Time demands</p> <p>Long working hours, time pressure tasks.</p>	<ul style="list-style-type: none"> ▪ Deployment of time sensitive interventions to support people, animals and communities. ▪ Shift work / working for long periods with feeling like you are unable to take a break.

When getting sufficient sleep, good nutrition and exercising regularly still results in difficulty performing everyday activities, concentrating or being motivated at normal levels, you may be experiencing fatigue that needs further investigation

Some signs of fatigue may include: tiredness, headaches, dizziness, muscle weakness/aching, impaired decision making, moodiness, impaired coordination, appetite changes, changes in vision, and changes in memory.

It is important for you to report in a timely manner to your brigade captain if you are feeling unwell.

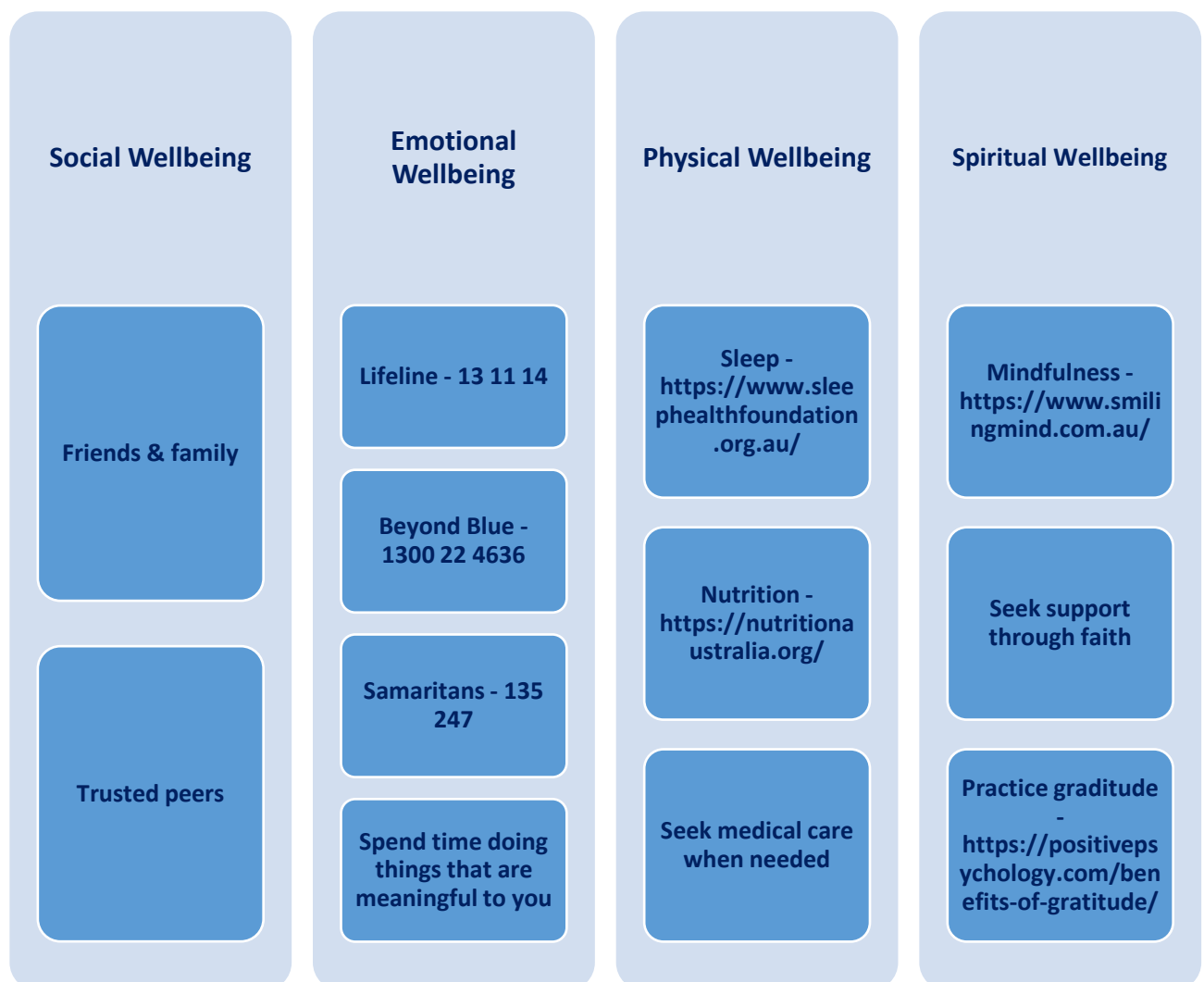
Emotional Distress and Having the Right Frame of Mind

As a bushfire volunteer your role is key in supporting communities when man-made or natural disaster strikes.

The nature of this type of activity can present significant emotional demands for bushfire volunteers. Emotional demands can be defined as work/situations that are emotionally challenging, due to high emotional involvement, or having to regularly disguise emotion in the moment.

Remember – as a bushfire volunteer these emotional demands can arise through working within your own community, coping with the loss of life (human and animal), defending your own properties and/or properties of other families, viewing the loss of livelihoods, and being confronted with life threatening situations.

When emotional demands are coupled with additional demands, this can lead to adverse outcomes on health and wellbeing, such as psychological strain, burnout, and issues with sleeping. So, it's really important that volunteers are proactive in managing their own mental health and wellbeing, to be in the best frame of mind when responding to events.



Using Personal Protective Equipment or Clothing

As a volunteer, you will be provided with personal protective equipment (PPE) and protective clothing (PPC) this is to be used to mitigate against the hazards you will be exposed to; it's important this is worn where required at all times.

The brigade or Local Government will provide instruction and training in how equipment and clothing should be:

- Worn and appropriately fit you
- Conditions for it to be kept in and looked after
- When it should be replaced and how often
- Cleaning and hygiene
- If Personal protective equipment, Personal protective clothing or Respiratory protective equipment is required for a task or activity, it **MUST** be worn
- Damaged PPE or PPC should not be used and replacements should be requested.



The Role of DFES



FOR A SAFER STATE

The Department of Fire and Emergency Services (DFES) works in collaboration with Western Australian communities and other government agencies to help prevent, prepare or, respond to and recover from a diverse range of hazards. These include fires, cyclones, floods, rescue missions on land and at sea, as well as assisting at road and traffic emergencies.

The majority of bushfire response in Western Australia is managed by Local Governments Brigade and their volunteer responders. However, DFES may get involved in bushfire emergencies at the request of the Local Government Brigade or if an incident becomes a major event.

When a Local Government Brigade formally hands over an incident to DFES, all responding volunteer bushfire brigades **MUST** act on the instructions given by DFES.

Instructions are provided by the Incident Controller and may include:

- declaration of incident levels
- tactics
- instruction to leave the fire ground (e.g., welfare breaks or transitioning between sectors)
- requests to change roles on the fire ground
- undertaking black-out/mop-up
- moving into a maintenance role

It is imperative that the Local Government, DFES and other supporting incident groups work collaboratively to manage the health and safety of all volunteers.

At DFES controlled incidents, where LG volunteers are undertaking emergency services work at the incident, DFES is obligated (where reasonably practicable) to:

- Provide safe systems of work
- Ensure appropriate supervision
- Verify volunteers have been trained to carry out allocated tasks
- Ensure volunteers have appropriate personal protective equipment and clothing for the activity
- Ensure volunteers understand any relevant safe operating procedures and have been given instructions to perform tasks safely
- Ensure there are appropriate facilities and welfare provisions for all volunteers.
- Ensure safety incidents and injuries reported are investigated to prevent recurrence, working towards continuous improvement.

DFES works with Local Governments to provide a holistic, safe system of work to protect all our people.

Thank You

Bushfire volunteers provide a vital and important role in assisting local government brigades to protect their communities, keeping volunteers safe and well to ensure they return home to their families is a priority for all Local Governments and other agencies involved in emergencies.

Thank you for your ongoing commitment. Stay Safe and well.

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Superannuation for Elected Members

Draft Policy Proposal

September 2021

About WALGA

The WA Local Government Association (WALGA) is working for Local Government in Western Australia. As the peak industry body, WALGA advocates on behalf of 139 Western Australian Local Governments. As the united voice of Local Government in Western Australia, WALGA is an independent, membership-based organization representing and supporting the work and interests of Local Governments in Western Australia. WALGA provides an essential voice for 1,222 Elected Members, approximately 22,000 Local Government employees (16,500 Full Time Equivalent's) as well as over 2.67 million constituents of Local Governments in Western Australia.

Contacts

Tim Lane
Manager Strategy and Association
Governance
tlane@walga.asn.au

Tony Brown
Executive Manager Governance and
Organisational Services
tbrown@walga.asn.au

Contents

About WALGA	2
Contacts	2
Entitlement to Superannuation	4
Current Arrangements	4
Other Jurisdictions	5
Proposed Approach	5
Costs	6
Recommendation	7
Process for Consultation	7

Entitlement to Superannuation

Elected Members, like all workers, should be entitled to payment of superannuation. Payment of superannuation to Elected Members would address a historical anomaly that has seen Elected Members denied a benefit enjoyed by the broader workforce.

Given community expectations and the time commitment of serving on or leading a Council, many Elected Members are sacrificing opportunities for paid work to serve their community on Council.

As has been well documented through recent Inquiries into Local Government, “the role of a Councillor is challenging. Councillors are responsible for overseeing a complex business – that provides a broad range of functions, manages significant public assets, and employs in some cases hundreds of staff – all in a political and publicly accountable environment.”¹

It is crucial to the functioning of Local Government that Elected Members are appropriately remunerated for their time and contribution.

Payment of superannuation to Elected Members aligns with the objective of the superannuation system, which is “to provide income in retirement to substitute or supplement the Age Pension.”²

In addition, it is hoped that payment of superannuation would lead to greater interest and more nominations to serve on Council from women and younger people, leading to greater representation on Councils by people from traditionally underrepresented demographics.

Current Arrangements

Under current arrangements, Elected Members can voluntarily decide to have all or a portion of their allowances paid into a superannuation fund.

In addition, under the *Superannuation Guarantee (Administration) Act 1992* (Cth), Local Governments can unanimously resolve to be considered an ‘eligible local governing body’ through the *Taxation Administration Act 1953* (Cth).

As a consequence of such a resolution, Elected Members would then be treated similarly to employees and the Local Government would be required to make superannuation

¹ WALGA (2019) *Final Submission: Select Committee into Local Government*. Page 35. [https://www.parliament.wa.gov.au/Parliament/commit.nsf/lulnquiryPublicSubmissions/DCCAD309ECAE29E04825848100171E77/\\$file/lo.lgi.150.190910.sub.walga.pdf](https://www.parliament.wa.gov.au/Parliament/commit.nsf/lulnquiryPublicSubmissions/DCCAD309ECAE29E04825848100171E77/$file/lo.lgi.150.190910.sub.walga.pdf)

² Australian Government: The Treasury (2021) *Superannuation Reforms*. <https://treasury.gov.au/superannuation-reforms>

contributions in addition to payment of allowances. However, a resolution of this nature also has significant implications: pay as you go (PAYG) tax would be required to be withheld for remission to the Australian Taxation Office (ATO), and Fringe Benefit Tax (FBT) would be applicable to all benefits provided to Elected Members. For these reasons, Local Governments in Australia typically do not pursue this course of action.

Other Jurisdictions

Approaches in other jurisdictions are mixed, however the issue of superannuation entitlements for Elected Members has increasingly been the subject to public debate in other states of Australia.

In New South Wales, following a state-led discussion paper and consultation process, amendments to the Local Government Act have been put forward that would enable Councils to resolve to pay superannuation contributions from July 2022.

This mirrors the approach in Queensland where, under the state's Local Government Act, Councils may resolve to pay superannuation contributions to Elected Members.

Elected Members in Victoria are paid a cash loading equivalent to the superannuation guarantee, but this is not required to be paid into a superannuation fund.

No superannuation is paid in Tasmania, South Australia or the Northern Territory.

Proposed Approach

The recommended advocacy approach is to propose that the *Local Government Act 1995* be amended to facilitate the payment of superannuation to Elected Members in addition to fees and allowances.

This approach avoids the problems associated with the current arrangements around the need to withhold income tax and pay fringe benefits tax.

A fundamental question relates to whether the proposed amendment to the Local Government Act should *require* Local Governments to pay superannuation, or whether the decision to pay superannuation should be a decision of Council.

Under the principle of general competence, Local Governments should be empowered to manage their own affairs and the case could be made that this ought to extend to the payment of superannuation to Elected Members. However, as the superannuation system is underpinned by its universality, and there is potential for payment of superannuation to

become a political debate around the Council table, a strong case can be made for the payment of superannuation to Elected Members to be a legislative requirement.

On balance, it is posited that, to achieve the objectives of the superannuation system and to avoid politicisation of the decision at a local level, payment of superannuation should be a universal entitlement for Elected Members and therefore a requirement of Local Governments contained in the Local Government Act.

Feedback is sought from Members on this specific issue:

Should Local Governments be enabled or required to pay superannuation to Elected Members?

Why is that approach preferred?

As is the case in other jurisdictions, the Salaries and Allowances Tribunal should not consider the payment of superannuation as part of their deliberative process. Specifically, payment of superannuation, equivalent to the superannuation guarantee, should be over and above the fees and allowances determined by the Salaries and Allowances Tribunal.

Costs

There will be a cost associated with the payment of superannuation to Elected Members. These costs will be particularly noticeable in the first year when superannuation becomes payable.

The table below identifies the maximum possible cost of paying superannuation based on the current Salaries and Allowances Tribunal (SAT) determination³, and the current superannuation guarantee of ten percent.

The second column in the table identifies the maximum number of Elected Members currently elected to at least one Local Government in each SAT band in Western Australia. The third column then assumes that the maximum allowances are paid to all Councillors, the Mayor or President and the Deputy Mayor or Deputy President. From this, the maximum superannuation liability, based on the current SAT determination and the current superannuation guarantee of ten percent, per SAT band is calculated.

³ Salaries and Allowances Tribunal (2021) *Determination of the Salaries and Allowances Tribunal on Local Government Chief Executive Officers and Elected Members*, 8 April 2021. <https://www.wa.gov.au/sites/default/files/2021-04/Local%20Government%20Chief%20Executive%20Officers%20and%20Elected%20Members%20Determination%20No%201%20of%202021.pdf>

It is acknowledged that the actual liability for each Local Government is likely to be less than the maximum due to fewer Elected Members than the maximum listed in the second column, and / or paying less than the maximum allowances to Elected Members. In this way, the table below represents the **maximum** potential cost to Local Governments in each band.

Band	Maximum number of Elected Members (currently)	Maximum fees and allowances	Maximum Superannuation liability
1	15	\$603,199	\$60,320
2	13	\$389,101	\$38,910
3	11	\$235,208	\$23,521
4	11	\$139,653	\$13,965

While the costs are acknowledged, it is argued that on balance the benefits of paying superannuation to Elected Members as outlined in this paper outweigh the costs.

Recommendation

WALGA recommends to the Minister for Local Government:

That the *Local Government Act 1995* be amended to require Local Governments to pay Elected Members, into a nominated superannuation account, an amount equivalent to the superannuation guarantee determined with reference to fees and allowances paid to each Elected Member.

Process for Consultation

This paper has been prepared as a *Draft Policy Position Paper*. Feedback is sought from members in regards to the recommendation put forward by this paper.

Comments or submissions should be made to Tim Lane, Manager Strategy and Association Governance, at tlane@walga.asn.au by **Friday, 22 October**.

State Council's Governance Policy Team will meet in late October to consider member comments and submissions and provide guidance to inform a State Council agenda item, which will be considered at November Zone meetings and the 1 December meeting of State Council.

Following a State Council decision, advocacy will be undertaken with the Minister for Local Government.

SHIRE OF MINGENEW
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 September 2021

LOCAL GOVERNMENT ACT 1995

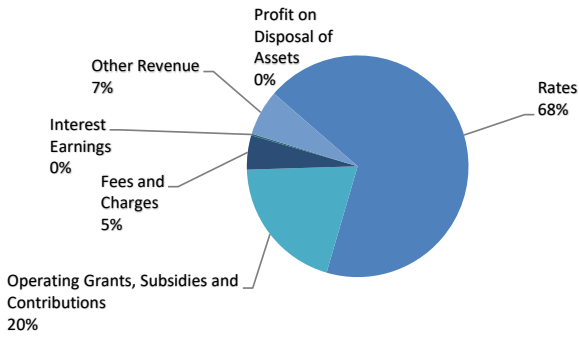
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

TABLE OF CONTENTS

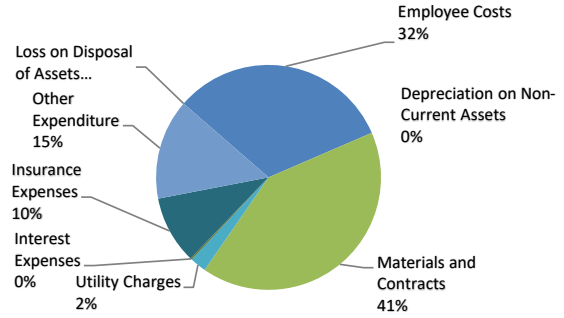
Statement of Financial Activity by Program	5
Statement of Financial Activity by Nature or Type	7
Basis of Preparation	8
Note 1 Statement of Financial Activity Information	9
Note 2 Cash and Financial Assets	10
Note 3 Receivables	11
Note 4 Other Current Assets	12
Note 5 Payables	13
Note 6 Rate Revenue	14
Note 7 Disposal of Assets	15
Note 8 Capital Acquisitions	16
Note 9 Borrowings	19
Note 10 Lease Liabilities	20
Note 11 Cash Reserves	21
Note 12 Other Current Liabilities	22
Note 13 Operating grants and contributions	23
Note 14 Non operating grants and contributions	24
Note 15 Bonds Held	25
Note 16 Budget Amendments	26
Note 17 Explanation of Material Variances	27

OPERATING ACTIVITIES

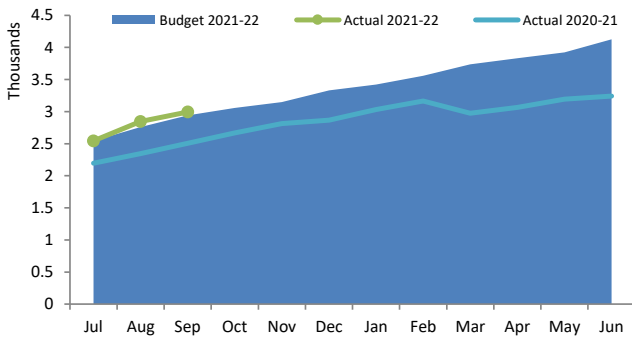
OPERATING REVENUE



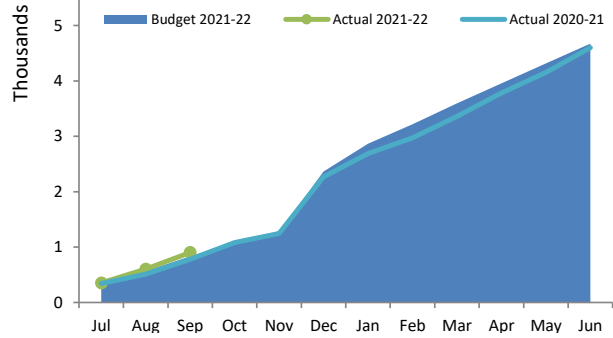
OPERATING EXPENSES



Budget Operating Revenues -v- Actual

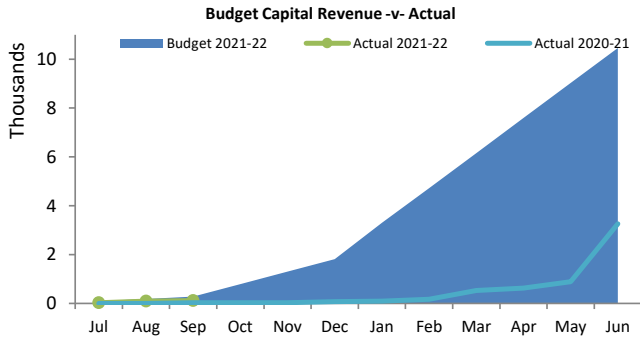


Budget Operating Expenses -v- YTD Actual

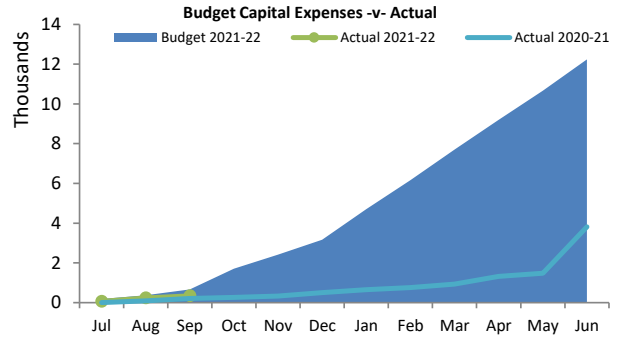


INVESTING ACTIVITIES

CAPITAL REVENUE



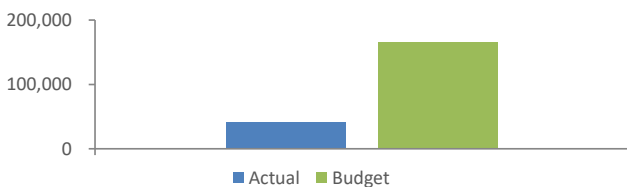
CAPITAL EXPENSES



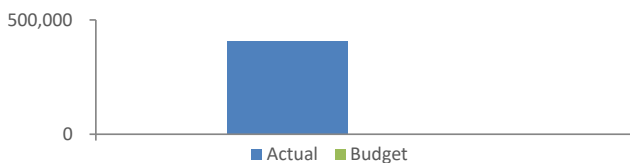
FINANCING ACTIVITIES

BORROWINGS

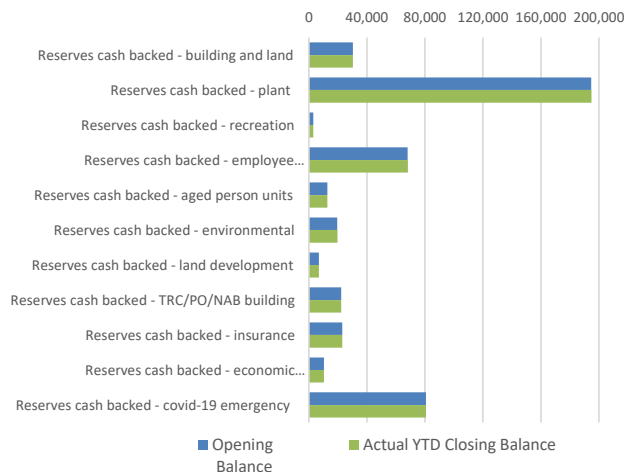
Principal Repayments



Principal Outstanding



RESERVES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$0.08 M	\$0.08 M	\$0.08 M	(\$0.00 M)
Closing	\$0.00 M	\$1.78 M	\$2.23 M	\$0.45 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$2.92 M	% of total
Unrestricted Cash	\$1.82 M	62.2%
Restricted Cash	\$1.10 M	37.8%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.39 M	% Outstanding
Trade Payables	\$0.00 M	
0 to 30 Days		0.0%
30 to 90 Days		0.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	\$0.45 M	% Collected
Rates Receivable	\$0.33 M	85%
Trade Receivable	\$0.13 M	% Outstanding
30 to 90 Days		2.5%
Over 90 Days		25.2%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$1.18 M	\$2.09 M	\$2.09 M	\$0.00 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$2.04 M	% Variance
YTD Budget	\$2.04 M	0.1%

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions		
YTD Actual	\$0.60 M	% Variance
YTD Budget	\$0.59 M	1.3%

Refer to Note 13 - Operating Grants and Contributions

Fees and Charges		
YTD Actual	\$0.15 M	% Variance
YTD Budget	\$0.15 M	(0.7%)

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.97 M)	(\$0.33 M)	(\$0.18 M)	\$0.15 M

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.00 M	%
Adopted Budget	\$0.22 M	(99.9%)

Refer to Note 7 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$0.30 M	% Spent
Adopted Budget	\$11.64 M	(97.4%)

Refer to Note 8 - Capital Acquisitions

Capital Grants		
YTD Actual	\$0.12 M	% Received
Adopted Budget	\$10.46 M	(98.9%)

Refer to Note 8 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.30 M)	(\$0.06 M)	\$0.24 M	\$0.29 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.04 M
Interest expense	\$0.00 M
Principal due	\$0.40 M

Refer to Note 9 - Borrowings

Reserves	
Reserves balance	\$0.47 M
Interest earned	\$0.00 M

Refer to Note 11 - Cash Reserves

Lease Liability	
Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.01 M

Refer to Note 10 - Lease Liabilities

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.
GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer community.	Fire prevention, animal control and safety.
HEALTH To provide services to help ensure a safer community.	Food quality, pest control and inspections.
EDUCATION AND WELFARE To meet the needs of the community in these areas.	Includes education programs, youth based activities, care of families, the aged and disabled.
HOUSING Provide housing services required by the community and for staff.	Maintenance of staff, aged and rental housing.
COMMUNITY AMENITIES Provide services required by the community.	Rubbish collection services, landfill maintenance, townsite storm water drainage control and maintenance, administration of the Town Planning Scheme and maintenance of cemeteries.
RECREATION AND CULTURE To establish and manage efficiently, infrastructure and resources which will help the social well being of the community.	Maintenance of halls, recreation centres and various reserves, operation of library, support of community events and matters relating to heritage.
TRANSPORT To provide effective and efficient transport services to the community.	Construction and maintenance of streets, roads and footpaths, cleaning and lighting of streets, roads and footpaths, traffic signs and depot maintenance.
ECONOMIC SERVICES To help promote the Shire and improve its economic wellbeing.	The regulation and provision of tourism, area promotion, building control and noxious weeds.
OTHER PROPERTY AND SERVICES To provide effective and efficient administration, works operations and plant and fleet services.	Private works operations, plant repairs and operational costs. Administration overheads.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

STATUTORY REPORTING PROGRAMS

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	81,424	81,424	81,424	81,422	(2)	(0.00%)	
Revenue from operating activities								
Governance		13,899	13,899	3,471	1,858	(1,613)	(46.47%)	
General purpose funding - general rates	6	2,049,384	2,049,384	2,038,771	2,040,018	1,247	0.06%	
General purpose funding - other		716,091	716,091	442,036	456,951	14,915	3.37%	
Law, order and public safety		280,311	280,311	69,071	54,709	(14,362)	(20.79%)	▼
Health		820	820	204	650	446	218.63%	
Education and welfare		1,425	1,425	351	365	14	3.99%	
Housing		117,930	117,930	29,475	25,523	(3,952)	(13.41%)	
Community amenities		77,300	77,300	74,410	78,611	4,201	5.65%	
Recreation and culture		36,834	36,834	34,730	51,589	16,859	48.54%	▲
Transport		649,532	649,532	225,610	198,035	(27,575)	(12.22%)	▼
Economic services		121,215	121,215	7,179	78,660	71,481	995.70%	▲
Other property and services		62,535	62,535	15,630	6,792	(8,838)	(56.55%)	
		4,127,276	4,127,276	2,940,938	2,993,761	52,823		
Expenditure from operating activities								
Governance		(349,630)	(346,130)	(106,551)	(93,929)	12,622	11.85%	▲
General purpose funding		(82,800)	(82,800)	(20,694)	(25,929)	(5,235)	(25.30%)	
Law, order and public safety		(211,815)	(211,815)	(36,483)	(134,535)	(98,052)	(268.76%)	▼
Health		(88,061)	(88,061)	(22,047)	(18,517)	3,530	16.01%	
Education and welfare		(143,142)	(143,142)	(25,055)	(23,998)	1,057	4.22%	
Housing		(164,554)	(164,554)	(26,214)	(34,731)	(8,517)	(32.49%)	
Community amenities		(277,836)	(277,836)	(67,343)	(66,906)	437	0.65%	
Recreation and culture		(1,011,761)	(1,008,261)	(147,591)	(159,652)	(12,061)	(8.17%)	
Transport		(1,849,425)	(1,849,425)	(271,324)	(306,772)	(35,448)	(13.06%)	▼
Economic services		(411,575)	(418,575)	(95,836)	(74,613)	21,223	22.15%	▲
Other property and services		(81,247)	(81,247)	(13,506)	37,298	50,804	376.16%	▲
		(4,671,846)	(4,671,846)	(832,644)	(902,284)	(69,640)		
Non-cash amounts excluded from operating activities	1(a)	1,727,483	1,727,483	(19,140)	0	19,140	(100.00%)	
Amount attributable to operating activities		1,182,913	1,182,913	2,089,154	2,091,477	2,323		
Investing Activities								
Proceeds from non-operating grants, subsidies and contributions	14	10,460,322	10,460,322	276,546	116,617	(159,929)	(57.83%)	▼
Proceeds from disposal of assets	7	216,700	216,700	0	0	0	0.00%	
Payments for property, plant and equipment and infrastructure	8	(11,643,479)	(11,943,479)	(609,102)	(297,660)	311,442	51.13%	▲
Amount attributable to investing activities		(966,457)	(1,266,457)	(332,556)	(181,043)	151,513		
Financing Activities								
Proceeds from new debentures	9	0	300,000	0	280,000	280,000	0.00%	▲
Payments for principal portion of lease liabilities	10	(64,173)	(7,132)	(1,782)	(2,501)	(719)	(40.35%)	
Repayment of debentures	9	(165,917)	(222,958)	(55,739)	(41,108)	14,631	26.25%	▲
Transfer to reserves	11	(67,790)	(67,790)	(705)	(465)	240	34.04%	
Amount attributable to financing activities		(297,880)	2,120	(58,226)	235,926	294,152		
Closing funding surplus / (deficit)	1(c)	0	0	1,779,796	2,227,782	447,986		

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 17 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers 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 identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

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.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

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, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 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.
		\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	81,424	81,424	81,424	81,422	(2)	(0.00%)	
Revenue from operating activities								
Rates	6	2,049,384	2,049,384	2,038,771	2,040,018	1,247	0.06%	
Operating grants, subsidies and contributions	13	1,158,825	1,158,825	590,558	598,165	7,607	1.29%	
Fees and charges		273,789	273,789	150,536	149,492	(1,044)	(0.69%)	
Interest earnings		23,231	23,231	8,949	7,606	(1,343)	(15.01%)	
Other revenue		544,294	544,294	132,690	198,480	65,790	49.58%	▲
Profit on disposal of assets	7	77,753	77,753	19,434	0	(19,434)	(100.00%)	▼
		4,127,276	4,127,276	2,940,938	2,993,761	52,823		
Expenditure from operating activities								
Employee costs		(1,105,864)	(1,105,864)	(298,064)	(289,864)	8,200	2.75%	
Materials and contracts		(953,332)	(956,832)	(266,247)	(370,882)	(104,635)	(39.30%)	▼
Utility charges		(88,321)	(88,321)	(22,017)	(21,256)	761	3.46%	
Depreciation on non-current assets		(1,788,251)	(1,788,251)	0	0	0	0.00%	
Interest expenses		(11,600)	(11,600)	(2,880)	(2,042)	838	29.10%	
Insurance expenses		(134,703)	(134,703)	(102,283)	(88,116)	14,167	13.85%	▲
Other expenditure		(572,790)	(569,290)	(140,859)	(130,124)	10,735	7.62%	
Loss on disposal of assets	7	(16,985)	(16,985)	(294)	0	294	100.00%	
		(4,671,846)	(4,671,846)	(832,644)	(902,284)	(69,640)		
Non-cash amounts excluded from operating activities	1(a)	1,727,483	1,727,483	(19,140)	0	19,140	(100.00%)	
Amount attributable to operating activities		1,182,913	1,182,913	2,089,154	2,091,477	2,323		
Investing activities								
Proceeds from non-operating grants, subsidies and contributions	14	10,460,322	10,460,322	276,546	116,617	(159,929)	(57.83%)	▼
Proceeds from disposal of assets	7	216,700	216,700	0	0	0	0.00%	
Payments for property, plant and equipment	8	(11,643,479)	(11,943,479)	(609,102)	(297,660)	311,442	51.13%	▲
		(966,457)	(1,266,457)	(332,556)	(181,043)	151,513		
Amount attributable to investing activities		(966,457)	(1,266,457)	(332,556)	(181,043)	151,513		
Financing Activities								
Proceeds from new debentures	9	0	300,000	0	280,000	280,000	0.00%	▲
Payments for principal portion of lease liabilities	10	(64,173)	(7,132)	(1,782)	(2,501)	(719)	(40.35%)	
Repayment of debentures	9	(165,917)	(222,958)	(55,739)	(41,108)	14,631	26.25%	▲
Transfer to reserves	11	(67,790)	(67,790)	(705)	(465)	240	34.04%	
Amount attributable to financing activities		(297,880)	2,120	(58,226)	235,926	294,152		
Closing funding surplus / (deficit)	1(c)	0	0	1,779,796	2,227,782	447,986		

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 17 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

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

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

SIGNIFICANT ACCOUNTING POLICES

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.

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 04 October 2021

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities					
		\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	7	(77,753)	(77,753)	(19,434)	0
Add: Loss on asset disposals	7	16,985	16,985	294	0
Add: Depreciation on assets		1,788,251	1,788,251	0	0
Total non-cash items excluded from operating activities		1,727,483	1,727,483	(19,140)	0

(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	This Time Last Year	Year to Date
		30 June 2021	30 September 2020	30 September 2021
Adjustments to net current assets				
Less: Reserves - restricted cash	11	(471,844)	(427,012)	(472,309)
Add: Borrowings	9	165,919	121,860	124,811
Add: Provisions - employee	12	104,781	91,767	104,784
Add: Lease liabilities	10	7,393	7,095	4,892
Total adjustments to net current assets		(193,751)	(206,290)	(237,822)

(c) Net current assets used in the Statement of Financial Activity

Current assets

Cash and cash equivalents	2	1,246,247	2,731,660	2,920,012
Rates receivables	3	33,480	345,769	325,847
Receivables	3	337,655	22,777	125,009
Other current assets	4	11,380	53,416	13,331
Less: Current liabilities				
Payables	5	(801,562)	(31,136)	(389,883)
Borrowings	9	(165,919)	(121,860)	(124,811)
Contract liabilities	12	(273,934)	(719,420)	(294,225)
Lease liabilities	10	(7,393)	(7,095)	(4,892)
Provisions	12	(104,781)	(91,767)	(104,784)
Less: Total adjustments to net current assets	1(b)	(193,751)	(206,290)	(237,822)
Closing funding surplus / (deficit)		81,422	1,976,054	2,227,782

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
		\$	\$	\$				
Cash on hand								
Cash on hand	Cash and cash equivalents	100	0	100				On Hand
At call deposits								
Municipal Fund	Cash and cash equivalents	63,926	0	63,926		NAB	0.10%	Cheque A/C
Municipal Fund	Cash and cash equivalents	1,751,016	632,661	2,383,677		NAB	0.21%	On Call
Reserve Funds	Cash and cash equivalents	0	140	140		NAB	0.21%	On Call
Term deposits								
Reserve Funds	Cash and cash equivalents	0	472,169	472,169		NAB	0.50%	August 2022
Total		1,815,042	1,104,970	2,920,012	0			
Comprising								
Cash and cash equivalents		1,815,042	1,104,970	2,920,012	0			
		1,815,042	1,104,970	2,920,012	0			

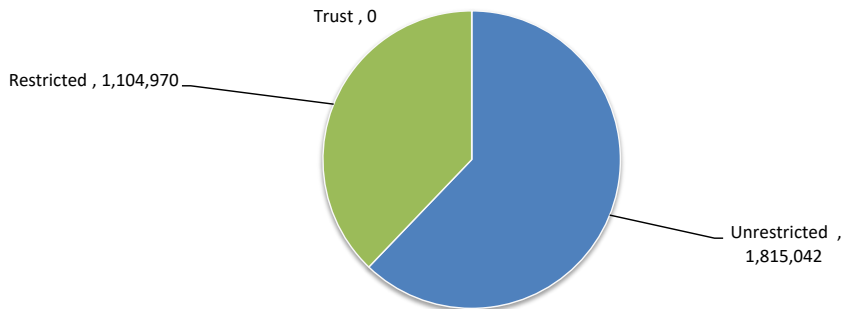
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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.

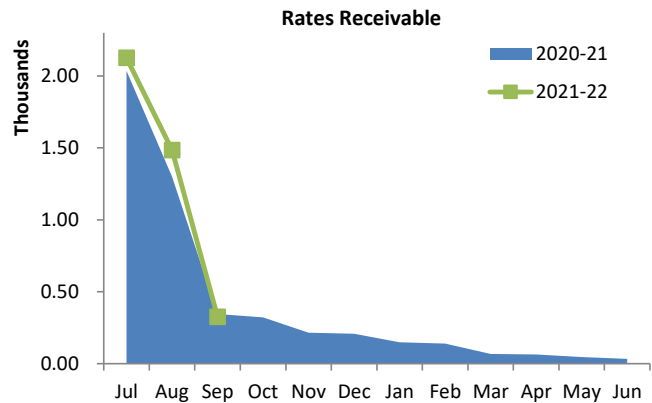
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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.



Rates receivable	30 Jun 2021	30 Sep 2021
	\$	\$
Opening arrears previous years	27,324	33,480
Levied this year	1,977,513	2,040,018
Levied service charges this year	94,820	104,419
Less - collections to date	(2,066,177)	(1,852,070)
Equals current outstanding	33,480	325,847
Net rates collectable	33,480	325,847
% Collected	103.1%	85%

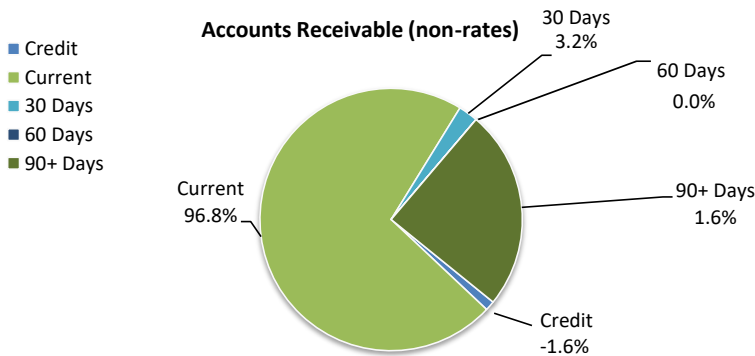


Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(1,172)	70,304	2,354	11	24,118	95,615
Percentage	(0)	73.5%	2.5%	0%	25.2%	
Balance per trial balance						
Sundry receivable						95,615
GST receivable						24,498
Increase in Allowance for impairment of receivables from contracts with customers						(500)
Pensioner Rebate Claimed						5,396
Total receivables general outstanding						125,009

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 impairment of receivables is raised when there is objective evidence that they will not be collectible.



	Opening Balance 1 July 2021	Asset Increase	Asset Reduction	Closing Balance 30 September 2021
	\$	\$	\$	\$
Other current assets				
Inventory				
Fuel	3,152	1,879	0	5,031
Other current assets				
Prepayments	8,228	72	0	8,300
Total other current assets	11,380	1,951	0	13,331
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%	
Balance per trial balance						
ATO liabilities						67,134
Other payables						100
Receipts in advance						307,590
Other payables - bond held						15,058
Total payables general outstanding						389,882

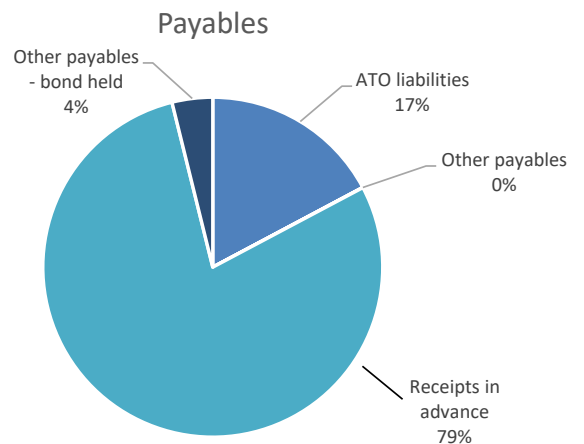
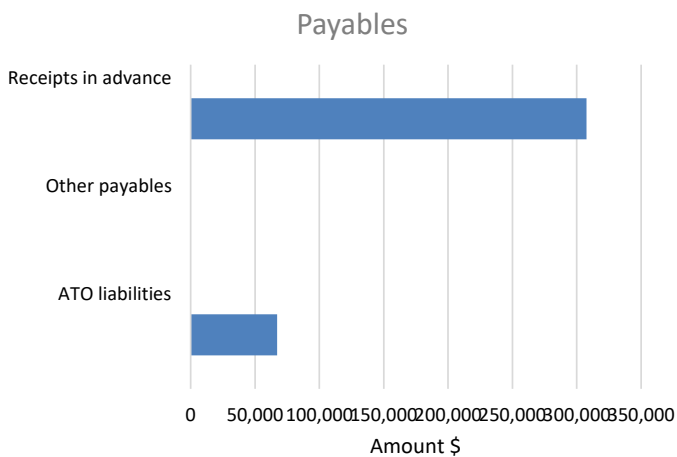
Amounts shown above include GST (where applicable)

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.

Aged Payables

- Credit
- Current
- 30 Days
- 60 Days
- 90+ Days



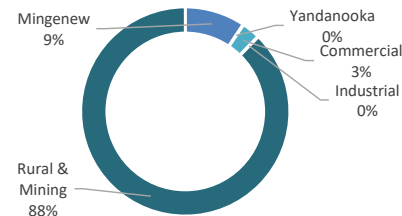
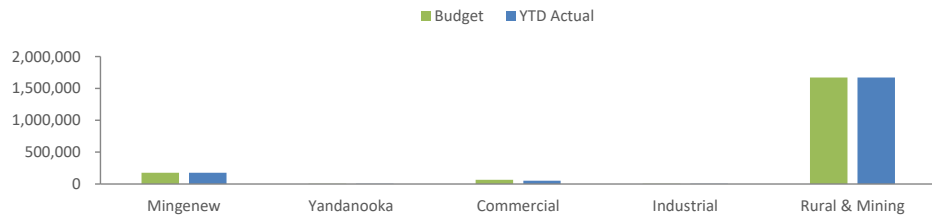
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

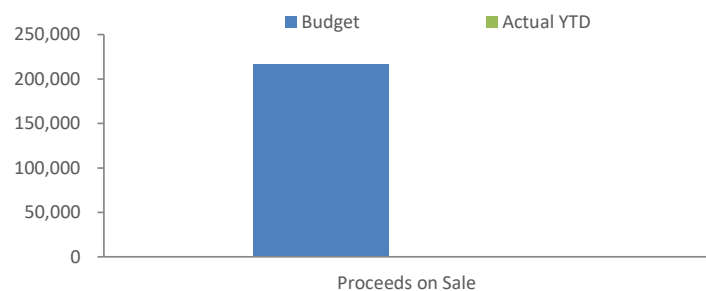
General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
Gross rental value											
Mingenev	0.15388	129	1,153,984	177,574	0	150	177,724	177,574	428	0	178,002
Yandanooka	0.15388	2	13,884	2,136	0	0	2,136	2,136	0	0	2,136
Commercial	0.15388	14	346,632	53,339	14,000	0	67,339	53,339	0	0	53,339
Industrial	0.15388	1	12,480	1,920	0	0	1,920	1,920	0	0	1,920
Unimproved value											
Rural & Mining	0.01229	111	136,073,500	1,672,343	0	0	1,672,343	1,672,343	0	0	1,672,343
Sub-Total		257	137,600,480	1,907,312	14,000	150	1,921,462	1,907,312	428	0	1,907,740
Minimum payment	Minimum \$										
Gross rental value											
Mingenev	728	61	24,870	44,408	0	0	44,408	44,408	2,883	0	47,291
Yandanooka	728	0	0	0	0	0	0	0	0	0	0
Commercial	728	9	6,200	5,824	0	0	5,824	6,552	0	0	6,552
Industrial	728	3	2,786	2,184	0	0	2,184	2,184	0	0	2,184
Unimproved value											
Rural & Mining	1,093	34	680,657	37,162	0	0	37,162	37,162	974	0	38,136
Sub-total		107	714,513	89,578	0	0	89,578	90,306	3,857	0	94,163
Concession							(1,068)				(1,068)
Amount from general rates							2,009,972				2,000,835
Ex-gratia rates							39,412				39,183
Total general rates							2,049,384				2,040,018

KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2020 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



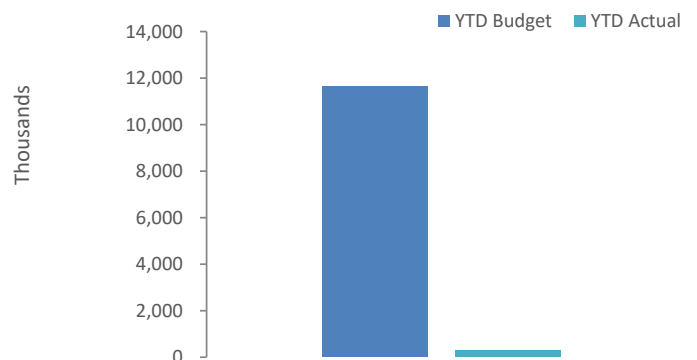
Asset Ref.	Asset description	Adopted Budget				Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Land												
	29 (Lot 184) Oliver St	0	0	0	0	0	0	0	0	0	200	0	0
	Plant and equipment												
	Law, order, public safety												
	Fast Attack Vehicle	15,799	0	0	(15,799)	15,799	0	0	(15,799)		0	0	0
	Recreation and culture												
	Ride on Mower	3,186	2,000	0	(1,186)	3,186	2,000	0	(1,186)		0	0	0
	Mower - Bowling Green	0	1,000	1,000	0	0	1,000	1,000	0		0	0	0
	Transport												
	Grader	59,600	100,000	40,400	0	59,600	100,000	40,400	0		0	0	0
	Toyota Hilux	26,032	36,400	10,368	0	26,032	36,400	10,368	0		0	0	0
	Other property and services												
	Toyota Prado	26,615	45,500	18,885	0	26,615	45,500	18,885	0		0	0	0
	Toyota RAV4	24,700	31,800	7,100	0	24,700	31,800	7,100	0		0	0	0
		155,932	216,700	77,753	(16,985)	155,932	216,700	77,753	(16,985)	0	200	0	0



Capital acquisitions	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$	\$
Buildings - non-specialised	222,500	222,500	29,368	46,006	16,638
Buildings - specialised	558,500	558,500	8,500	0	(8,500)
Furniture and equipment	10,000	10,000	2,000	0	(2,000)
Plant and equipment	264,000	564,000	50,500	0	(50,500)
Bushfire equipment	150,000	150,000	0	0	0
Infrastructure - roads	8,258,385	8,258,385	477,072	211,265	(265,807)
Infrastructure - bridges	1,941,202	1,941,202	0	0	0
Infrastructure - parks & ovals	98,692	98,692	24,663	40,389	15,726
Infrastructure - other	140,200	140,200	16,999	0	(16,999)
Payments for Capital Acquisitions	11,643,479	11,943,479	609,102	297,660	(311,442)
Right of use assets	300,000	0	0	0	0
Total Capital Acquisitions	11,943,479	11,943,479	609,102	297,660	(311,442)
Capital Acquisitions Funded By:					
	\$	\$	\$	\$	\$
Capital grants and contributions	10,460,322	10,460,322	276,546	116,616	(159,930)
Borrowings	0	0	0	280,000	280,000
Lease liabilities	300,000	0	0	0	0
Other (disposals & C/Fwd)	216,700	0	0	0	0
Contribution - operations	966,457	1,483,157	332,556	(98,956)	(431,512)
Capital funding total	11,943,479	11,943,479	609,102	297,660	(311,442)

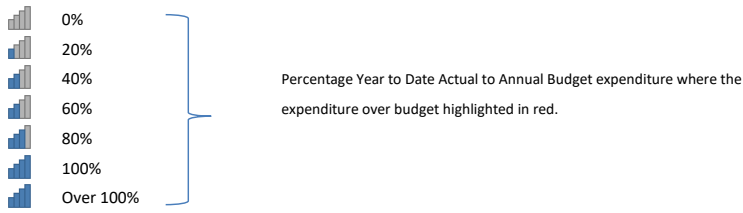
SIGNIFICANT ACCOUNTING POLICIES

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.



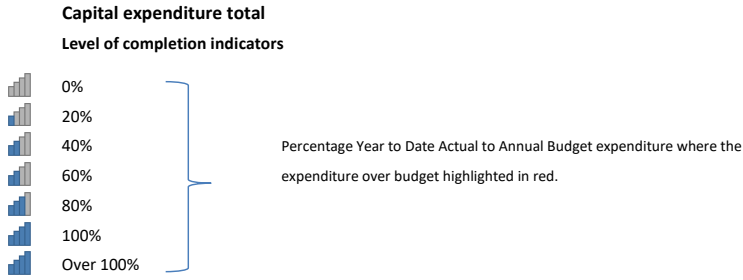
Capital expenditure total

Level of completion indicators



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
Buildings - non-specialised							
BC023	23 Victoria Road (Lot 84) - Toy Library - Building (Capital)		7,000	7,000	1,749	0	(1,749)
BC076	76 Phillip Street (Lot 106) - Daycare Centre - Building (Capital)		120,000	120,000	0	36,525	36,525
BC009	23 Field Street (Lot 5) - Residence - Building (Capital)		10,000	10,000	10,000	9,481	(519)
BC121	12 Victoria Road (Lot 66) - Unit 1 (APU) - Building (Capital)		3,125	3,125	780	0	(780)
BC122	12 Victoria Road (Lot 66) - Unit 2 (APU) - Building (Capital)		3,125	3,125	780	0	(780)
BC123	12 Victoria Road (Lot 66) - Unit 3 (APU) - Building (Capital)		3,125	3,125	780	0	(780)
BC124	12 Victoria Road (Lot 66) - Unit 4 (APU) - Building (Capital)		3,125	3,125	780	0	(780)
BC047	47 Linthorne Street (Lot 114) - Depot - Building (Capital)		15,000	15,000	0	0	0
BC050	50 Midlands Road (Lot 73) - Post Office - Building (Capital)		10,000	10,000	2,499	0	(2,499)
BC021	21 Victoria Road (Lot 83) - Administration Office - Building (Capital)		48,000	48,000	12,000	0	(12,000)
Buildings - non-specialised Total			222,500	222,500	29,368	46,006	16,638
Buildings - specialised							
BC085	25 Victoria Road (Lot 85) - Fire Shed - Building (Capital)		300,000	300,000	0	0	0
BC030	30 Bride Street (Lot 65) - Tennis Club - Building (Capital)		50,000	50,000	0	0	0
BC098	Recreation Centre - Building (Capital)		8,500	8,500	8,500	0	(8,500)
BC016	16 Midlands Road - Railway Station - Building (Capital)		200,000	200,000	0	0	0
Buildings - specialised Total			558,500	558,500	8,500	0	(8,500)
Furniture and equipment							
FE004	MEMBERS - Furniture & Equipment - Capital		10,000	10,000	2,000	0	(2,000)
Furniture and equipment Total			10,000	10,000	2,000	0	(2,000)
Plant and equipment							
PE998	Parks & Gardens Plant & Equipment - Capital		18,000	18,000	4,500	0	(4,500)
PE108	Works Supervisor Vehicle - MI108 - Capital		46,000	46,000	46,000	0	(46,000)
PE541	Grader - MI541 - Capital		100,000	400,000	0	0	0
PE1	CEO Executive Vehicle - 1MI - Capital		61,000	61,000	0	0	0
PE117	FAM Executive Vehicle - MI177 - Capital		39,000	39,000	0	0	0
Plant and equipment Total			264,000	564,000	50,500	0	(50,500)
Bushfire equipment							
PE827	Light Attack Fire Vehicle - 1ECT827 - Capital		150,000	150,000	0	0	0
Bushfire equipment Total			150,000	150,000	0	0	0
Infrastructure - roads							
RC045	Phillip Street (Capital)		80,001	80,001	19,998	0	(19,998)
RC087	Parking Bay South of Midland Road (Capital)		19,999	19,999	4,998	0	(4,998)
RC999	Road Construction - Roads BUA - Council Funded (Budgeting Only)		148,068	148,068	37,011	0	(37,011)
RC000	Road Construction - Outside BUA - Gravel - Council Funded (Budgeting C		326,317	326,317	81,573	0	(81,573)
RRG080	Mingenew - Mullewa Road (RRG)		450,000	450,000	112,494	133,631	21,137
BS000	Road Construction Black Spot - Outside BUA - Sealed (Budgeting Only)		934,000	934,000	220,998		(143,364)
BS002	Yandanooka North East Road (BS)		0	0	0	77,634	
RFD000	Roads - Flood Damage		3,600,000	3,600,000	0	0	0
SF080	Mingenew - Mullewa Road (Special Funding)		2,700,000	2,700,000	0	0	0
Infrastructure - roads Total			8,258,385	8,258,385	477,072	211,265	(265,807)
Infrastructure - bridges							
BR000	Bridge Construction General (Budgeting Only)		1,941,202	1,941,202	0	0	0
Infrastructure - bridges Total			1,941,202	1,941,202	0	0	0



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
Infrastructure - parks & ovals							
PC007	Information Bay Park - (Capital)		10,000	10,000	2,499	0	(2,499)
PC008	Little Well - (Capital)		10,000	10,000	2,499	0	(2,499)
PC010	Parks & Gardens - (Capital)		7,000	7,000	1,749	0	(1,749)
PC011	Skate Park - (Capital)		38,842	38,842	9,705	21,574	11,869
PC022	Rec Centre - Main Oval Infrastructure - (Capital)		32,850	32,850	8,211	18,815	10,604
Infrastructure - parks & ovals Total			98,692	98,692	24,663	40,389	15,726
Infrastructure - other							
OC006	Transfer Station - Infrastructure - Capital		10,000	10,000	10,000	0	(10,000)
OC002	Mingenew Hill Walk Trail - Capital		28,000	28,000	6,999	0	(6,999)
OC005	Public WiFi - Capital		15,000	15,000	0	0	0
OC008	Remote Tourism Cameras		7,200	7,200	0	0	0
OC009	Communications tower upgrade		80,000	80,000	0	0	0
Infrastructure - other Total			140,200	140,200	16,999	0	(16,999)
			11,643,479	11,943,479	609,102	297,660	(311,442)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

FINANCING ACTIVITIES
NOTE 9
BORROWINGS

Repayments - borrowings

Information on borrowings	Loan No.	1 July 2021	New Loans			Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual	Budget	Amended Budget	Actual	Budget	Amended Budget	Actual	Budget	Amended Budget	Actual	Budget	Amended Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare														
Senior Citizens Building	137	17,001	0	0	0	5,636	17,001	17,001	11,365	0	0	244	441	441
Housing														
Triplex	133	14,222	0	0	0	3,591	14,222	14,222	10,631	0	0	155	281	281
Phillip Street	134	10,499	0	0	0	2,736	10,499	10,499	7,763	0	0	118	214	214
Moore Street	136	18,175	0	0	0	6,822	18,175	18,175	11,353	0	0	295	534	534
Field Street	142	15,007	0	0	0	3,150	15,007	15,007	11,857	0	0	136	246	246
Recreation and culture														
Pavilion Fitout	138	18,921	0	0	0	5,411	18,921	18,921	13,510	0	0	234	424	424
Transport														
Roller	139	7,017	0	0	0	1,326	7,017	7,017	5,691	0	0	57	104	104
Grader	141	22,152	0	0	0	4,605	22,152	22,152	17,547	0	0	199	361	361
Side Tipper	144	15,032	0	0	0	3,150	15,032	15,032	11,882	0	0	136	246	246
Drum Roller	145	27,893	0	0	0	4,680	27,893	27,893	23,213	0	0	203	366	366
Grader	147	0	280,000	0	300,000	0	0	57,041	280,000	0	242,959	0	0	6,849
Total		165,919	280,000	0	300,000	41,108	165,919	222,960	404,812	0	242,959	1,777	3,217	10,066
Current borrowings		165,919							124,811					
Non-current borrowings		0							280,001					
		165,919							404,812					

All debenture repayments were financed by general purpose revenue.

New borrowings 2021-22

Particulars	Amount Borrowed	Amount Borrowed Amended	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Amended Budget	
	\$	\$				\$	%	\$	\$	\$
Grader	(280,000)	300,000	WATC	Debenture	5		0.8	(280,000)	300,000	
	(280,000)	300,000				0		(280,000)	300,000	0

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.

Movement in carrying amounts

Information on leases		New Leases			Principal Repayments			Principal Outstanding			Interest Repayments			
Particulars	Lease No.	1 July 2021	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport														
Grader - PE541		0	0	300,000	0	0	57,041	0	0	242,959	0	0	6,849	0
Other property and services														
Photocopier	De Lage Lanc	7,705	0	0	0	821	3,187	3,187	6,884	4,518	4,518	103	705	705
IT equipment	Finrent	4,005	0	0	0	1,680	3,945	3,945	2,325	60	60	80	829	829
Total		11,710	0	300,000	0	2,501	64,173	7,132	9,209	247,537	4,578	183	8,383	1,534
Current lease liabilities		7,393							4,892					
Non-current lease liabilities		4,317							4,317					
		11,710							9,209					

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

**OPERATING ACTIVITIES
NOTE 11
CASH RESERVES**

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	d Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Reserves cash backed - building and land	30,301	182	182	30	0	0	0	0	0	0	30,483	30,483	30,331
Reserves cash backed - plant	194,640	1,170	1,170	192	64,958	64,958	0	0	0	0	260,768	260,768	194,832
Reserves cash backed - recreation	3,096	19	19	3	0	0	0	0	0	0	3,115	3,115	3,099
Reserves cash backed - employee entitlement	68,134	411	411	67	0	0	0	0	0	0	68,545	68,545	68,201
Reserves cash backed - aged person units	12,782	77	77	13	0	0	0	0	0	0	12,859	12,859	12,795
Reserves cash backed - environmental	19,617	118	118	19	0	0	0	0	0	0	19,735	19,735	19,636
Reserves cash backed - land development	6,978	35	35	7	0	0	0	0	0	0	7,013	7,013	6,985
Reserves cash backed - TRC/PO/NAB building	22,218	133	133	22	0	0	0	0	0	0	22,351	22,351	22,240
Reserves cash backed - insurance	23,045	139	139	23	0	0	0	0	0	0	23,184	23,184	23,068
Reserves cash backed - economic development & marketing	10,323	61	61	10	0	0	0	0	0	0	10,384	10,384	10,333
Reserves cash backed - covid-19 emergency	80,710	487	487	79	0	0	0	0	0	0	81,197	81,197	80,789
	471,844	2,832	2,832	465	64,958	64,958	0	0	0	0	539,634	539,634	472,309

	Note	Opening Balance 1 July 2021	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 September 2021
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		273,934	0	136,908	(116,617)	294,225
Total other liabilities		273,934	0	136,908	(116,617)	294,225
Provisions						
Provision for annual leave		81,319	0	0	0	81,319
Provision for long service leave		23,465	0	0	0	23,465
Total Provisions		104,784	0	0	0	104,784
Total other current liabilities		378,718	0	136,908	(116,617)	399,009

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13

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.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue
	1 July 2021		(As revenue)	30 Sep 2021	30 Sep 2021			Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
General purpose funding								
Grants Commission - General	159,464	0	(159,464)	0	0	319,000	199,375	210,137
Grants Commission - Roads	184,973	0	(184,973)	0	0	370,000	231,250	228,127
Grants Commission - Bridges	146,666	0	0	146,666	146,666	0	0	0
Law, order, public safety								
DFES - LGGS Operating Grant	0	0	0	0	0	18,610	4,652	0
DRFA - TC Seroja	0	0	0	0	0	256,402	64,098	0
Recreation and culture								
LG Heritage Consultancy Funding Pilot Program	0	7,813	0	7,813	7,813	0	0	0
Skatepark Mural and Tourist Centre Mural	0	5,240	0	5,240	5,240	0	0	0
Transport								
MRWA - Direct Grant	0	0	0	0	0	84,310	84,310	84,310
MRWA - Street Lighting	0	0	0	0	0	2,454	612	0
Economic services								
Development Commission - Space Precinct Planning	0	0	0	0	0	83,000	0	72,000
	491,103	13,053	(344,437)	159,719	159,719	1,133,776	584,297	594,574
Operating contributions								
Education and welfare								
Autumn Centre Contribution	0	0	0	0	0	50	12	0
Other property and services								
Fuel Tax Credits Grant Scheme	0	0	0	0	0	25,000	6,249	3,591
	0	0	0	0	0	25,050	6,261	3,591
TOTALS	491,103	13,053	(344,437)	159,719	159,719	1,158,826	590,558	598,165

Provider	Unspent non operating grants, subsidies and contributions liability					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability (As revenue)	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue
	1 July 2021			30 Sep 2021	30 Sep 2021			
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Law, order, public safety								
DFES - Fire Shed	0	0	0	0	0	300,000	0	0
DFES - Fast Attack Vehicle	0	0	0	0	0	150,000	0	0
Education and welfare								
DCP - Childcare Centre Upgrade	35,519	0	(19,560)	15,959	15,959	120,000	1,662	35,519
DCP - Toy Library - exterior works	4,900	0	0	4,900	4,900	7,000	87	0
Community amenities								
LRCI - Transfer Station	0	0	0	0	0	10,000	2,499	0
Recreation and culture								
FRRR - Little Well	10,000	0	0	10,000	10,000	10,000	2,500	0
BBR - Railway Station	0	0	0	0	0	100,000	0	0
DCP - Rec Centre Water Upgrade	19,191	0	(18,815)	376	376	32,850	8,212	18,815
DCP - Mingenew Hill Walking Trail	8,423	0	0	8,423	8,423	28,000	7,000	0
DCP - Playground & Skatepark	2,517	0	0	2,517	2,517	11,400	2,849	0
LRCI - Pump Track & Landscaping	10,267	0	(10,267)	0	0	27,442	6,860	10,267
LRCI - Tennis Pavilion upgrade	0	0	0	0	0	50,000	12,499	0
LRCI - Entry Statement	0	0	0	0	0	10,000	2,500	0
Transport								
Regional Road Group	0	119,867	0	119,867	119,867	300,000	75,000	0
Roads to Recovery	0	17,041	0	17,041	17,041	2,147,288	0	0
Black Spot	52,058	0	(46,758)	5,300	5,300	577,320	144,330	52,015
LRCI - Phillip St Parking & Reseal	1,138	0	0	1,138	1,138	66,000	0	0
LRCI - Midlands Road Carparks	3,759	0	0	3,759	3,759	20,000	0	0
LRCI Phase 2 - Roads Resheeting	96,712	0	0	96,712	96,712	250,000	0	0
DRFA - Flood Damage	0	0	0	0	0	3,420,822	0	0
RRSP - Mingenew Mullewa Rd	0	0	0	0	0	2,700,000	0	0
Economic services								
DCP - Remote Tourism Cameras	4,950	0	0	4,950	4,950	7,200	1,800	0
LRCI Phase 2 - Public WIFI	10,500	0	0	10,500	10,500	15,000	3,750	0
DRFA - Communication tower	0	0	0	0	0	80,000	0	0
Other property and services								
LRCI Phase 2 - Admin Foyer/Library Upgrade	14,000	0	0	14,000	14,000	20,000	4,998	0
	273,934	136,908	(95,400)	315,442	315,442	10,460,322	276,546	116,616

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

**NOTE 15
BONDS & DEPOSITS HELD**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening Balance 1 July 2021	Amount Received	Amount Paid	Closing Balance 30 Sep 2021
	\$	\$	\$	\$
Councillor Nomination Fees	0	160	0	160
BCITF Levy	1,655	1,066	(1,655)	1,066
BRB - BS Levy	519	764	(1,113)	170
Autumn Committee	974	0	0	974
Bonds - Keys, Facilities, Equipment	2,742	1,319	(1,544)	2,517
ANZAC Day Breakfast Donation	588	0	0	588
Railway Station Project	9,583	0	0	9,583
	16,061	3,309	(4,312)	15,058

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

**NOTE 16
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
				\$	\$	\$	\$
	Budget adoption		Opening surplus				0
2130211	CRC - Tourism information and community engagement	01100821S	Operating Expenses			(14,000)	(14,000)
2130240	CRC - Tourism information and community engagement	01100821S	Operating Expenses		7,000		(7,000)
2110718	CRC - Tourism information and community engagement	01100821S	Operating Expenses		3,500		(3,500)
2040252	CRC - Tourism information and community engagement	01100821S	Operating Expenses		3,500		0
2120375	Purchase grader from loan instead of lease	11180821	Operating Expenses		6,849		6,849
4120386	Purchase grader from loan instead of lease	11180821	Capital Expenses		57,041		63,890
5120355	Purchase grader from loan instead of lease	11180821	Capital Revenue		300,000		363,890
2120374	Purchase grader from loan instead of lease	11180821	Operating Expenses			(6,849)	357,041
4120387	Purchase grader from loan instead of lease	11180821	Capital Expenses			(57,041)	300,000
PE541	Purchase grader from loan instead of lease	11180821	Capital Expenses			(300,000)	0
				0	377,890	(377,890)	0

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 2021-22 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Law, order and public safety	(14,362)	(20.79%)	▼ Insurance funds received in advance transferred as expenditure progresses - \$54,500		Anticipated part payment from DRFAWA funding - \$42,700	
Recreation and culture	16,859	48.54%	▲	Refund for overcharge of water - \$13,500, refund of advertising costs from MMWE - \$3,725		
Transport	(27,575)	(12.22%)	▼		Anticipated disposal of asset - \$12,690 Less revenue for Dept of Transport transactions - \$13,500	
Economic services	71,481	995.70%	▲	Operating grant for Space Precinct received, work not yet completed - \$72,000		
Expenditure from operating activities						
Governance	12,622	11.85%	▲	Members training & development budgeted but not yet spent - \$7,500, Admin allocations under budget - \$5,000		
Law, order and public safety	(98,052)	(268.76%)	▼		TC Seroja repairs are progressing more than budgeted - \$99,000 (to be refunded by DRFAWA)	
Transport	(35,448)	(13.06%)	▼	Less DOT expenditure - \$16,800	More road maintenance than budgeted while waiting for capital projects to commence - \$55,000	
Economic services	21,223	22.15%	▲	Anticipated commencement on planning of Mingenew Space Precinct - \$14,000 Anticipated part payment to Community Resource Centre for visitor centre operations - \$4,700	Installed leach drain at the unmanned fuel station - \$4,000 (to be reimbursed by BP) Replace hot water system at Post Office - \$1,000	
Other property and services	50,804	376.16%	▲	Timecards allocated to August posting period but the remaining payroll process was allocated to September posting period - \$31,000 Less insurance than budgeted for motor vehicles - \$4,700 Savings on vehicle expenses - \$7,000 Information Technology contract less than budgeted - \$5,800 Anticipated commencement of using consultants - \$2,500		
Investing activities						

Proceeds from non-operating grants, subsidies and contributions	(159,929)	(57.83%) ▼		Anticipated non-operating road grants to be received less than budgeted due to work not yet commenced - funds sitting in Contract Liabilities - \$160,000
Payments for property, plant and equipment and infrastructure	311,442	51.13% ▲	Completed less capital works than budgeted for - see Note 8	Completed more capital works than budgeted for - see Note 8
Financing activities				
Proceeds from new debentures	280,000	0.00% ▲	WATC funds received for purchase of new plant	
Repayment of debentures	14,631	26.25% ▲	Payment on new loan from WATC not yet commenced	

Shire of Mingenew - List of Payments for September 2021

Chq/EFT	Date	Name	Description	Amount	Totals
PRINT0921	07/09/2021	DE LAGE LANDEN	Copier Lease September 2021	-\$356.80	
B1300SEP21	15/09/2021	BUSINESS 1300	Live Answering Service September 2021	-\$99.00	
NABSEP21	30/09/2021	NAB	NAB Connect Fee - September 2021	-\$39.99	
BPAY0921	30/09/2021	NAB	NAB BPay Fee - September 2021	-\$72.65	
FEE0921	30/09/2021	NAB	NAB Account Fee - September 2021	-\$50.00	
FEES0921	30/09/2021	NAB	NAB Account Fee - September 2021	-\$19.50	
IT0921	27/09/2021	FINRENT PTY LTD	IT Equipment Lease: September 2021	-\$656.57	
MERCH0821	01/09/2021	NAB	Merchant Fee August 2021	-\$1,240.18	-\$2,534.69
EFT14777	09/09/2021	Five Star Business & Communications	Kyocera billing for August 2021	-\$791.94	
EFT14778	09/09/2021	AUSTRALIA POST	Postage for August 2021	-\$376.87	
EFT14779	09/09/2021	AMPAC	Debt recovery services for the month of August 2021	-\$1,482.50	
EFT14780	09/09/2021	ABCO PRODUCTS	Cleaning supplies for Turf Club and Rec Centre	-\$1,012.05	
EFT14781	09/09/2021	BUNNINGS Group Limited	Toolbox, Ozito Grinder skin, ratchet straps and occy straps	-\$526.42	
EFT14782	09/09/2021	BOC GASES	Depot gas container service for period 29 July to 28 August 2021	-\$49.18	
EFT14783	09/09/2021	Cyclone Damage	Payment for half of repairs to Shire shared fence, damage caused by Tropical Cyclone Seroja	-\$2,530.00	
EFT14784	09/09/2021	Toll Transport Pty Ltd	Transport of Asphalt in a Bag for Nanekine Road	-\$405.09	
EFT14785	09/09/2021	CLEANAWAY	Transfer station fees August 2021	-\$9,586.39	
EFT14786	09/09/2021	CATWEST PTY LTD	1 x 1000 litre pod of bitumen emulsion	-\$1,925.00	
EFT14787	09/09/2021	CENTRAL GREENOUGH CAFE	Lunch and historical settlement entry for Seniors	-\$202.50	
EFT14788	09/09/2021	LANDGATE	Gross Rental Valuations Chargeable Schedule No: G 2021/3 dated 26/6/2021 to 23/07/2021	-\$70.40	
EFT14789	09/09/2021	Dongara IGA	IGA Account August 2021	-\$31.83	
EFT14790	09/09/2021	Department Of Fire And Emergency Services	ESL Liability (Option B 12 Monthly Payment), Emergency Services Levy 2021/2022	-\$30,900.00	
EFT14791	09/09/2021	ELDERS LIMITED	Envirodye 5 litre SST	-\$143.00	
EFT14792	09/09/2021	G H COUNTRY COURIER	Transport of Samsung Mobile Phone to Shire of Mingenew	-\$29.98	
EFT14793	09/09/2021	GERALDTON AG SERVICES	Four brass fittings for hose for bitumen spray unit	-\$22.44	
EFT14794	09/09/2021	GREENFIELD TECHNICAL SERVICES	Prepare RRG 2022/23 Submissions as per proposal	-\$5,995.00	
EFT14795	09/09/2021	GHD PTY LTD	Prepare and manage tender process - Yandanooka North-East Road Intersection	-\$834.81	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14796	09/09/2021	HI CONSTRUCTIONS (Aust) PTY LTD	Repairs to Enanty Barn as a result of damage caused by Tropical Cyclone Seroja	-\$11,611.10	
EFT14797	09/09/2021	Hart Sport Pty Ltd	Hart Basketball backboard, ring and net, plus freight	-\$637.10	
EFT14798	09/09/2021	INFINITUM TECHNOLOGIES	Managed IT Services - September 2021	-\$4,806.98	
EFT14799	09/09/2021	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	2021-2022 Bronze Local Government Membership	-\$550.00	
EFT14800	09/09/2021	LATERAL ASPECT	Service Fee August 2021	-\$4,978.22	
EFT14801	09/09/2021	LUPUS ONE PROPERTIES PTY LTD	Repair cyclone damage to Mingenew football dugout at Rec Centre	-\$2,007.50	
EFT14802	09/09/2021	LGRCEU	Payroll deductions	-\$20.50	
EFT14803	09/09/2021	SHIRE OF MINGENEW	Payroll deductions	-\$60.00	
EFT14804	09/09/2021	MIDWEST CHAMBER OF COMMERCE & INDUSTRY	MWCCI Annual Membership Service Fee for Government Agency for 1st July 2021 to 30th June 2022	-\$775.50	
EFT14805	09/09/2021	MINGENEW PRIMARY SCHOOL	Supply of marine grade ply for Showcase in Pixels	-\$139.10	
EFT14806	09/09/2021	MARKETFORCE	RFT2 - 2021/22 Purchase and disposal of grader, The West 31 July 2021	-\$1,616.29	
EFT14807	09/09/2021	MINGENEW BAKERY	Catering for Council Meetings and Functions in August 2021	-\$178.70	
EFT14808	09/09/2021	MINGENEW IGA X-PRESS & LIQUOR	Mingenew IGA account for August 2021	-\$248.09	
EFT14809	09/09/2021	MINGENEW TYRE SERVICES PTY LTD	Supply and fit tyre to John Deere Grader - MI572	-\$2,060.23	
EFT14810	09/09/2021	MCLEODS	Legal advice for issues relating to driveway at Shenton Street - Mingenew Bakery	-\$869.62	
EFT14811	09/09/2021	OILTECH FUEL	Fuel usage for 18/08/2021 to 31/08/2021	-\$3,971.56	
EFT14812	09/09/2021	Paul Armstrong	Expose suction hole at leach drain - Expo	-\$120.00	
EFT14813	09/09/2021	NUTRIEN AG SOLUTIONS LIMITED	Southern Wire Gate with Booker hinge set as per quote 4/8/21	-\$410.30	
EFT14814	09/09/2021	STATEWIDE BEARINGS	Four sets of wheel bearings for Parkland Mower	-\$110.00	
EFT14815	09/09/2021	Stargazers Club WA	Astrotourism Towns Membership 2021/22	-\$3,300.00	
EFT14816	09/09/2021	Subterranean Service Locations WA	Re-locate underground services at new water tank at Rec Centre	-\$297.00	
EFT14817	09/09/2021	Telstra Corporation	Telstra phone bill - August 2021	-\$833.30	
EFT14818	09/09/2021	Total Toilets	Hire of Portable Toilet for CRC (interim measure until septic replaced)	-\$1,924.40	
EFT14819	09/09/2021	TOTAL UNIFORMS	Four work shirts for as per quote 59579	-\$212.00	
EFT14820	09/09/2021	VELPIC	Velpic Monthly SAAS Fee for August 2021	-\$525.80	
EFT14821	09/09/2021	WALGA	Short Course booking for Rates in Local Government - Debt Collection, 15 November 2021	-\$578.00	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14822	09/09/2021	WESTRAC PTY LTD	Air compressor relief valve for 2008 Caterpillar 12M Motor Grader - MI541 (Construction Grader)	-\$34.94	
EFT14823	09/09/2021	WREN OIL	Oil waste disposal, and admin and compliance fees	-\$16.50	
EFT14824	09/09/2021	MINGENEW FABRICATORS	Repairs to shed doors and flashing at Depot No. 2, damage caused by Tropical Cyclone Seroja	-\$4,662.90	
EFT14825	09/09/2021	WA CONTRACT RANGER SERVICES PTY LTD	Ranger services 17/8/21, 23/8/21, and 1/9/21, total of 6.25 hours	-\$584.38	
EFT14826	22/09/2021	ABCO PRODUCTS	Toilet paper, soap, mop head and other cleaning supplies	-\$1,049.77	
EFT14827	22/09/2021	AIT SPECIALISTS PTY LTD	Determination of Fuel Tax Credits for June 2021	-\$612.81	
EFT14828	22/09/2021	BUNNINGS Group Limited	Vacuum, outdoor broom, garden hose and clamps, and tie down ratchet set	-\$219.75	
EFT14829	22/09/2021	BULLIVANTS PTY LTD	Onsite inspection of various Shire lifting equipment on 15 September 2021, including four hours travel	-\$726.00	
EFT14830	22/09/2021	BREEZE CONNECT PTY LTD	Phone Services August 2021	-\$260.00	
EFT14831	22/09/2021	BABA MARDA ROAD SERVICES	Supply traffic control for three days on Allanooka Springs Road as per quote	-\$5,951.57	
EFT14832	22/09/2021	CLEANAWAY	Shire of Mingenew Front Lift, waste oil removal	-\$815.28	
EFT14833	22/09/2021	CONTI HOMES	Repairs to patios and shade cloth at 2/45 and 3/45 King Street as a result of damage sustained in Tropical Cyclone Seroja	-\$3,153.70	
EFT14834	22/09/2021	DONGARA CARPET CLEANING	Carpet cleaning for 15 Field Street	-\$200.00	
EFT14835	22/09/2021	DONGARA DRILLING & ELECTRICAL	Installed weather-proof GPO for sump pump at CRC/Post Office	-\$323.11	
EFT14836	22/09/2021	DONGARA BUILDING & TRADE SUPPLIES	Aerosol graffiti remover	-\$19.95	
EFT14837	22/09/2021	Department of Mines, Industry Regulation & Safety	Building Services Levy August 2021	-\$462.65	
EFT14838	22/09/2021	DONGARA LAUNDRY SERVICE	Square table cloth for Agritourism Workshop March 2021	-\$60.00	
EFT14839	22/09/2021	GERALDTON MOWER & REPAIR SPECIALIST	Supply 1 x Rover mower as per quote	-\$758.95	
EFT14840	22/09/2021	CITY OF GREATER GERALDTON	2021-22 Mid West Sirsidyrix Libraries Consortium contribution	-\$1,356.60	
EFT14841	22/09/2021	GLASS CO	Silding doors for APU 1 and APU 3	-\$5,354.34	
EFT14842	22/09/2021	INFINITUM TECHNOLOGIES	Conference room setup as per Quote 6444	-\$6,527.95	
EFT14843	22/09/2021	LGRCEU	Payroll deductions	-\$20.50	
EFT14844	22/09/2021	SHIRE OF MINGENEW	Payroll deductions	-\$60.00	
EFT14845	22/09/2021	MINGENEW COMMUNITY RESOURCE CENTRE	200 Mingenew double-sided brochures on gloss paper	-\$164.40	
EFT14846	22/09/2021	MIDWEST LOCK & SAFE	3 x 17.7 restricted keys cut for padlock/standpipe key	-\$75.00	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14847	22/09/2021	MIDWEST MOWERS & SMALL ENGINES	Supply 1 x Cub Cadet mower trimmer	-\$1,100.00	
EFT14848	22/09/2021	MINGENEW SPRING CARAVAN PARK	One night's accommodation for Lateral Aspect	-\$77.00	
EFT14849	22/09/2021	MINGENEW IGA X-PRESS & LIQUOR	Drinks supplied for MIG Seroja sundowner	-\$283.98	
EFT14850	22/09/2021	MINGENEW TYRE SERVICES PTY LTD	Supply one tyre for tandem axle tilt bed trailer	-\$433.24	
EFT14851	22/09/2021	Officeworks	Various office supplies, including pens, archive boxes, vehicle log book etc.	-\$980.61	
EFT14852	22/09/2021	OILTECH FUEL	Fuel usage for 31/08/21 to 14/09/21	-\$6,081.09	
EFT14853	22/09/2021	Purcher International	Mirror assembly for 2012 Mitsubishi Fuso Bus - 003MI	-\$130.31	
EFT14854	22/09/2021	PEMCO DIESEL PTY LTD	1 x 200 litre drum of engine oil	-\$4,641.95	
EFT14855	22/09/2021	CM RAFANELLI T/AS RAFA RECRUITMENT AND WORKFORCE DEVELOPMENT	Conduct CEO Performance Review (July 2021)	-\$1,936.00	
EFT14856	22/09/2021	STATEWIDE BEARINGS	16 x 6205 bearings for Parkland Mower	-\$140.80	
EFT14857	22/09/2021	SEASIDE SIGNS	Printing of 1,000 brochures for Historical Walk	-\$2,002.00	
EFT14858	22/09/2021	Think Water Geraldton	Hunter I25 Rotary Sprinkler SS Riser 4 for Rec Centre"	-\$2,959.45	
EFT14859	22/09/2021	THURKLE'S EARTHMOVING & MAINTENANCE PTY LTD	Pushing gravel for Mingemew-Mullewa Road and Rehab gravel pit	-\$14,245.00	
EFT14860	22/09/2021	TOTAL UNIFORMS	Shire of Mingenev uniform embroidery x 16	-\$123.20	
EFT14861	22/09/2021	WESTRAC PTY LTD	2 sets (4) of cutting edges for 2008 Caterpillar 12M Motor Grader	-\$457.42	
EFT14862	22/09/2021	PETER ROBIN WOOD	Purchase of diesel at Walkaway due to no fuel or electricity available in Mingenev	-\$76.09	
EFT14863	29/09/2021	JUSTIN BAGLEY	Councillor sitting allowance July-September 2021	-\$941.00	
EFT14864	29/09/2021	Gary John Cosgrove	Councillor sitting allowance July-September 2021	-\$3,433.00	
EFT14865	29/09/2021	EASTMAN POLETTI SHERWOOD ARCHITECTS	Mingenev Childcare Centre Contract Documentation Fee	-\$18,661.50	
EFT14866	29/09/2021	CAROL FARR	Councillor sitting allowance July-September 2021	-\$941.00	
EFT14867	29/09/2021	INSTITUTE OF PUBLIC ACCOUNTANTS	IPA Annual membership, plus late fee	-\$794.00	
EFT14868	29/09/2021	State Library Of Western Australia	Better Beginnings Program for 2021/2022	-\$27.50	
EFT14869	29/09/2021	LGRCEU	Payroll deductions	-\$20.50	
EFT14870	29/09/2021	SHIRE OF MINGENEW	Payroll deductions	-\$60.00	
EFT14871	29/09/2021	Midwest Solar & Water WA	Extend two vents past the roof on Mingenev Visitors centre after roof was retinned	-\$585.50	
EFT14872	29/09/2021	HELLENE MCTAGGART	Councillor sitting allowance July-September 2021	-\$941.00	
EFT14873	29/09/2021	CR Robert William Newton	Councillor sitting allowance July-September 2021	-\$1,400.00	
EFT14874	29/09/2021	CR HELEN NEWTON	Councillor sitting allowance July-September 2021	-\$941.00	
EFT14875	29/09/2021	Anthony Smyth	Councillor sitting allowance July-September 2021	-\$941.00	
EFT14876	29/09/2021	SMYTH AGRI SERVICES	IBC fittings and camlock	-\$32.62	

Chq/EFT	Date	Name	Description	Amount	Totals
EFT14877	29/09/2021	Silver Chain	Refund of payment made in error	-\$2,834.58	
EFT14878	29/09/2021	Terratree Pty Ltd	Targeted flora/vegetation survey and Black Cockatoo Habitat assessment for Yandanooka North East Road	-\$7,796.25	-\$209,246.33
DD9725.1	14/09/2021	SYNERGY	Various Electricity charges for the period 23/06/2021 to 24/08/2021	-\$9,337.15	
DD9727.1	12/09/2021	Aware Super	Payroll deductions	-\$3,088.02	
DD9727.2	12/09/2021	Australian Super	Superannuation contributions	-\$1,366.10	
DD9727.3	12/09/2021	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$523.13	
DD9727.4	12/09/2021	Sun Super	Superannuation contributions	-\$1,211.09	
DD9727.5	12/09/2021	AMP Flexible Super	Superannuation contributions	-\$226.11	
DD9727.6	12/09/2021	REST Super Fund	Superannuation contributions	-\$89.81	
DD9727.7	12/09/2021	Host Plus Superannuation Fund	Superannuation contributions	-\$240.33	
DD9732.1	21/09/2021	BP Australia Pty Ltd	Fuel usage - August 2021	-\$280.15	
DD9734.1	26/09/2021	Aware Super	Payroll deductions	-\$3,103.90	
DD9734.2	26/09/2021	Australian Super	Superannuation contributions	-\$1,465.90	
DD9734.3	26/09/2021	loof Portfolio Service Superannuation Fund	Superannuation contributions	-\$523.13	
DD9734.4	26/09/2021	Sun Super	Superannuation contributions	-\$1,252.35	
DD9734.5	26/09/2021	AMP Flexible Super	Superannuation contributions	-\$228.93	
DD9734.6	26/09/2021	REST Super Fund	Superannuation contributions	-\$74.56	
DD9734.7	26/09/2021	Host Plus Superannuation Fund	Superannuation contributions	-\$240.33	
DD9738.1	29/09/2021	Western Australian Treasury Corporation	Loan payments for September 2021	-\$42,103.55	

Chq/EFT	Date	Name	Description	Amount	Totals
DD9740.1	30/09/2021	NAB BUSINESS VISA	Card Fees & Charges, WA Newspapers Monthly Subscription, City of Perth Parking @ Council House, Expo cheque handover, Netlink - iPad Air Bundle - Prepayment of order for Councillors, PO 13598, Dropbox - Annual Shire Licences x 3, Meekatharra Roadhouse, 42.36L 177MI, Auski Inland Motel - LG Pro Event Meekatharra, CPA, Zoom - Monthly subscription, Office National - USB Port for Council Chambers, Wilson Parking @ London House - CBH Meeting, Crown Perth - Meal - WALGA Conference, Crown Perth - Meal - WALGA Conference, Crown Perth - Meals - WALGA Conference, Crown Perth - Meals - WALGA Conference, Crown Perth - Accommodation - WALGA Conference x 4, Crown Perth - Parking, Breakfast & Minibar - WALGA Conference, Crown Perth - Accommodation - WALGA Conference, Crown Perth - Meals & Minibar - WALGA Conference, Able Sales - Compactor Honda 5.5hp Petrol	-\$6,284.28	-\$71,638.82
DOT010921	03/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 01/09/2021	-\$879.00	
DOT020921	06/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 02/09/2021	-\$1,516.90	
DOT030921	07/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 03/09/2021	-\$119.40	
DOT060921	08/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 06/09/2021	-\$1,557.80	
DOT070921	09/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 07/09/2021	-\$215.70	
DOT080921	10/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 08/09/2021	-\$2,009.25	
DOT100921	14/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 10/09/2021	-\$8,141.15	
DOT130921	15/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 13/09/2021	-\$606.25	
DOT140921	16/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 14/09/2021	-\$1,113.45	
DOT150921	17/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 15/09/2021	-\$596.70	
DOT160921	20/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 16/09/2021	-\$229.70	
DOT170921	21/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 17/09/2021	-\$5,018.85	
DOT200921	22/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 20/09/2021	-\$3,394.35	
DOT220921	24/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 22/09/2021	-\$692.75	
DOT230921	28/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 23/09/2021	-\$884.75	
DOT240921	29/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 24/09/2021	-\$5,239.20	
DOT280921	30/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transactions: 28/09/2021	-\$2,737.70	
DOT300821	01/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 30/08/2021	-\$391.45	
DOT310821	02/09/2021	DEPARTMENT OF TRANSPORT	DOT Licensing Transaction: 31/08/2021	-\$325.75	-\$35,670.10

Chq/EFT	Date	Name	Description	Amount	Totals
			Net Salaries	-\$114,072.15	-\$114,072.15
				-\$433,162.09	-\$433,162.09