



ATTACHMENT BOOKLET FOR ORDINARY COUNCIL MEETING

12 December 2024 at 5:00pm

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MINUTES OF THE ORDINARY COUNCIL MEETING

16 OCTOBER 2024

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**MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD IN COUNCIL CHAMBERS
ON 16 OCTOBER 2024 COMMENCING AT 5:00PM.**

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Presiding Member, Cr GA Cosgrove opened the meeting at 5:00pm.

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Councillors

Cr GJ Cosgrove	Shire President
Cr HR McTaggart	Deputy President
Cr JD Bagley	Councillor
Cr JR Holmes	Councillor
Cr AT Pearse	Councillor
Cr RA Starick	Councillor
Cr AR Smyth	Councillor

Apologies

Nil

Staff

Mr Matt Fanning	Chief Executive Officer
Mrs Helen Sternick	Manager Corporate Services
Ms Erin Greaves	Manager Governance and Community
Mr Shane Noon	Manager Works

Gallery

Mr Shane Kiely, Mineral Resources Limited
Mr Daniel Barker, Mineral Resources Limited

3.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4.0 PUBLIC QUESTION TIME/PUBLIC STATEMENT TIME

Nil.

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

6.0 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil.

7.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

7.1 ORDINARY COUNCIL MEETING HELD 21 AUGUST 2024

OFFICER RECOMMENDATION - ITEM 7.1

That the Minutes of the Ordinary Meeting of the Shire of Mingenew held in the Council Chambers on 21 August 2024 be confirmed as a true and accurate record of proceedings.

7.2 SPECIAL COUNCIL MEETING HELD 18 SEPTEMBER 2024

OFFICER RECOMMENDATION - ITEM 7.2

That the Minutes of the Special Meeting of the Shire of Mingenew held in the Council Chambers on 18 September 2024 be confirmed as a true and accurate record of proceedings.

OFFICER RECOMMENDATION AND COUNCIL DECISION ENBLOC – ITEM 7.1 & 7.2 -
RESOLUTION#01161024

MOVED: Cr HR McTaggart

SECONDED: Cr JD Bagley

That the Minutes of the Ordinary Meeting of the Shire of Mingenew held in the Council Chambers on 21 August 2024 be confirmed as a true and accurate record of proceedings.

That the Minutes of the Special Meeting of the Shire of Mingenew held in the Council Chambers on 18 September 2024 be confirmed as a true and accurate record of proceedings.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

8.0 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil.

9.0 DECLARATIONS OF INTEREST

Nil.

10.0 RECOMMENDATIONS OF COMMITTEES

Nil.

11.0 CHIEF EXECUTIVE OFFICER

11.1 WALGA LOCAL GOVERNMENT ELECTION ADVOCACY POSITION

Location/Address: Shire of Mingenew
Name of Applicant: WALGA
Disclosure of Interest: Nil
File Reference: GR.LRL.4
Date: 17 October 2024
Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

This report requests the Council to consider its position regarding WALGA's advocacy options relating to Local Government Elections.

Key Points

- WALGA is seeking Councils position on 6 related local government election processes
- All Councils position will be summarised and presented at the December State Council meeting to determine WALGA's revised advocacy position.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.1 - RESOLUTION#02161024
MOVED: Cr AR Smyth SECONDED: Cr AT Pearse

Council recommends that WALGA adopt the following Local Government Election Advocacy Positions:

1. PARTICIPATION – Council supports advocacy position:
(a) The sector continues to support voluntary voting at Local Government elections.
2. TERMS OF OFFICE - Council supports advocacy position:
(a) The sector continues to support four-year terms with a two year spill;
3. VOTING METHODS - Council supports advocacy position:
(a) The sector supports First Past the Post (FPTP) as the preferred voting method for general elections. If Optional Preferential Voting (OPV) remains as the primary method of voting, the sector supports the removal of the 'proportional' part of the voting method for general elections
4. INTERNAL ELECTIONS - Council supports advocacy position:
(a) The sector supports First Past the Post (FPTP) as the preferred voting method for all internal elections.
5. VOTING ACCESSIBILITY - Council supports advocacy position to hold general elections through:
(a) Electronic voting; and (b)Postal voting; and (c) In-Person voting.
6. METHOD OF ELECTION OF MAYOR - Council supports advocacy position
(a) As per the current legislation with no change – Class 1 and 2 local governments directly elect the Mayor or President (election by electors method), with regulations preventing a change in this method.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

Nil

Background

WALGA recently undertook a comprehensive review and analysis of 5 ordinary election cycles up to and including the 2023 Local Government election against the backdrop of legislative reforms to the Local Government electoral process. The review and report focused on postal elections conducted exclusively by the Western Australian Electoral Commission (WAEC), with the analysis finding evidence of the rising cost of conducting Local Government elections in Western Australia.

The report was presented to State Council on 4 September 2024, with State Council supporting a review of WALGA's Local Government Elections Advocacy Positions.

Since 2008, WALGA has surveyed the sector on five occasions and at all times the sector has supported the following:

- first-past-the-post method of counting votes,
- voting at Local Government elections to be voluntary, and
- four-year terms with a two-year spill.

All Local Governments are now being asked to provide a Council decision on WALGA's advocacy positions as they relate to Local Government Elections, to see if the positions are still current.

To inform an item for the December meeting of State Council, Council decisions are requested by Monday 28 October 2024. Local Governments will also be able to provide feedback through the November round of Zone meetings. To assist Councils in compiling their positions, WALGA has drafted a template Agenda Item.

Comment

The Elections Analysis Review and Report was presented to State Council 4 September 2024, with State Council supporting a review of WALGA's Local Government Elections Advocacy Positions.

WALGA is requesting Councils consider the current and alternative Elections Advocacy Positions and provide a response back to WALGA for the December 2024 State Council meeting.

WALGA State Council current advocacy positions:

The following is a summary of WALGA's current Advocacy Positions in relation to Local Government Elections:

2.5.15 ELECTIONS

Position Statement

The Local Government sector supports:

1. Four year terms with a two year spill
2. Greater participation in Local Government elections
3. The option to hold elections through:
 - Online voting
 - Postal voting, and
 - In-person voting
4. Voting at Local Government elections to be voluntary
5. The first past the post method of counting votes

The Local Government sector opposes the introduction of preferential voting, however if 'first past the post' voting is not retained then optional preferential voting is preferred.

Background

The first past the post (FPTP) method is simple, allows an expression of the electorate's wishes and does not encourage tickets and alliances to be formed to allocate preferences.

State Council Resolution February 2022 – 312.1/2022
December 2020 – 142.6/2020
March 2019 – 06.3/2019
December 2017 – 121.6/2017
October 2008 – 427.5/2008

Supporting Documents [Advocacy Positions for a New Local Government Act](#)
[WALGA submission: Local Government Reform Proposal \(February 2022\)](#)

2.5.16 METHOD OF ELECTION OF MAYOR

Position Statement Local Governments should determine whether their Mayor or President will be elected by the Council or elected by the community.

State Council Resolution February 2022 – 312.1/2022
March 2019 – 06.3/2019
December 2017 – 121.6/2017

2.5.18 CONDUCT OF POSTAL ELECTIONS

Position Statement The *Local Government Act 1995* should be amended to allow the Australian Electoral Commission (AEC) and any other third party provider including Local Governments to conduct postal elections.

Background Currently, the WAEC has a legislatively enshrined monopoly on the conduct of postal elections that has not been tested by the market.

State Council Resolution May 2023 – 452.2/2023
March 2019 – 06.3/2019
December 2017 – 121.6/2017
March 2012 – 24.2/2012

WALGA has requested the following advocacy positions be considered by Councils:

1. PARTICIPATION

- (a) The sector continues to support voluntary voting at Local Government elections.
- OR
- (b) The sector supports compulsory voting at Local Governments elections.

2. TERMS OF OFFICE

- (a) The sector continues to support four-year terms with a two year spill;
- OR
- (b) The sector supports four-year terms on an all in/all out basis.

3. VOTING METHODS

- (a) The sector supports First Past the Post (FPTP) as the preferred voting method for general elections. If Optional Preferential Voting (OPV) remains as the primary method of voting, the sector supports the removal of the 'proportional' part of the voting method for general elections

OR

(b) The sector supports Optional Preferential Voting (OPV) as the preferred voting method for general elections.

4. INTERNAL ELECTIONS

(a) The sector supports First Past the Post (FPTP) as the preferred voting method for all internal elections.

OR

(b) The sector supports Optional Preferential Voting (OPV) as the preferred voting method for all internal elections.

5. VOTING ACCESSIBILITY

The sector supports the option to hold general elections through:

(a) Electronic voting; and/or

(b) Postal voting; and/or

(c) In-Person voting.

6. METHOD OF ELECTION OF MAYOR/PRESIDENT

The sector supports:

(a) As per the current legislation with no change – Class 1 and 2 local governments directly elect the Mayor or President (election by electors method), with regulations preventing a change in this method.

(b) Return to previous legislated provisions – all classes of local governments can decide, by absolute majority, the method for electing their Mayor or President.

(c) Apply current provisions to all Bands of Local Governments – apply the election by electors method to all classes of local governments.

Statutory Environment

The *Local Government Amendment Act 2023* introduced a range of electoral reforms that came into effect prior to the 2023 Local Government ordinary elections:

- the introduction of Optional Preferential Voting (OPV);
- extending the election period to account for delays in postal services;
- changes to the publication of information about candidates;
- backfilling provisions for extraordinary vacancies after the 2023 election;
- public election of the Mayor or President for larger Local Governments;
- abolishing wards for smaller Local Governments; and
- aligning the size of councils with the size of populations of each Local Government (change to representation)

Following requests from several Zone's, WALGA undertook a comprehensive review and analysis of 5 ordinary election cycles up to and including the 2023 Local Government election against the backdrop of these legislative reforms. The review and report focused on postal elections conducted exclusively by the Western Australian Electoral Commission (WAEC), with the analysis finding evidence of the rising cost and a reduction in service of conducting Local Government elections in Western Australia.

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Strategic Community Plan 2023-2033

14.2 Prepare and respond in a timely manner to Local Government Act reforms

Corporate Business Plan 2024-2028

b. Advocate for reform changes to consider resourcing capabilities of small, rural local governments.

11.2 PROPOSED TEMPORARY WORKFORCE ACCOMMODATION

Location/Address:	Lot M435 Mooriary Road, Mooriary
Name of Applicant:	Mineral Resources Limited
Disclosure of Interest:	Nil
File Reference:	A603
Date:	10 October 2024
Author:	Simon Lancaster, Planning Advisor
Senior Officer:	Matt Fanning, Chief Executive Officer
Voting Requirements:	Simple Majority

Summary

The Shire has received an application from Mineral Resources Ltd seeking to establish the temporary Mooriary Deep 2 drill site workforce accommodation camp upon Lot M435 Mooriary Road, Mooriary which is owned by Perpetual Corporate Trust Limited.

It is noted that this drill camp is proposed to be sited on the location of the previous main camp, and the drill camp operation and layout is similar to those previously approved on the adjoining Perpetual Corporate Trust Limited landholding that includes Lots M433, M435 and M451.

On this basis the application is being considered as an amendment to the previous application, rather than a new application.

This report recommends that Council amend the existing approval to include this additional drill camp site, noting that it would therefore be subject to the existing approval conditions which includes the requirement for a Road Use Agreement.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 11.2 - RESOLUTION#03161024

MOVED: Cr RA Starick

SECONDED: Cr JR Holmes

Council amends Mineral Resources Ltd.'s temporary workforce accommodation approval, as contained in its determinations at the 17 July 2024 and 21 August 2024 meeting, to include the proposed exploration drill camp site upon Lot M435 Mooriary Road, Mooriary, noting that the additional drill camp site is thereby subject to the conditions of approval and advice notes as contained in these determinations.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

11.2.1 Development application – Mooriary 2 Drill Camp

Background

Council received an application from Mineral Resources Ltd at its 17 July 2024 meeting seeking to establish the following (upon land owned by Perpetual Corporate Trust Limited) in association with MRL's Exploration Drilling Program within their Petroleum Licence issued separately under the *Petroleum and Geothermal Energy Resources Act 1967*:

- Proposed Main Camp (MREX) – Lot M433 (P2984) Mooriary Road, Mooriary;
- Proposed Temporary Drill Camp (Mooriary Deep 1) – Lot M451 (P2982) Mooriary Road, Mooriary;
- Proposed Temporary Drill Camp (Lockyer 6) – Lot M433 (P2984) Mooriary Road, Mooriary;
- Proposed Temporary Drill Camp (North Erregulla 3) – Lot M433 (P2984) Mooriary Road, Mooriary.

The application was approved subject to conditions and the minutes from the 17 July 2024 Council meeting can viewed at the following link:

The previous main camp upon Lot M435 (which is the proposed site for the additional drill camp) was located immediately west of Moorriary Road, and 9km south of Midlands Road.

The proposed site for the drill camp is approximately 3km north-west of the nearest residence and 13km south-west of the Mingenew townsite.

The drill site camp would consist of 2 x 3 person transportable accommodation buildings and other modular buildings (typically 12m x 2.72, 32.64m²) associated with the drill operations delivered to the site by truck. The drill sites would have drilling activities conducted continuously on a 24-hour basis with 2 crews (6 personnel operating the drill and up to 22 additional personnel) working on 12-hour shifts necessitating a workforce accommodation camp at the drill sites. The drill camps would be serviced by a mobile wastewater system and food preparation would be done off-site at the main camp.

The exploration drilling activities (and associated need for the accompanying drill camp) are anticipated to take place over approximately 60 days at each drill site, with some potential returning to the site for further exploration, maintenance and testing work over a subsequent 2 year period.

The drill camp would be installed over 5 days along with the drilling rig, and transported to site by semi-trailers and/or or winch trucks over 80 trailer loads (2 of these being for the modular sleeper units) with comparable movements in the decommissioning of the facility.

The drill camp application has been provided as **separate Attachment 11.2**.

Figure 11.2.2 - Proposed Drill Camp Layout

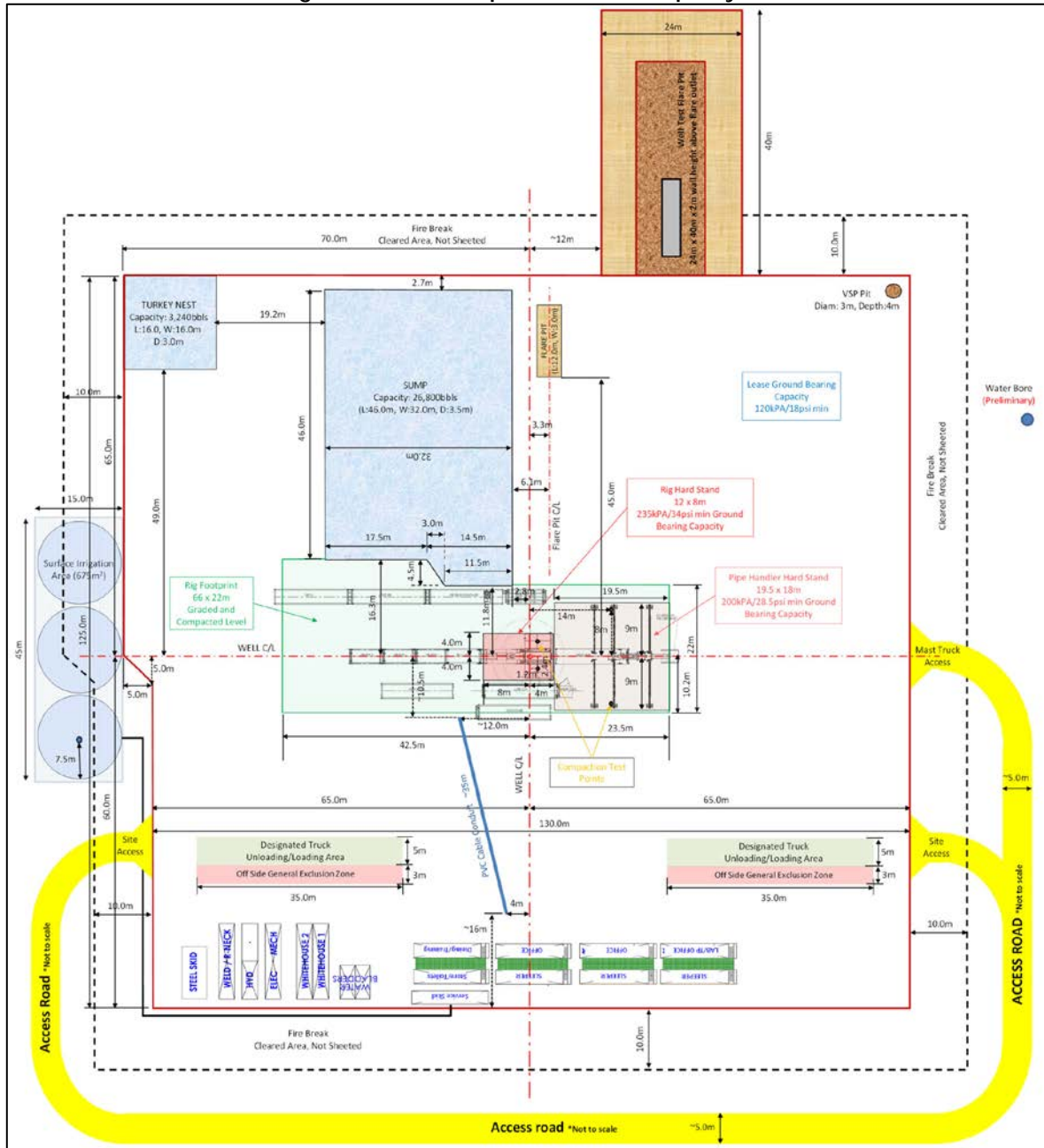


Figure 11.2.3 – Aerial photo of previous main camp upon proposed drill camp location



Comment

The most consistent issue arising from the prior operation of gas drilling operations in the Shire has been the impact upon its road network.

Whilst the exploratory phase of the drilling program is 'temporary' it is noted that this term addresses an activity that has been underway for 3 years and counting, with this anticipated to continue for at least a further 2 years. Further, this ongoing road impact would become permanent in the event that the proposed gas processing facility under the applicant's State Development Assessment Unit application SDAU-067-23 is realised.

Where an applicant's operations have an impact on the condition of the local road network, it is considered reasonable that upgrade or contribution to upgrade (and later maintenance) be required of the applicant to avoid financial burden on the Shire, and ensure the applicant provides compensation or remedial/upgrade works commensurate with additional wear imposed by traffic movements associated with their operations.

The Shire has previously made clear to the applicant that 24/7 access to its sites cannot be guaranteed along its unsealed road network, and for 24/7 access to be assured they would need to upgrade Moorriary Road to a sealed standard.

The Shire has also advised the applicant previously that they may wish to negotiate directly with the landowner(s) to gain access to site via an alternative alignment across land between the applicants site(s) and the sealed road network in the event that the local unsealed road network has been closed.

Whilst the Shire can during wet weather events consider (as is the current practice) a partial road closure where appropriate, this is dependent on current or anticipated road conditions and safety risks. The Shire must be mindful that its unsealed road network are not all-weather roads and would need to be sealed, or potentially gravelled as a minimum with Main Road WA specification gravel in certain circumstances where safe to do so, in order to prevent temporary road closures during wet periods due to the high risk of runoff due to their very slippery clay bases with minimal wet strength.

Consultation

This application was not advertised for comment, noting it is a repetition of previous temporary workforce accommodation applications upon this immediate site and surrounding sites, that have been repeatedly advertised for comment, leading to a position where it can be reasonably stated that Council and the applicant are aware of the associated issues and impacts.

However, in the event that Council wishes to consult with relevant state government agencies and landowners again it has the ability to do so prior to making its determination.

Further background on the Shire's 5 previous rounds of consultation over the last 3 years can be viewed at the following links to the Council Minutes (and also accompanying Attachments Booklets):

mingenew.wa.gov.au/wp-content/uploads/2021/06/Attachment-Booklet-Ordinary-Council-Meeting-16-June-2021-red.pdf

[Public-Ordinary-Council-Meeting-Minutes-16-June-2021.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2021/06/Public-Ordinary-Council-Meeting-Minutes-16-June-2021.pdf)

mingenew.wa.gov.au/wp-content/uploads/2022/10/Ordinary-Council-Meeting-Minutes-19-October-2022.pdf

[15-Feb-2023-OCM-Agenda-CEO-Attachments.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2023/02/15-Feb-2023-OCM-Agenda-CEO-Attachments.pdf)

[PUBLIC-Ordinary-Council-Meeting-Minutes-15-February-2023.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2023/02/PUBLIC-Ordinary-Council-Meeting-Minutes-15-February-2023.pdf)

[Special-Council-Meeting-Attachments-Booklet-20-September-2023.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2023/09/Special-Council-Meeting-Attachments-Booklet-20-September-2023.pdf)

[PUBLIC-Special-Council-Meeting-Minutes-20-September-2023.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2023/09/PUBLIC-Special-Council-Meeting-Minutes-20-September-2023.pdf)

<https://mingenew.wa.gov.au/wp-content/uploads/2024/07/17-July-2024-Special-Council-Meeting-Attachments-Booklet.pdf>

[17-July-2024-Special-Council-Meeting-Minutes.pdf \(mingenew.wa.gov.au\)](https://mingenew.wa.gov.au/wp-content/uploads/2024/07/17-July-2024-Special-Council-Meeting-Minutes.pdf)

Statutory Environment

Schedule 2 Part 9 Clause 77 of the *Planning and Development (Local Planning Schemes) Regulations 2015* states that:

- "77 *Amending or cancelling development approval*
- (1) *An owner of land in respect of which development approval has been granted by the local government may make an application to the local government requesting the local government to do any or all of the following*
 - (a) *to amend the approval so as to extend the period within which any development approved must be substantially commenced;*
 - (b) *to amend or delete any condition to which the approval is subject;*
 - (c) *to amend an aspect of the development approved which, if amended, would not substantially change the development approved;*
 - (d) *to cancel the approval.*
 - (2) *An application under subclause (1) –*
 - (a) *is to be made in accordance with the requirements in Part 8 and dealt with under this Part as if it were an application for development approval; and*
 - (b) *may be made during or after the period within which the development approved must be substantially commenced.*
 - (3) *Despite subclause (2), the local government may waive or vary a requirement in Part 8 or this Part in respect of an application if the local government is satisfied that the application relates to a minor amendment to the development approval.*
 - (4) *The local government may determine an application made under subclause (1) by –*
 - (a) *approving the application without conditions; or*
 - (b) *approving the application with conditions; or*
 - (c) *refusing the application."*

Shire staff suggest in this instance that the approval of a drill camp upon the previously approved site of a larger main workforce accommodation camp, and upon the same overall landholding over which there have been approved multiple other drill camps should be considered an amendment to the previous approval rather than a new application.

It is noted that were Council to amend the existing approval to include this additional drill camp site, it would become subject to the existing approval conditions which includes the requirement for a Road Use Agreement.

Policy Implications

The Western Australian Planning Commission's 'Workforce Accommodation Position Statement provides guidance in relation to the assessment of this application. A copy of the WAPC Position Statement can be viewed at the following link:

https://www.wa.gov.au/system/files/2021-07/POS-Position-Statement_Workforce_Accommodation.pdf

Financial Implications

Where an applicant's operations have an impact on the condition of the local road network, it is considered reasonable that upgrade or contribution to upgrade (and later maintenance) be required of the applicant to avoid financial burden on the Shire, and ensure the applicant provides compensation commensurate with additional wear imposed by traffic movements associated with their operations.

Strategic Implications

Section 8.8 of the Shire of Mingenew Local Planning Strategy (2006) notes the following:

"8.8 Mining Activity

General Industrial land will need to be identified for possible expansion of Mingenew.

Appropriate controls will also need to be put in place for mining activity in the Rural-Mining Zone. These include controls to ensure that the environmental and landscape qualities are not detrimentally affected, that adequate provision is made for any intensive use of rural roads, and that there is no conflict with existing rural activities undertaken in the area.

In determining an application for extractive industry Council shall have regard to and may impose conditions relating to the demand for additional services, facilities and infrastructure, the impact on surrounding land uses, and shall require a management plan to manage the impact of the extractive industry."

12.0 CORPORATE SERVICES

12.1 FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2024 AND 30 SEPTEMBER 2024

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
Disclosure of Interest: Nil
File Reference: FM.FRP
Date: 17 October 2024
Author: Jack Smith, Senior Finance Officer
Authorising Officer: Helen Sternick, Manager Corporate Services
Voting Requirements: Simple Majority

Summary

Council is required by legislation to consider and adopt the Monthly Financial Report, including Statement of Financial Activity for the periods ended 31 August 2024 and 30 September 2024, as required by Regulation 34 (1) of the *Local Government (Financial Management) Regulations 1996*.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.1 - RESOLUTION#04161024

MOVED: Cr HR McTaggart **SECONDED:** Cr AR Smyth

Council receives:

- 1) the Monthly Financial Report, including the Statement of Financial Activity, for the period 31 August 2024, as included at Attachment 12.1.1;
- 2) the Monthly Financial Report, including the Statement of Financial Activity, for the period 30 September 2024, as included at Attachment 12.1.2.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

12.1.1 Monthly Financial Report for the period ending 31 August 2024

12.1.2 Monthly Financial Report for the period ending 30 September 2024

Background

Council is provided with the Monthly Financial Report which has been developed in line with statutory reporting standards and provides Council with a holistic overview of the operations of the Shire of Mingenew.

The Monthly Financial Report for the period ended 31 August 2024 and 30 September 2024 includes the following:

- Statement of Financial Activity
- Statement of Financial Position
- Statement of Financial Activity Information
- Explanation of Material Variances
- Cash and Financial Assets
- Reserve Accounts
- Capital Acquisitions
- Disposal of Assets
- Receivables
- Other Current Assets
- Payables
- Rate Revenue
- Borrowings
- Lease Liabilities

MINGENEW SHIRE COUNCIL ORDINARY MEETING MINUTES – 16 OCTOBER 2024

- Other Current Liabilities
- Grants, Subsidies and Contributions
- Capital Grants, Subsidies and Contributions
- Budget Amendments

Comment

The 2023/24 Annual Financial Report has not been audited and is subject to change, this may alter the opening surplus for the 2024/25 financial year. A summary of the financial position as the end of August 2024:

	YTD Budget	YTD Actual	Variance
OPERATING ACTIVITIES			
Revenue from operating activities	3,023,848	3,025,197	0.04%
Expenditure from operating activities	(499,788)	(563,142)	(12.68%)
Non-cash amounts excluded from operating activities	0	(21,091)	0.00%
	2,524,060	2,440,964	(3.29%)
INVESTING ACTIVITIES			
Inflows from investing activities	0	103,972	0.00%
Outflows from investing activities	(843,885)	(110,317)	86.93%
	(843,885)	(6,345)	99.25%
FINANCING ACTIVITIES			
Inflows from financing activities	0	0	0.00%
Outflows from financing activities	(8,698)	(7,775)	10.61%
	(8,698)	(7,775)	10.61%
Surplus/(deficit) at the start of the financial year	575,000	1,605,680	179.25%
Surplus/(deficit) at 31 August 2024	2,246,477	4,032,524	79.50%
Cash at Bank Municipal – unrestricted		3,039,130	
Cash at Bank Municipal – restricted		1,254,545	
Cash at Bank Trust		50,001	
Reserve Term Deposit		1,107,459	
Total		5,451,135	

A summary of the financial position as the end of September 2024:

	YTD Budget	YTD Actual	Variance
OPERATING ACTIVITIES			
Revenue from operating activities	3,065,172	3,096,356	1.02%
Expenditure from operating activities	(782,825)	(762,658)	2.58%
Non-cash amounts excluded from operating activities	0	(36,614)	0.00%
	2,282,347	2,297,084	0.65%
INVESTING ACTIVITIES			
Inflows from investing activities	414,296	255,880	(38.24%)
Outflows from investing activities	(1,142,382)	(401,562)	64.85%
	(728,086)	(145,682)	79.99%
FINANCING ACTIVITIES			
Inflows from financing activities	0	0	0.00%
Outflows from financing activities	(37,100)	(8,031)	78.35%
	(37,100)	(8,031)	78.35%
Surplus/(deficit) at the start of the financial year	575,000	1,605,680	179.25%
Surplus/(deficit) at 30 September 2024	2,092,161	3,749,051	79.20%
Cash at Bank Municipal – unrestricted		2,849,833	

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Cash at Bank Municipal – restricted	1,293,085
Cash at Bank Trust	50,001
Reserve Term Deposit	<u>1,107,459</u>
Total	5,300,378

An explanation of the variances can be found at Note 3 in the attached Monthly Financial Reports, this commentary provides Council with an overall understanding of how the financial position is compared in relation to the adopted budget.

As required by 1.3.3 Investment of Surplus Funds Procedures, details of Council's investment portfolio are provided within the supplementary information of the attachments on page 10.

The road agreement with Terra Mining, as at 30 September 2024, has contributed \$96,655 towards the Community Infrastructure Fund, of which \$15,540 remains outstanding.

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

Consultation

Nil.

Statutory Environment

Local Government Act 1995 Section 6.4

Local Government (Financial Management) Regulations 1996

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 the previous month (the **relevant 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 relevant month; and*
- (c) *actual amounts of expenditure, revenue and income to the end of the relevant month; 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 relevant month and a note containing a summary explaining the composition of the net current assets.*

(1B) *The detail included under subregulation (1)(e) must be structured in the same way as the detail included in the annual budget under regulation 31(1) and (3)(a).*

(1C) *Any information relating to exclusions from the calculation of a budget deficiency that is included as part of the budget estimates referred to in subregulation (1)(a) or (b) must be structured in the same way as the corresponding information included in the annual budget.*

(2) *Each statement of financial activity is to be accompanied by documents containing —*

- [(a) deleted]*
- (b) *an explanation of each of the material variances referred to in subregulation (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 must be shown according to nature classification.*

(4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be*

—
(a) *presented at an ordinary meeting of the council within 2 months after the end of the relevant month; 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 2023-2033

14 Operating with a high standard of good governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

12.2 LIST OF PAYMENTS FOR THE PERIOD 1 AUGUST TO 30 SEPTEMBER 2024

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
Disclosure of Interest: Nil
File Reference: FM.CRD
Date: 17 October 2024
Author: Maria Snowden-Giles, Payroll/Finance Officer
Authorising Officer: Helen Sternick, Manager Corporate Services
Voting Requirements: Simple Majority

Summary

This report recommends that Council receives the list of payments (including purchasing cards), made under delegated authority, for period 1 August to 30 September 2024.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.2 - RESOLUTION#05161024
MOVED: Cr JD Bagley SECONDED: Cr RA Starick

Council, in accordance with *Local Government (Financial Management) Regulations 1996* section 13 and 13A, receives the list of payments for the period of 1 August to 30 September 2024, as included at Attachment 12.2.1. represented by:

\$446,767.36 Municipal EFTs
\$28,942.05 Municipal EFT Purchasing Cards (Fuel Cards)
\$80,659.70 Municipal Direct Debit Department of Transport (Licencing) Payments
\$114,897.39 Municipal Direct Debit Other
\$7,404.90 Municipal Direct Debit Purchasing Cards (Credit and Fuel Cards)
\$179,852.07 Net Salaries
\$498,819.33 Total Payments

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

12.2.1 List of Payments – 1 August to 30 September 2024

Background

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the Shire's Municipal and Trust funds. In accordance with section 13 of the *Local Government (Financial Management) Regulations 1996* a list of accounts paid by the Chief Executive Officer is to be provided to Council, where such delegation is made.

In accordance with section 13A of the *Local Government (Financial Management) Regulations 1996* a list of payments made by authorised employees via purchasing cards is to be provided to Council.

The list is to include details for each account paid, incorporating the payee's name, amount of payment, date of payment and sufficient information to identify the transaction.

Comment

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

Consultation

Nil.

Statutory Environment

Local Government Act 1996, Section 6.4

Local Government (Financial Management) Regulations 1996

12. Payments from municipal fund or trust fund, restrictions on making

- (1) A payment may only be made from the municipal fund or the trust fund —
- (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.

13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
- (a) the payee's name; and
 - (b) the amount of the payment; and
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
- (a) for each account which requires council authorisation in that month —
 - (i) the payee's name; and
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction, and
 - (b) the date of the meeting of the council to which the list is to be presented.
- (3) A list prepared under sub-regulation (1) or (2) is to be —
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

13A. Payments by employees via purchasing cards

- (1) If a local government has authorised an employee to use a credit, debit or other purchasing card, a list of payments made using the card must be prepared each month showing the following for each payment made since the last such list was prepared —
- (a) the payee's name.
 - (b) the amount of the payment.
 - (c) the date of the payment.
 - (d) sufficient information to identify the payment.
- (2) A list prepared under sub-regulation (1) must be —
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications

Payments have been made under delegation.

Financial Implications

The list of payments made in accordance with budget and delegated authority.

Strategic Implications

Strategic Community Plan 2023-2033

14 Operating with a high standard of governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

12.3 FINANCE POLICIES ANNUAL REVIEW

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
Disclosure of Interest: Nil
File Reference: CM.POL.1
Date: 17 October 2024
Author: Helen Sternick, Manager Corporate Services
Authorising Officer: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

A review of the Shire of Mingenew's finance policies (and procedures) within Council's Policy Manual has been undertaken to ensure compliance and relevance to the community's current and future needs.

Key Points

- Council adopted a Policy Manual schedule in September 2019 that identified Finance Policies to be reviewed annually.
- Finance Policies were last reviewed in December 2022.
- Policies within the Council Policy Manual may be reviewed and amended or revoked at any time by Council decision, as required.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.3 - RESOLUTION#06161024
MOVED: Cr AT Pearse SECONDED: Cr JR Holmes

Council notes the review of Council's Finance Policies and accepts the following reviewed policies, as presented in the Attachment Booklet:

- 1.3.1 Purchasing Policy
- 1.3.2 Asset Management Policy
- 1.3.3 Investment of Surplus Funds Policy
- 1.3.4 Significant Accounting Policies Policy
- 1.3.5 Corporate Credit Card Policy
- 1.3.6 Related Parties Disclosure Policy
- 1.3.7 Regional Price Preference Policy
- 1.3.8 Employee Superannuation Policy
- 1.3.9 Debt Collection Policy
- 1.3.10 Fees and Charges Policy
- 1.3.11 Financial Hardship Policy

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

12.3.1 Finance Policies and relevant Management Procedures

Background

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

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

Comment

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

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

A summary of proposed changes to the policies are provided below:

1.3.1 Purchasing Policy
<ul style="list-style-type: none"> • Minor grammatical and formatting changes proposed • Update of position titles
1.3.2 Asset Management Policy
<ul style="list-style-type: none"> • Update associated documents to reflect current Strategic Community Plan which includes Corporate Business Plan and Long Term Financial Plan • Update of position titles <p><u>Asset Management Procedures</u></p> <ul style="list-style-type: none"> • Minor wording amendment to reflect terminology from the Local Government (Financial Management) Regulations 1996
1.3.3 Investment of Surplus Funds Policy
<ul style="list-style-type: none"> • Include reference to the Investment of Surplus Fund Management Procedure • Update of position titles <p><u>Investment of Surplus Funds Procedures</u></p> <ul style="list-style-type: none"> • Minor grammatical and formatting changes • Update of delegated authority reference • Update of the reporting requirements
1.3.4 Significant Accounting Policies Policy
<ul style="list-style-type: none"> • Update of position title
1.3.5 Corporate Credit Card Policy
<ul style="list-style-type: none"> • Minor grammatical changes • Update of position title <p><u>Corporate Credit Card Procedures</u></p> <ul style="list-style-type: none"> • Reference to the Purchasing Policy and Procedure • Minor amendments to wording • Update of position titles
1.3.6 Related Parties Disclosure Policy
<ul style="list-style-type: none"> • Update of position titles
1.3.7 Regional Price Preference Policy
<ul style="list-style-type: none"> • Update of position titles
1.3.8 Employee Superannuation Policy
<ul style="list-style-type: none"> • Update of position title
1.3.9 Debt Collection Policy
<ul style="list-style-type: none"> • Minor amendments to wording and formatting changes • Included an additional process to issue a rates statement prior to issuing a Final Notice • Update of position titles
1.3.10 Fees and Charges Policy
<ul style="list-style-type: none"> • Minor grammatical changes • Update of position title

Fees and Charges Procedures

- Update adoption date and numbering
- Remove campgrounds and caravan parks from Shire property or facilities
- Remove 100% cost recovery and replaced with a contribution of the operating costs for indoor and outdoor hire charges
- Included the Sporting Club contributions will be determined by Council via the budget process and the fees to be charged respectively
- Removed seek to enter into agreements with the relevant clubs which outline their annual fees and the mutually expected obligations of both parties

1.3.11 Financial Hardship Policy

- Removed reference to declared State of Emergency
- Aligned the policy with the updated WALGA Financial Hardship Policy template but modified to suit our circumstances
- Minor grammatical changes
- Update of position title

An updated version of the Policy Manual will be available for Councillors after adoption.

Consultation

Chief Executive Officer
Manager Governance and Community

Statutory Environment

Local Government Act 1995

Policy Implications

As outlined.

Financial Implications

There are no direct financial implications.

Strategic Implications

Strategic Community Plan 2023-2033

14 Operating with a high standard of good governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

12.4 CHANGE OF METHOD OF VALUATION

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
Disclosure of Interest:	Nil
File Reference:	RV.RTC.2
Date:	17 October 2024
Author:	Megan Smith, Rates / Finance Officer
Authorising Officer:	Helen Sternick, Manager Corporate Services
Voting Requirements:	Simple Majority

Summary

To consider consultation in regard to changing the method of valuation from Unimproved Value (UV) to Gross Rental Value (GRV) for the properties identified within the townsite that may be used for a non-rural purpose.

Key Points

- Local Governments are responsible to review the predominant use of land and apply to the Minister to have the method of valuation changed where appropriate.
- A review has identified properties that are currently valued as UV whereas their predominant use may be non-rural.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.4 - RESOLUTION#07161024

MOVED: Cr AT Pearse SECONDED: Cr JD Bagley

Council:

- 1) Authorises the Chief Executive Officer to undertake a review of Unimproved Value rated properties;**
- 2) Consults with property owners giving 28 days to comment on the proposal to change the method of valuation from Unimproved Value to Gross Rental Value for those properties identified, as outlined under separate, confidential cover; and**
- 3) Commences the process to transition properties not used for rural purposes to Gross Rental Value, in accordance with s6.28 of the *Local Government Act 1995*.**

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

12.4.1 *List of identifiable properties (provided under separate confidential cover, as per Local Government Act 1995 s5.23 (2)(b)).*

12.4.2 Town Planning Scheme Zone Map

12.4.3 Operational Guideline – Changing Methods of Valuation of Land

Background

Under section 6.28 of the *Local Government Act 1995* (the Act), the Minister for Local Government is responsible for determining the method of valuation of land to be used by a local government as the basis for a rate. In determining the method of valuation, the Minister is to have regard to the general principle that the basis for a rate on any land is to be:

- Where the land is used predominantly for rural purposes, the Unimproved (UV) value of the land; and
- Where the land is used predominantly for non-rural purposes, the Gross Rental Value (GRV) of the land.

Rural purpose is defined by the Department of Local Government Sports and Cultural Industries (DLGSCI) to mean *"a purpose pertaining to agriculture and agriculture is defined to mean the use or cultivation of land for any purpose of husbandry or horticulture, including the raising of livestock and the growing of crops"*, the rate

levied shall be based upon its UV; and where land is used predominantly for non-rural purposes, the rate levied shall be on its GRV.

It is the Local Government's responsibility to review the predominant use of land and apply to the Minister to have the method of valuation changed where appropriate.

Different factors need to be considered regarding determining predominate land use, including the activity conducted on the land, any development of the property, income generated from or on the property and Local Planning Scheme.

The last known review of predominant land use in the Shire was previously undertaken in 2016. This included a preliminary report to Council outlining the need for the review, correspondence with the Valuer General seeking notional valuations to determine the potential impact, and consultation with affected ratepayers including a questionnaire relating to the predominant land use. Several of the affected ratepayers responded including many clearly stating that the predominant use was unrelated to rural activities, however no further actions can be found nor a response from the Valuer General regarding notional values, and further, no outcomes of the review being reported back to Council.

A more recent review of land use was undertaken regarding the 'Space Precinct' area which successfully changed the method of valuation in 2021 on previously UV rated land to GRV rated.

Comment

Staff have recently reviewed the method of valuations for properties in the rating system. As a result of this, there have been several apparent anomalies identified. This review predominantly pertains to the method of valuation applied to a range of lots in the Rural Residential and General Industry areas.

These properties identified as potentially requiring a change of method of valuation to GRV, where the land is used predominately for non-rural purposes i.e. residential, commercial, industrial or rural residential.

The Department of Local Government and Communities has issued a Local Government Operational Guideline No 12 relating to Changing Methods of Valuation of Land. This guideline identifies the key guiding principles for local government to consider when developing or assessing their rating structures, including:

- Objectivity;
- Fairness and equity;
- Consistency;
- Transparency; and
- Administrative efficiency.

Council has and will continue to apply these principles both through this current process and into the future when it is making decisions around rating.

The most significant challenge through this process is for the Council to make a determination around the use of properties. For example for properties in the rural area, Council needs to make an assessment as to whether the predominant or primary use of a property is for a rural purpose, or in fact for a residential purpose. Unfortunately, the Act does not define the term "predominant". Consequently, an assessment has to be made on a case-by-case basis as a question of "fact and degree" as to whether or not the use of a particular property should be categorised as predominantly rural or non-rural.

In determining predominant land use all relevant factors will be considered, including the activity conducted on the land, any development on the property, income generated from or on the property and the Local Planning Scheme.

An estimated process and timeline for the transition from UV to GRV is:

- | | |
|------------------|---|
| October 2024 | - Council authorise the Chief Executive Officer to carry out a review of the land use for UV rated properties |
| | - Notional values obtained from Valuer General's Office |
| | - Letters to affected landowners requested declarations of land use to be completed and returned to the Shire within 28 days |
| November 2024 | - Shire staff assess declarations and review land use, affected landowners advised of review decision and given 21 days to respond |
| February 2025 | - Council considers any submissions prior to resolving to apply to the Minister for approval to change the method of valuation for specified properties |
| | - Application submitted to the Minister for approval to change the method of valuation |
| March/April 2025 | - GRV valuation request submitted to Landgate |
| April 2025 | - Valuation information supplied to DLGSCI for submission to the State Law Publisher for Gazettal |
| May 2025 | - Publication in Government Gazette |
| April/May 2025 | - Rate modelling commenced for 2025/26 financial year |
| July 2025 | - GRV applied to the specified properties with an effective date of 1 July 2025 |

Consultation

Landgate

Affected landowners

Statutory Environment

Local Government Act 1995

6.28. Basis of rates

- (1) *The Minister is to —*
 - (a) *determine the method of valuation of land to be used by a local government as the basis for a rate; and*
 - (b) *publish a notice of the determination in the Government Gazette.*
- (2) *In determining the method of valuation of land to be used by a local government the Minister is to have regard to the general principle that the basis for a rate on any land is to be —*
 - (a) *where the land is used predominantly for rural purposes, the unimproved value of the land; and*
 - (b) *where the land is used predominantly for non-rural purposes, the gross rental value of the land.*
- (3) *The unimproved value or gross rental value, as the case requires, of rateable land in the district of a local government is to be recorded in the rate record of that local government.*

The Department of Local Government and Communities has developed a Local Government Operational Guideline No 12 relating to Changing Methods of Valuation of Land, which identifies several steps in this process.

Step 1 – Identifying land use changes that may affect predominant use

Land use changes for the selected areas have been identified through a broad based assessment that these areas are not predominantly used for rural purposes.

Step 2 – Reviewing predominant use

Assessing the predominant use of land is fundamental to determining the method of valuation to be used for rating purposes. The Act does not define the term "predominant". Consequently, an assessment has to be

made on a case-by-case basis as a question of “fact and degree” as to whether or not the use of a particular property should be categorised as predominantly rural or non-rural.

Local Governments should take all relevant factors into consideration including the following:

- a) Activity conducted on the land
Many activities may be associated with the use of the property. The nature, scale and extent of each activity should be taken into account in any assessment of predominant use.

Example:

A house is situated on a four (4) hectare property. On the property there is a vegetable patch and some fruit trees. The occupier also keeps livestock, including a cow, two sheep, two horses and several chickens and ducks. There is no doubt some rural activities are undertaken on the property. However, these activities are undertaken on a small scale. The produce is mainly for personal consumption. Although from time to time the occupier may sell some produce at a roadside stall, the occupier is not deriving his/her livelihood from “working the land”. The predominant use can be said to be residential.

- b) Development on the land
The nature, scale and extent of the development of a property can give an indication of the nature, scale and intensity of associated uses. They can also affect the capacity for a property to be used for other purposes.

Example:

More than half of a small rural property is occupied by chalets and associated developments. The rest of the lot is used occasionally to graze sheep and cattle. Given the scale of the chalet development it would be difficult to determine that the predominant use is rural.

- c) Income
Where a property is used for two (2) or more different purposes, the income generated from each use can be a guide to assessing the predominant use of the land.

Example:

A portion of a property is being used for an agricultural purpose and the remainder is being used for holiday accommodation. The income generated from the holiday accommodation is significantly more than that from the agricultural pursuit. The predominant use could arguable be said to be non-rural.

- d) Local Planning Scheme
A local planning scheme enables the use of land for a rural or non-rural purpose and should be considered in assessing predominant use i.e. the Shire of Mingenew's Local Planning Scheme No 4 sets out land uses which can be considered in certain zones.

- e) Vacant Land
As vacant land is generally not used for any purpose, it is arguable what the predominant use of such land might be. In determining the “predominant use” of vacant land, consideration should be given to the predominant use of the surrounding land and any planning/development restrictions that apply to the vacant land in question.

Example:

A vacant 2 hectare property is situated in a rural residential zone. The surrounding properties are of a similar size and zoning and most of them are developed for residential purposes with people living on them. Most of the residents of these properties keep some

animals and grow produce mainly for personal consumption. However, due to the small scale of the “rural activities” the predominant use is residential. As the majority of the surrounding properties are used predominantly for non-rural purposes, the vacant land could be deemed to be predominantly non-rural.

Step 3 – Consulting affected parties

The public consultation for the consideration of changing methods of valuation of land is to be undertaken.

Property owners whose properties have been identified for a possible change in valuation method to be advised in writing and will be invited to make comment to be received in writing and addressed to the Chief Executive Officer within the twenty eight (28) day submission period. Further consultation of 21 days will be conducted after assessment of the declarations and review of the land use with the affected landowners with advise of review decision.

Step 4 – Changing the method of valuation

Once the submission period has closed a report will be presented to Council. If Council supports the changes to rating methods a submission will then be made to the Minister for Local Government and Youth.

Policy Implications

Local Planning Scheme No.4

Clause 16. of the Local Planning Scheme (page 10) provides a list and objectives of each zone, as identified in the Scheme Map attached – a copy of the Scheme Text can be downloaded at <https://www.wa.gov.au/system/files/2023-12/mingenew4-schemetext.pdf>.

Financial Implications

The cost for Landgate to provide indicative GRV valuations on 13 properties is \$1,700 and an additional fee to provide indicative GRV valuations on a portion of a lot.

There may be instances where a landowner’s rates may increase, currently all the town-based properties are charged minimum rates. Any valuations will be based on improvements to the land and the potential annual rental yield, except for vacant land which would be calculated from a percentage of the capital value.

The effective date for the change will from the date it is published in the Government Gazette, it is envisaged it will be in the 2025/26 financial year.

Strategic Implications

Strategic Community Plan 2023-2033

14 Operating with a high standard of good governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

12.5 2024/25 BUDGET REVIEW AND AMENDMENTS -FIRST QUARTER

Location/Address: Shire of Mingenew
 Name of Applicant: Shire of Mingenew
 Disclosure of Interest: Nil
 File Reference: FM.BUD.24.25
 Date: 17 October 2024
 Authorising Officer: Helen Sternick, Manager Corporate Services
 Voting Requirements: Absolute Majority

Summary

The purpose of this report is to consider and approve proposed first quarter budget review and amendments for 2024/25.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 12.5 - RESOLUTION#08161024
MOVED: Cr HR McTaggart SECONDED: Cr RA Starick

Council, by Absolute Majority:

1. Approves the proposed budget review and amendments to the 2024/25 Annual Budget:

3030146	RATES - Instalment Interest Received	\$4,171
2040284	OTH GOV - Audit Fees	(\$6,292)
3090120	STF HOUSE - Fees & Charges	\$6,292
SHM033	33 Victoria Road (Lot 89) - Residence	(\$7,000)
SHM034	34 William Street (Lot 12) - Residence	(\$4,000)
BO032	32 Bride Street (Lot 67) – Sports Club	(\$754)
3120210	ROADM - Direct Road Grant (MRWA)	\$15,145
2130652	ECON DEV – Consultants	(\$1,509)
2140200	ADMIN – Employee Costs	(\$9,559)
2140300	PWO – Employee Costs	(\$15,024)
5120350	PLANT - Proceeds on Disposal of Assets	\$21,091
5120351	PLANT - Realisation on Disposal of Assets	(\$21,091)
3120390	PLANT - Profit on Disposal of Assets	\$21,091

2. Approves and authorises the additional transfer to the plant reserve of \$21,091 (GL number 4120381) for the proceeds of the Skid Steer Loader.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearce, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

12.5.1 Budget Review – First Quarter

Background

During the 2024/25 annual budget preparation, an allowance was made to carry-forward funds for projects based on estimates of expenditure that would be unspent at 30 June 2024.

The Annual Financial Report for the year ended 30 June 2024 has been completed and is in the process of being audited, therefore the estimated opening surplus is proposed to be updated, subject to change from the completion of the final audit.

The budget adjustments mostly relate to known operating variances and carry forward projects not completed by 30 June 2024.

Comment

This report provides information by Nature and Type and is based on the three month period from 1 July 2024 to 30 September 2024.

The budget review and amendment report includes at Note 1 a summary of variances contained within the Statement of Financial Activity.

Features of the budget review include:

Increase in opening surplus (advance payment of the Financial Assistance Grant of \$743,785 and the remainder on other savings/carry forward on various other projects, including employee costs, materials and contracts)	\$1,095,211
Increase operating grants (direct road)	\$15,145
Increase in fees and charges (employee rent)	\$6,292
Increase in interest revenue (instalments interest on rates)	\$4,171
Profit on asset disposal (Skid Steer Loader)	\$21,091
Increase in employee costs (workers compensation premium)	(\$24,583)
Increase in material and contracts (audit fees, housing sewer system repairs, replacement of leaking pipe, valuation costs)	(\$18,801)
Increase in insurance (Sports Club premium)	(\$754)
Transfer to Plant Reserve (Skid Steer Loader)	(\$21,091)
Overall Change (surplus)	\$1,076,681

In considering the above amendments within the attached first quarter budget review, the closing position has increased from zero to \$1,076,681, reflected in the Statement of Budget Review – First Quarter.

Consultation

Leadership Team

Statutory Environment

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Policy Implications

Nil.

Financial Implications

At the end of the 2023/24 financial year, the actual (unaudited) closing surplus is \$1,670,211. The budgeted opening surplus has increased by \$1,095,211 due to the advance payment of the Financial Assistance Grant of \$743,785 and the remainder on other savings/carry forward on various other projects, including employee costs, materials and contracts.

This reflects an anticipated closing surplus as at 30 June 2025 of \$1,076,681.

Strategic Implications

Strategic Community Plan 2023-2033

14 Operating with a high standard of governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

13.0 GOVERNANCE AND COMMUNITY

13.1 DISPOSAL OF PROPERTY – LEASE OF 2-6 ELEANOR STREET, MINGENEW

Location/Address: 2-6 (Lot 1) Eleanor Street, Mingenew
Name of Applicant: Great Southern Fuels
Disclosure of Interest: Nil
File Reference: CP.LSO.8 / A871
Date: 17 October 2024
Author: Erin Greaves, Manager Governance and Community
Authorising Officer: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

Great Southern Fuels, who have been leasing 2-6 (Lot 1) Eleanor Street, Mingenew on Deposited Plan 56161 since July 2012, have requested a further extension of lease. All extension options have been fulfilled under the previous lease therefore, Council is required to consider a new lease and must following the requirements of s.3.58 of the *Local Government Act 1995* regarding disposal of property.

Key Points

- The Shire is the freehold owner of 2-6 (Lot 1) Eleanor Street, Mingenew on which the unmanned fuel site is currently located
- A local government may dispose of property (including by lease) in accordance with s.3.58 of the Local Government Act 1995
- The current lessee (Gradow Pty Ltd, trading as Great Southern Fuels) has indicated a desire to renew the expired lease following the lapse of the lease on 30 June 2024.

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 13.1 - RESOLUTION#09161024
MOVED: Cr JD Bagley SECONDED: Cr AT Pearse

Council

1. Gives local public notice of its intention to lease, in accordance with s3.58(3) of the *Local Government Act 1995*, for 2-6 (Lot 1) Eleanor Street, Mingenew on Deposited Plan 56161 under the following consideration:
 - a) Lessee - Gradow Pty Ltd (trading as Great Southern Fuels) [ABN: 65 367 095 233] for the purpose of providing an unmanned fuel supply service and public amenities
 - b) Market Value Rent of \$17,500 ex GST per annum
 - c) Term
 - d) New lease terms and conditions are generally in accordance with the existing lease;
2. Considers any submissions received and the lease agreement at the next Ordinary Council meeting following the close of submissions; and
3. Delegates authority to the Chief Executive Officer to negotiate the terms of the lease based on the above consideration.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

13.1.1 Confidential: Market Valuation Report of 2-6 (Lot 1) Eleanor Street, Mingenew

Background

The Shire of Mingenew has an existing lease with Gradow Pty Ltd for a fuel supply service at Lot 303, Eleanor Street, Mingenew (transferred to Gradow Pty Ltd, from Centrel Pty Ltd in 2018 by decision of Council). The lease initially commenced on 1 July 2012 and had three 3-year extension options in favour of

the Lessee and at the Lessee's sole discretion. The Lessee has exhausted those extension options, and the lease lapsed on 30 June 2024. The lease is currently operating on a month-to-month arrangement until such time as a decision is made on the lease renewal.

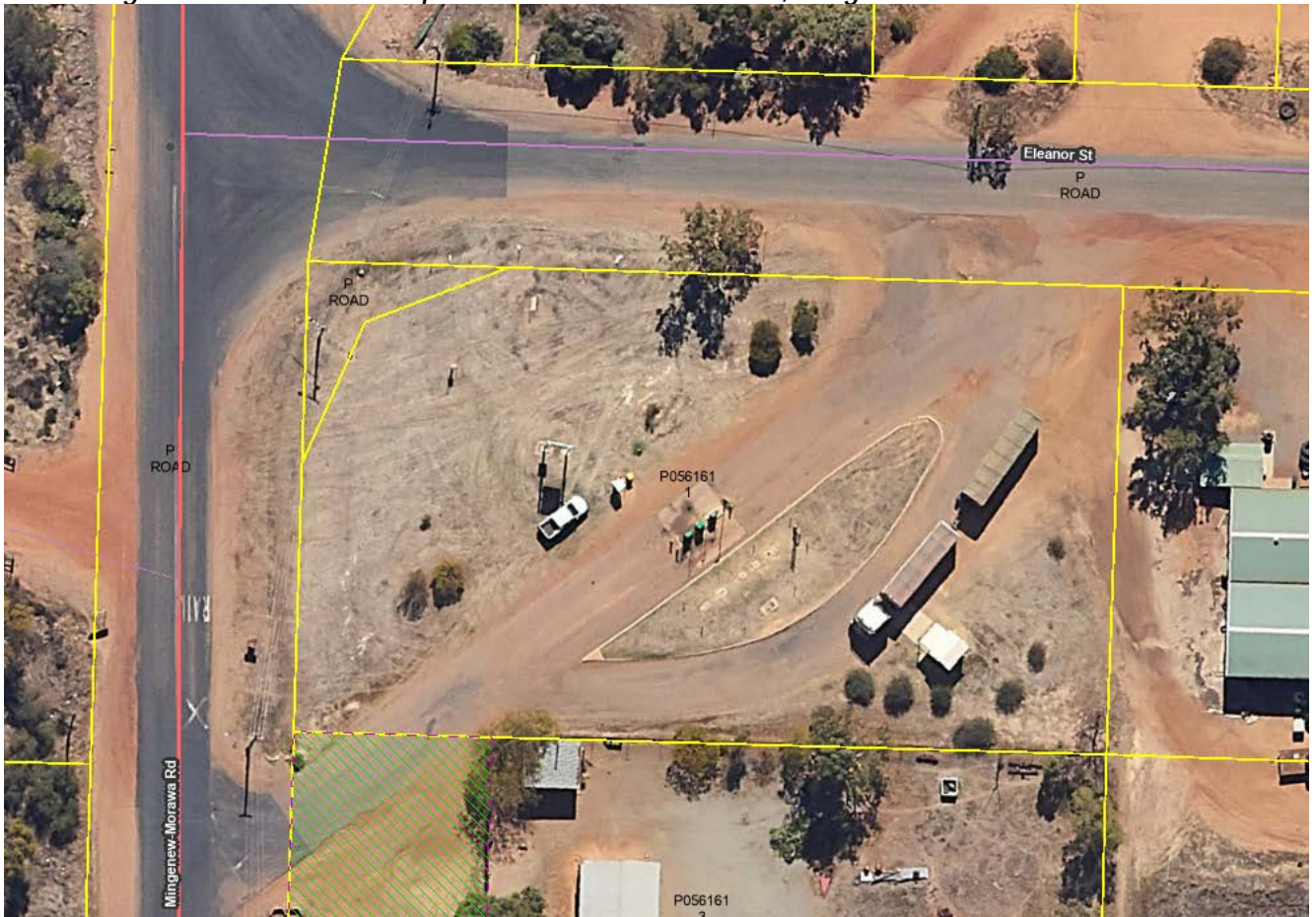
The lessee has expressed a desire to enter into a new lease based on the previous lease terms.

The lease on the property includes the following installations

- 1 x unleaded bowser
- 1 x ultimate unleaded bowser
- 1 x diesel bowser
- 1 x outdoor payment terminal
- 1 x 25,000L underground fuel tank (divided into three compartments)
- Unisex single-stall toilet

The layout of the property is shown below.

Figure 1 – Site of Fuel depot site – 2-6 Eleanor Street, Mingenew



Comment

A market rental valuation undertaken on 12 August 2024 determined a fair market rental of \$17,500 ex GST per annum.

Local public notice will require a description of the property concerned, details of the proposed disposition and an invitation for submissions to be made before a date to be specified in the notice, being not less than 2 weeks after the notice is first given. Submissions received during the notice period must be considered by Council and the resulting decision recorded in the minutes of the meeting at which the decision is made.

McLeods Lawyers have confirmed that as the extension terms have fully been extinguished, it isn't possible for a deed of extension to be prepared, as the continuation will be, as a matter of law, a new lease.

Consultation

Acumentis, Property Advisory Services

McLeods Lawyers

Paiker & Overmeire Lawyers (agent of Great Southern Fuels)

Statutory Environment

Local Government Act 1995

3.58. Disposing of property

- (1) *In this section —
dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;
property includes the whole or any part of the interest of a local government in property, but does not include money.*
- (2) *Except as stated in this section, a local government can only dispose of property to —
(a) the highest bidder at public auction; or
(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*
- (3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —
(a) it gives local public notice of the proposed disposition —
(i) describing the property concerned; and
(ii) giving details of the proposed disposition; and
(iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and
(b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*
- (4) *The details of a proposed disposition that are required by subsection (3)(a)(ii) include —
(a) the names of all other parties concerned; and
(b) the consideration to be received by the local government for the disposition; and
(c) the market value of the disposition —
(i) as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or
(ii) as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.*
- (5) *This section does not apply to —
(a) a disposition of an interest in land under the Land Administration Act 1997 section 189 or 190; or
(b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or
(c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or
(d) any other disposition that is excluded by regulations from the application of this section.*

Policy Implications

Local Planning Scheme No.4

2-6 Eleanor Street, Mingenew is zoned 'General Industry' under the Shire of Mingenew's Local Planning Scheme No.4, the objectives of which are:

- To provide appropriately located, accessible, serviced and level industrial land to cater for the needs of anticipated industrial development within the townsite area.
- To provide for a broad range of industrial, service and storage activities which, by the nature of their operations, should be isolated from residential and other sensitive land uses.
- Seek to manage impacts such as noise, dust and odour within the zone.

Financial Implications

Under the current leasing arrangements, Council receives approximately \$1,110 per month in rent (\$13,320 per annum) plus reimbursement of costs associated with pumping out septic tanks and cleaning of the public toilets.

Strategic Implications

Strategic Community Plan 2023-2033

3. Supporting infrastructure initiatives that makes business easy and support them to thrive

3.1 Actively encourage pride in local businesses to represent town

13.2 DISPOSAL OF PROPERTY – LEASE OF 70 MIDLANDS ROAD, MINGENEW

Location/Address: 70 (Lot 105) Midlands Road, Mingenew (Reserve 36604)
Name of Applicant: Elders Ltd
Disclosure of Interest: Nil
File Reference: CP.LSO.18
Date: 17 October 2024
Author: Erin Greaves, Manager Governance and Community
Authorising Officer: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

Elders Rural Services Australia Limited (Elders) are proposing a licence agreement for consideration to formally occupy Crown Reserve 36604 at 70 (Lot 105) Midlands Road, Mingenew for the purpose of "The storage of any product or item related to any operation of any business of the Lessee which may include, but is not limited to, the storage of tanks, trailers, trucks, field bins, sheep feeders and related activities or any other lawful use."

Key Points

- The Shire holds the management order for Crown Reserve 36604 which includes permission to lease, subject to permission from the Minister for Lands
- A local government may dispose of property (include by lease or licence) in accordance with s.3.58 of the Local Government Act 1995
- Elders have had permitted use of the property without a formal agreement in place

OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 13.2 - RESOLUTION#10161024
MOVED: Cr JD Bagley SECONDED: Cr RA Starick

Council:

1. Gives local public notice of its intention to enter into a lease/licence agreement, in accordance with s3.58(3) of the *Local Government Act 1995*, for Crown Reserve 36604 at 70 (Lot 105) Midlands Road, Mingenew under the following consideration:
 - a) Licensee – Elders Rural Services Australia Limited [ABN 72 004 045 121] for the purpose of "the storage of any product or item related to any operation of any business of the Lessee which may include, but is not limited to, the storage of tanks, trailers, trucks, field bins, sheep feeders and related activities or any other lawful use."
 - b) Term for period of five (5) years, with option for extension for further three terms.
 - c) Annual licence fee shall be \$1,820 ex GST
2. Writes to the Minister for Lands, seeking permission to lease/licence Crown Reserve 36604, under the management order;
3. Considers any submissions received and the proposed lease/licence at the next Ordinary Council meeting following the nominated date for close of submissions; and
4. Delegates authority to the Chief Executive Officer to negotiate the terms of the lease/licence based on the above consideration.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

Attachments

13.2.1 Confidential: Market Valuation Report of 70 (Lot 105) Midlands Road, Mingenew

Background

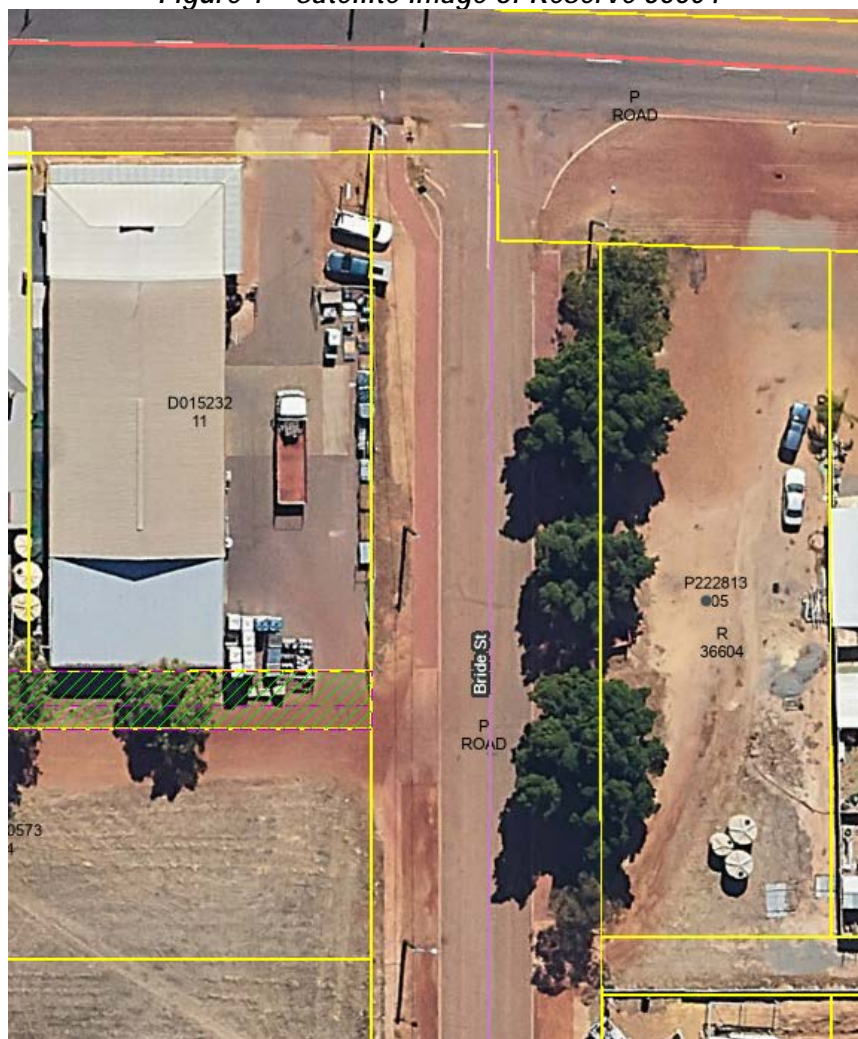
The Shire’s records indicate that the land has been utilised by Elders based on a lease agreement originally entered into in October 1997.

Crown Reserve 36604 at 70 (Lot 105) Midlands Road is vested with the Shire of Mingenew for the current purpose of “*use and requirements of the Shire of Mingenew*”. In 2012, it was discovered that the reserve’s management order and purpose did not permit leasing of the land, and a formal request was subsequently made to the Department of Planning, Lands and Heritage (DPLH) seeking a change to the purpose and to permit leasing.

The process of administering the change in reserve purpose and negotiating the terms under which Elders wish to use the land have taken significant time.

Elders Mingenew is located opposite Reserve 36604, as shown below:

Figure 1 – satellite image of Reserve 36604



As can be seen from the above image, the property currently used for the Mingenew Elders shopfront has limited storage capacity.

Comment

Elders have responsibly been using and maintaining the property for many years and the Shire has no other current use for the land. Whilst there may be a future commercial opportunity to develop the land, given its main street frontage, there have been no enquiries to suggest demand at this time. Council could consider

reducing the initial term and subsequent extension terms to provide some flexibility to respond to market and development changes.

Elders are seeking to enter into a licence agreement, rather than lease. The main difference being that a lease provides a legal right to exclusive possession whereas a licence only provides a contractual right to occupy.

The Shire has made enquiries with the applicant to determine if they were interested in the option to purchase, should the Minister permit however Elders' preference at this time is to occupy the land under a licence agreement. Council could consider including advice to the lessee and the DPLH that Council has no objection to the Department disposing of Reserve 36604 should the licensee wish to purchase the property and this can be dealt with in the next report to Council.

To assist in determining a fair market rent, a market rental valuation was undertaken on 15 July 2024 and recommended a rate of \$1,820 ex GST per annum. The confidential market report (separate attachment) indicates that comparative market research is limited due to low demand for vacant land rental. It was however, noted that rural industry, and oil and gas activity in the region has improved growth.

It is noted that the Reserve is the former CWA Building site and is listed in the Shire's Local Heritage Survey (LHS) as a Category 4 listing and an extract for the LHS is provided below:

"History

The Mingenew Yandanooka branch of the Country Women's Association (CWA) formed at a public meeting in the Mingenew Hall in February 1929, and a younger set formed in July 1929. The CWA was instrumental in establishing the Bush Nursing Association to facilitate a district nurse, that was achieved in March 1930. The CWA essentially employed the nurse, while also planning to build a hospital. In 1931 they applied for Lot 1 to build their restroom. It was built in 1936, with meetings in the hall meanwhile. The rest room was an appreciated service for mothers and children in the district. CWA organised a special relief fund during the Depression, catered for functions, and various community services, including considerable work to improve the conditions at the Aboriginal Reserve (Littlewell). On 14 March 1979, cyclone Hazel destroyed the CWA restrooms. Members utilised the RSL Hall for meetings and continued service to the community. In 1946 Yandanooka members formed their own branch.

Statement of Significance

The site of the CWA Rest rooms represents the considerable historical significance of the Mingenew Yandanooka branch of the Country Women's Association and their members. The community services that the CWA provided were invaluable in the early all phases of the development of Mingenew and the district. The specific considerations of women and families is a tradition that continues."

Local public notice will require a description of the property concerned, details of the proposed disposition and an invitation for submissions to be made before a date to be specified in the notice, being not less than 2 weeks after the notice is first given. Submissions received during the notice period must be considered by Council and the resulting decision recorded in the minutes of the meeting at which the decision is made.

Consultation

Acumentis, Property Advisory Services
'Zoe Haskett, Corporate Property Specialist, Elders

Statutory Environment

Local Government Act 1995

3.58. Disposing of property

(1) *In this section —*

dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;

property includes the whole or any part of the interest of a local government in property, but does not include money.

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

Policy Implications

Local Planning Scheme No.4

70 (Lot 105) Midlands Road, Mingenew is zoned 'Rural Townsite' under the Shire of Mingenew's Local Planning Scheme No.4, the objectives of which are:

- To provide for a range of land uses that would typically be found in a small country town.
- To provide for the variety of predominantly commercial, service, social and administrative uses required to service the needs of local residents and visitors alike.

Financial Implications

The Shire has budgeted for the proposed income from the agreement to lease/occupy the land.

Strategic Implications

Strategic Community Plan 2023-2033

3. Supporting infrastructure initiatives that makes business easy and support them to thrive

3.1 Actively encourage pride in local businesses to represent town

14.0 **WORKS**
Nil.

18.0 TIME AND DATE OF NEXT MEETING

Next Ordinary Council Meeting to be held on Thursday, 12 December 2024 commencing at 5.00pm.

19.0 CLOSURE

The meeting was closed at 5:12pm.

These minutes were confirmed at an Ordinary Council meeting on 12 December 2024

Signed _____
Presiding Officer

Date: _____

Training for on the ground personnel responsible for coordinating evacuations	Shire	Next meeting	COMPLETED – the Shire had two staff attend training in Sep 2024 (CSO and CDO)
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4.0 AGENCY REPORTS

4.1 Shire of Mingenew

- Unsuccessful for Disaster Ready grant funding to top up funds for project to convert Rec Centre into Evacuation Centre. Project to proceed with funds obtained (\$500,000) from Cyclone Seroja grant
- Firebreak reminder and first warning letters issued for Mingenew townsite
- Bushfire Advisory Committee (BFAC) meeting to be held tonight and shed clean up / induction session tomorrow for available volunteers

4.2 DFES

- DFES has been undergoing internal training in lead up to bushfire and cyclone season, including conducting bushfire exercises
- Additional fire vehicles mobilised to Midwest in preparation for season. Can be accessed at any time, if required.
- Conducting mitigation activities
- Exploring program to utilise prison work teams to assist with mitigation works in region – potentially available to Mingenew if required
- Emergency WA app being updated – notifications are customisable
- Bushfire Plan / season promotion – material available from Shire front counter
- Water bombing support available during harvest period (likely base assets in Geraldton, Kalbarri and/or Jurien Bay).
- Australian Warning System (AWS) update provided – information and promotional material also available online
- Attending pre-season Bushfire meeting tonight in Mingenew

4.3 WAPOL

- Working to update emergency contact list and Emergency Management Plan
- Also preparing a Heavy Vehicle Goods Management Plan, particularly due to increased heavy vehicle movement through Mingenew

4.4 Department of Communities

- Trialling “Ready Community Meals” for evacuations
- Giveaway Bags available – includes inflatable mattress, pillow, sleeping bag, basic toiletries. Packs available from store in Perenjori, Geraldton and in AJ’s vehicle
- Ran training DoC staff and local government personnel

4.5 DBCA

- Ensuring staff have undergone relevant training and plant/equipment are serviced in preparation for coming season
- Looking to offer water bomber reloading training – available for Mingenew if required (noting that Mingenew Airstrip has not been formally assessed / confirmed fit for use – this can be arranged to determine any deficiencies)
- Mitigation activities, with focus on communication assets and fire access tracks
- DBCA office has recently relocated to Eighth Street, Geraldton

4.6 DPIRD

- DPIRD Report provided verbally (copy to be distributed with Minutes)
- Lead agency for pest and animal emergencies – currently none
- 4 x level 2 incidents relating to plant disease and aquatic pests

- One affecting Midwest – shothole borer. Surveillance traps between Geraldton and Esperance with focus on South-West – none detected in region

4.7 St. John Ambulance

- CHP training
- Local AED checks in Mingenew
- Provided recent training for teachers at the school to operate AED (recently acquired device)
- PO Box drop to promote volunteer drive – no response received
- Currently 5 on-road volunteers in Mingenew

4.8 Main Roads WA

- No report however, it was noted that the widening works between Dongara and Mingenew have been extended out to March 2025

4.9 WACHS

- Nil

4.10 Mingenew Irwin Group

- Nil

4.11 Mingenew CRC

- Nil

4.12 Mingenew Primary School

4.12.1 Attachment – MPS Standalone Bushfire Plan 2024-2025

- Norah provided brief overview of attached Plan (requires updating annually)
- Identifies an on-site evacuation point and two external – Autumn Centre and Police Station
- Currently 80 children enrolled and 13-14 adults (staff) on site
- Brief discussion held on fire hydrants available in town

ACTION: Mark Teale to refer query to Leigh Mulholland around fire hydrants in Mingenew, flow capability and review of hydrant map

4.13 WALGA Roadwise

- No report but Matt noted that a Road Safety Plan is currently being developed for Mingenew.

5.0 GENERAL BUSINESS

5.1 Advocacy for Midwest Rescue Helicopter

5.1.1 Attachment – correspondence from Shire of Carnamah

Support from Mingenew LEMC to issue joint response letter (with Shire)

5.2 Draft Shire of Mingenew Local Recovery Plan

5.2.1 Attachment – Draft Shire of Mingenew Local Recovery Plan

5.2.2 Attachment – Crisis Management & Communication Plan

LOCAL EMERGENCY MANAGEMENT COMMITTEE DECISION – ITEM 5.2

Moved: Anthony Smyth

Seconded: Jeremy Ashworth-Preece

That attached Local Recovery Plan and Crisis Management & Communication Plan be recommended for endorsement by Council.

CARRIED

5.3 Mingenew Primary School Bushfire Plan

5.3.1 Attachment – Mingenew Primary School Bushfire Plan

As discussed above.

5.4 Australian Warning System (AWS)

Mark provided an overview of the AWS and communication strategies. The Emergency WA site / app will be the source of truth.

5.5 Other General Business

- Jeremy Ashworth-Preece advised he just requalified for Local Recovery Coordinator
- 5G rollout likely to improve communication as allegedly there will be increased bandwidth available once 3G is switched off

6.0 FUTURE MEETING DATE AND TIME

2 December 2024 – plan to run exercise

7.0 CLOSURE

The meeting was closed at 3:00pm.

SHIRE OF MINGENEW LOCAL RECOVERY PLAN 2024



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Part One: Introduction

1.1 Authority

The Local Recovery Plan has been prepared in accordance with section 41(4) of the *Emergency Management Act 2005* (EM Act) and forms a part of the Local Emergency Management Arrangements for the Shire of Mingenew. This plan has been endorsed by the Local Emergency Management Committee and has been tabled for information and comment with the District Emergency Management Committee. This plan has been approved by the Shire of Mingenew.

1.2 Purpose

The purpose of the Local Recovery Plan is to describe the arrangements for effectively managing recovery at a local level, including accountability and responsibility.

1.3 Objectives

The objectives of the plan are to:

- Describe the roles, responsibilities, available resources and procedures for the management of recovery from emergencies for the Shire of Mingenew.
- Establish a basis for the coordination of recovery activities at the local level.
- Promote effective liaison between all Hazard Management Agencies (HMA), emergency services and supporting agencies, which may become involved in recovery.
- Provide a framework for recovery operations.

1.4. Scope

The scope of this recovery plan is limited to the boundaries of and forms a part of its Local Emergency Management Arrangements. It details the local recovery arrangements for the community.

Part Two: Related Documents and Arrangements

The following documents are related to this plan:

- Local Emergency Management Arrangements
- Crisis Management & Communications Plan
- Local Operational Recovery Plan Template
- Shire of Mingenew Business Continuity Plan
- State Emergency Relief and Support Plan
- State Recovery Procedures

2.1. Agreements, Understandings and Commitments

The following agreements (memorandums of understanding) are in place between and other local governments, organisations or industries in relation to the provision of additional resources in recovery:

No formal arrangements

Part Three: Resources

The resources available and contact details for recovery have been identified within the Shire's Local Emergency Management Arrangements (Appendix 3: Resources).

The following table identifies suitable Local Recovery Coordination Centres in the local government area:

Centre name	Address	Capacity and available resources	Contacts
Shire Administration / Council Chambers	21 Victoria Street, Mingenew 6522	Large meeting room with appropriate telecommunications, inc STAND	CEO Shire of Mingenew 0419 647 661 ceo@mingenew.wa.gov.au

Table 1: Local Recovery Coordination Centres

3.1. Financial Arrangements

The Shire of Mingenew has arrangements in place to insure its assets. Details of these arrangements are found <location of financial arrangements>.

If necessary, the following arrangements have been made to fund recovery activities:

- emergency expenditure not included in budget, under *Local Government Act 1995* sections 6.8(1)(b) and (c), 6.11(2);
- borrowing arrangements under *Local Government Act 1995* section 6.20(2), subject to public notice requirements being met;
- access to cash reserves established for another purpose - Regulation 18(a) of the *Local Government (Financial Management) Regulations 1996* provides exemption for Council to make budget-related decisions in emergencies without giving local public notice of changes to financial reserves;
- establish community donation fund reserve

The State Emergency Management Policy section 6 and State Emergency Management Plan section 6 outlines the States recovery funding arrangements. Relief programs may include:

- Disaster Recovery Funding Arrangements Western Australia (DRFAWA)
- Services Australia (Centrelink)
- Lord Mayor's Distress Relief Fund (LMDRF).

Part Four: Roles and Responsibilities

The role and responsibilities of those involved in recovery are outlined below.

4.1. Local Recovery Coordinator

The Chief Executive Officer of the Shire of Mingenew has been appointed as the Local Recovery Coordinator in accordance with the EM Act s. 41(4). The CEO or Council may appoint an Acting Local Recovery Coordinator to act in the role if the primary appointee is unavailable when an emergency occurs.

The Local Recovery Coordinator is responsible for the development and implementation of the recovery arrangements for the local government.

The functions of the Local Recovery Coordinator are:

Pre-Event

- Prepare, maintain and test the Local Recovery Plan in conjunction with the local government for endorsement by the Council of the local government.
- Ensure community engagement in recovery arrangements and increase community involvement in recovery preparedness, awareness and resilience.
- Identify groups and networks supporting at-risk individuals and communities (such as older and younger people, Aboriginal communities, people with disabilities, individuals from culturally and linguistically diverse (CaLD) backgrounds, and isolated and transient communities)..
- Consider potential membership of the LRCG prior to an event occurring.

During Event

- Consult with the Controlling Agency regarding attending appropriate response meetings such as: Incident Management Team, Incident Support Group (ISG) and Operational Area Support Group meetings.
- Ensure local government actively participates in ISG meetings and provides advice to the HMA and Supporting Organisations relating to the LEMA.
- Consider membership of the LRCG, during an emergency, that is event specific, based on the four recovery environments: social, built, economic and natural, or as required.
- Ensure the Controlling Agency with responsibility for the response to an emergency, starts recovery activities during that emergency.
- Consult with the Controlling Agency on completing the Impact Statement prior to transfer of responsibility for recovery to the affected local government(s).

Post-Event

- Provide advice to the Mayor/Shire President and Chief Executive Officer (CEO) on the need to convene the LRCG and provide advice to the LRCG, if established.
- Ensure the local government provides the LRCG with Executive Officer and administrative support, such as meeting agenda, minutes, financial and administrative recordkeeping.
- Determine the required resources for effective recovery in consultation with the LRCG.
- Coordinate local level recovery activities for the event, according to the plans, strategies and policies determined by the LRCG.
- Monitor the progress of recovery and provide periodic reports to the LRCG and State Recovery Coordination Group, if established.
- Liaise with the State Recovery Coordinator on issues where State level support is required or where there are concerns with services from government agencies locally.
- Arrange for the conduct of an operational debriefing of all participating agencies and organisations as soon as possible after the arrangements have ended.

The Local Recovery Coordinator Action Checklist is found within Attachment 2.

4.2. Local Recovery Coordination Group

The Local Recovery Coordination Group is comprised of the following core membership:

Core Members

- Local Recovery Coordinator
- Key local government staff and elected members
- Community Recovery Coordinator and/or Community Liaison Officer
- Controlling Agency
- District Emergency Management Advisor
- Existing members of the Mingenew LEMC
- Any other Local government networks, community members and community groups/associations/committees, e.g. environmental groups, farming groups, faith groups, sporting clubs, aboriginal groups, schools and chambers of commerce and industry.

Potential Members – Event Specific

Appropriate membership for the LRCG must be determined for the specific emergency event. The following agencies and organisations may have a role on the LRCG:

- Australian Red Cross
- Chamber of Commerce and Industry WA / Small Business Development Corporation
- Department of Biodiversity, Conservation and Attractions
- Department of Communities
- Department of Education (or Local School Representative)
- Department of Fire and Emergency Services (DFES)
- Department of Health (or Local Health Services Provider/Officer)
- Department of Local Government, Sport and Cultural Industries
- Department of Planning, Lands and Heritage
- Department of Primary Industries and Regional Development
- Department of Water and Environmental Regulation
- Essential Services Network Operators Reference Group representative
- Essential Services such as:
 - Telstra Corporation
 - Water Corporation
 - Western Power.
- Insurance Council Australia
- Main Roads Western Australia
- Public Information Reference Group representative
- Volunteering WA
- Western Australia Police Force
- Western Australian Local Government Association.

Support Services to LRCG

The following agencies and organisations may provide support and advice to the LRCG on a range of topics such as: Impact Statement, State Recovery Cadre, Disaster Recovery Funding Arrangements Western Australia and Public Donations criteria for financial assistance:

- State Recovery (DFES)
- Lord Mayor's Distress Relief Fund (City of Perth).

Role of LRCG

The role of the Local Recovery Coordination Group is to coordinate and support local management of the recovery processes within the community. The functions of the Local Recovery Coordination Group are:

- Assess the Impact Statement for recovery requirements based on the social, built, economic and natural wellbeing of the community with assistance of the Controlling Agency where appropriate.
- Monitor known or emerging impacts using existing incident reports e.g. Impact Statement, Incident Support Group/Operational Area Support Group/Rapid damage assessment reports, HAZMAT reports, etc.
- Report on likely costs and impacts of recovery activities and establish a system for recording all recovery expenditure.
- Confirm whether the event has been declared an eligible natural disaster under the Disaster Recovery Funding Arrangements Western Australia (DRFAWA) and, if so, what assistance measures are available.
- Understand the State and Commonwealth relief programs such as, DRFAWA, Centrelink and the Lord Mayor's Distress Relief Fund if activated.
- Establish subcommittees that consider the four recovery environments social, built, economic and natural, or as required.
- Prepare a Communications Plan where appropriate.
- Depending on the extent of damage, develop an event specific Local Operational Recovery Plan which allows full community participation and access, as well as:
 - taking account of the local government's long term planning and goals
 - assessing which recovery functions are still required, timeframes and responsibilities for completion.
- Consider recovery information and arrangements for at-risk individuals and communities (such as older and younger people, Aboriginal communities, people with disabilities, individuals from culturally and linguistically diverse (CaLD) backgrounds, and isolated and transient communities).
- Oversee projects that support the social, built, economic and natural environments of recovery to ensure that they are community-led and targeted.
- Provide advice to the State and local government to ensure that recovery programs and services meet the needs of the community.
- Negotiate most effective use of State and Commonwealth agencies' resources.
- Monitor the progress of recovery and request periodic reports from recovery agencies.
- Provide recovery public information, information exchange and resource acquisition.
- Coordinate offers of assistance, including volunteers, services and donated money.
- Coordinate a multi-agency approach to community recovery by providing a central point of communication and coordination for recovery services and projects.
- Make appropriate recommendations, based on lessons learnt, to the Local Emergency Management Committee to improve the community's recovery preparedness.
- Ensure the local government's existing Local Recovery Plan is reviewed and amended after an event in which the Local Recovery Plan was implemented.

The Local Recovery Coordination Group Action Checklist is found within Attachment 3.

4.3. Local Recovery Coordination Group Subcommittees

Where required, it may be appropriate to consider establishing one or more subcommittees to assist the Local Recovery Coordinator and Coordination Group by addressing specific components of the recovery process.

Consideration will be given to establishing subcommittees across the four recovery environments (social, built, economic and natural), depending on the nature and extent of the recovery:

- Social Subcommittee
- Built Subcommittee
- Economic Subcommittee
- Natural Subcommittee.

4.4. Communication Plan

Key groups who need to receive recovery information, the methods available and potential locations where information can be provided are detailed below:

WHO needs information?	WHAT communication methods and how they will be used?	WHERE will the information be provided?
<ul style="list-style-type: none"> • Affected Community – depending on incident. • Recovery workers • Vulnerable Groups – • e.g. elderly, disabled, primary producers 	<ul style="list-style-type: none"> • Two-way Radio • Mobile SMS • Website • Facebook • Local radio e.g. ABC • Mingenew Matters • Home visits 	<ul style="list-style-type: none"> • Potential public meeting venues – Mingenew Recreation Centre • Potential one-stop-shop locations – Shire of Mingenew Administration / Council Chambers

Table 2: Communication Plan

Attachments

Attachment 1: Local Recovery Coordinator Action Checklist

Please note this checklist is a guide and is not exhaustive. Timeframes are approximate.

Prior to Emergency

- Promote community awareness and engagement in recovery planning including involvement in development of Local Recovery Plan.
- Prepare, maintain and test Local Recovery Plan in conjunction with local government for endorsement by the Council.
- Ensure the completed Local Recovery Plan clarifies any recovery and operational agreements made between local governments (i.e. Memorandums of Understanding, loan staff, equipment sharing); roles and responsibilities; and records of all recovery expenditure.
- Identify groups and networks supporting at-risk individuals and communities (such as older and younger people, Aboriginal communities, people with disabilities, individuals from culturally and linguistically diverse (CaLD) backgrounds, and isolated and transient communities).
- Consider potential membership of the Local Recovery Coordination Group (LRCG) prior to an event occurring based on the social, built, economic and natural environments, or as required.

Within 48 hours

- Contact and alert key local contacts.
- Liaise with Controlling Agency and participate (or nominate a suitable local government representative i.e. Local Recovery Coordinator, executive staff or CEO) in the incident management arrangements, including the Incident Support Group and Operations Area Support Group where appropriate.
- Where more than one local government is affected, a coordinated approach should be facilitated by the Local Recovery Coordinators and supported by the State Recovery Coordinator, as required.
- Ensure an understanding of known or emerging impacts from the Impact Statement provided by the Controlling Agency.
- Consult the Department of Primary Industries and Regional Development on specific arrangements to manage the welfare of wildlife, livestock and companion animals.
- Ensure Controlling Agency starts recovery activities during the response to that emergency.
- Provide advice to the Mayor/Shire President and CEO on the requirement to convene the LRCG and provide advice to the LRCG if convened.
- During an event, consider membership of the LRCG that is event specific, based on the social, built, economic and natural environments, or as required.
- Consider support required such as resources to maintain records, including a record/log of events, actions and decisions.
- Ensure the local government provides LRCG with an Executive Officer and administrative support, such as meeting agenda, minutes, financial and administrative recordkeeping (contact DFES State Recovery for advice or for possible State Recovery Cadre support).

- Facilitate community meetings/briefings to provide relevant recovery information include, as applicable, Controlling Agency, State government agencies and other recovery agencies.
- Brief media on the recovery program throughout the recovery process, ensuring accurate and consistent messaging (use the local government's media arrangements, or seek advice or support from DFES State Recovery).
- Develop and implement an event specific Communication Plan, including public information, appointment of a spokesperson and the local government's internal communication processes.

Within 1 Week

- Consider fatigue management for self and recovery staff throughout all recovery (contact DFES State Recovery for advice or for possible State Recovery Cadre support).
- Consult with Controlling Agency on completing the Impact Statement before the transfer of responsibility for management of recovery to the local government.
- In conjunction with the Controlling Agency and other responsible agencies, assess the community's recovery requirements. Coordinate activities to rebuild, restore and rehabilitate the social, built, economic, natural and psychosocial wellbeing of the community.
- Liaise and meet with specific emergency management agencies involved with recovery operations to determine priority actions.
- Assess for the LRCG, the requirements for the restoration of services and facilities with assistance of the responsible agencies, where appropriate.
- Contact the Disaster Recovery Funding Arrangements Western Australia (DRFAWA) Officers to determine if the event is eligible under the DRFAWA, and if so, ensure an understanding of what assistance measures are available and the process requirements for assistance.
- Understand eligible criteria and payment procedures of the Lord Mayor's Distress Relief Fund, if activated. Payments are coordinated through the local government to affected individuals.
- Report on likely costs and establish a system for recording all expenditure during recovery (includes logging expenditure, keeping receipts and providing timesheets for paid labour).
- Determine the acquisition and appropriate use of resources necessary for effective recovery.
- Consider establishing a call centre with prepared responses for frequently asked questions.
- Determine level of State involvement in conjunction with the local government and the State Recovery Coordinator.
- Liaise with the State Recovery Coordinator on issues where State level support is required or where there are concerns with services from government agencies locally.
- Ensure recovery activities are consistent with the National Principles for Disaster Recovery. Within 1 to 12 months (or longer-term recovery)
- Monitor the progress of recovery and provide periodic reports throughout the recovery effort to the LRCG and State Recovery Coordination Group, if established.
- Ensure recovery projects that support the social, built, economic and natural recovery environments are community-led and targeted to best support affected communities.
- Arrange for an operational debriefing of all participating agencies and organisations as soon as possible after the arrangements have ended.

- Arrange for an evaluation of the effectiveness of recovery within 12 months of the emergency to make sure lessons are captured and available for future managers.
- Provide recovery evaluations to the State Recovery Coordinator to refer to the SEMC for review. Evaluations can involve community and stakeholder surveys, interviews, workshops, and assessment of key project outcomes.
- Social and personal support services are likely to be required in the longer term and the need for a considerable period of psychosocial support (often several years) should be planned for.

Attachment 2: Local Recovery Coordination Group Action Checklist

Please note this checklist is a guide and is not exhaustive. Timeframes are approximate.

Within 1 Week

- Ensure an understanding of known or emerging impacts from the Impact Statement provided by the Controlling Agency.
- Determine priority recovery actions from Impact Statement and consult with specific agencies involved with recovery operations.
- District Emergency Management Advisor(s) to be included on Local Recovery Coordination Group to provide recovery advice and support to the Group throughout recovery, as required.
- Assess recovery requirements and coordinate activities to rebuild and restore the social, built, economic, natural and psychosocial wellbeing of the affected community.
- Determine need to establish subcommittees based on the four recovery environments: social, built, economic and natural, as required. Determine functions and membership as needed.
- Report likely costs and establish a system for recording all expenditure during recovery (includes logging expenditure, keeping receipts and providing timesheets for paid labour).
- Determine the acquisition and appropriate use of resources necessary for effective recovery.
- Consider recovery information and arrangements for at-risk individuals and communities (such as older and younger people, Aboriginal communities, people with disabilities, individuals from culturally and linguistically diverse (CaLD) backgrounds, and isolated and transient communities).
- Brief media on the recovery program throughout recovery process, ensuring accurate and consistent messaging (use the local government's media arrangements, or seek advice and support from DFES State Recovery).
- Develop and implement an event specific Communication Plan, including public information, appointment of a spokesperson and the local government's internal communication processes.
- Ensure recovery activities are consistent with the National Principles for Disaster Recovery.

Within 1 month

- Consider fatigue management for self and recovery staff throughout all recovery (contact DFES State Recovery for advice or for possible State Recovery Cadre support).
- Confirm if the event has been proclaimed an eligible natural disaster event under the Disaster Recovery Funding Arrangements Western Australia, and if so, ensure an understanding of what assistance measures are available and the process requirements for assistance.
- Consider establishing a call centre with prepared responses for frequently asked questions.
- Develop a Local Operational Recovery Plan which determines the recovery objectives and requirements, governance arrangements, resources and priorities.
- Establish a 'one-stop shop' recovery centre to provide the affected community with access to recovery services, information and assistance.

- Coordinate all offers of assistance from non-government organisations, volunteers, material aid, appeals and donated money to avoid duplication of effort.
- Understand eligible criteria and payment procedures of the Lord Mayor's Distress Relief Fund, if activated. Payments are coordinated through the local government to affected individuals.
- Activate outreach program to meet immediate needs and determine ongoing needs. Consider the need for specialist counselling, material aid, accommodation and financial assistance (liaise with the Department of Communities).
- Manage restoration of essential infrastructure.
- Liaise with the State Recovery Coordinator on issues where State level support is required or where there are concerns with services from government agencies locally.
- Monitor the progress of recovery and receive periodic reports from recovery agencies.

Within 12 months (or longer-term recovery)

- Social and personal support services are likely to be required in the longer term and the need for a considerable period of psychosocial support (often several years) should be planned for.
- Ensure recovery projects that support the social, built, economic and natural recovery environments are community-led and targeted to best support affected communities.
- Implement transitioning to mainstream services.



Shire of Mingenew

(DRAFT) Crisis Management & Communication Plan

Last Updated: October 2024



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Purpose

Crisis communication refers to the dissemination of information by an organisation to address a crisis that can drastically affect operations, customers, and/or the organisation’s reputation.

Scope

The purpose of this document is to help prepare the Shire of Mingenew to communicate effectively during times of crisis or emergency management. This crisis communications plan defines the responsibilities and procedures for communicating with internal and external stakeholders in the event of a significant, unforeseen business disruption or threat to the company’s reputation.

All communications from the Shire of Mingenew should align with the Marketing & Communications Strategy (2024) and reinforce the Shire’s Vision and Values.

Vision

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

Values

- Passionate
- Have a Go
- Sharing / Belonging
- Innovative
- Connected

Definitions

We’re defining a crisis as any significant event that creates uncertainty and could have a long-lasting negative effect on our reputation and/or mission. It may dramatically impact our ability to operate if it isn’t handled appropriately.

We’ve created a framework to further define these crises and ensure swift action and an appropriate response to match it, and provided some examples alongside them. These examples may not always match the level listed here; for example, we may have a Level 3 crisis of executive misconduct. These examples are used simply to illustrate the gravity of the “level” and ensure that all parties understand the seriousness of the situation at hand.

Defining A Crisis

Level	Description
1	This is the highest level of crisis escalation and involves an all-hands-on-deck approach. The situation is immediate and could potentially result in some sort of calamity, or another massive threat to the organisation. The problem may linger for years and require a long-term intervention.

	Examples: natural disasters, executive misconduct, excessive outages, data breaches or cyberattacks, or other sudden and unforeseen circumstances.
2	<p>There is a significant potential risk or long-term impact to business operations, customer success, and/or the organisation's reputation.</p> <p>Examples: outages, employee/customer injury, layoffs, or any other situations that could seriously impact the public's perception.</p>
3	<p>It doesn't yet pose a long-term or immediate risk to the business, but the team should still be on the same page for responding. This level is well-suited for an emerging crisis, or any situation that can potentially be anticipated or addressed early in its development to minimise the impact.</p> <p>Examples: Rumours, corporate restructuring, executive leave of absence, short service outages, long wait times, personnel issues, issues with company culture, short-term weather emergencies, etc.</p>
4	<p>This is where most "crises" will fall into. They are typically bigger versions of day-to-day issues that may need extra effort to be fully resolved and/or addressed.</p> <p>Examples: sustained negative community feedback that doesn't have a significant operational or reputational impact, other small disruptions to operations, etc.</p>

Communication Channels

During a time of crisis, it is important that updates are shared both externally and internally. The following communication channels have been identified for the Shire of Mingenew.

External

- Website
- Social Media (Facebook)
- Mingenew Matters Newsletter
- Email
- SMS
- PO Box Drops
- Events
- Radio
- Flyers
- Public Noticeboard
- Digital Information Sign

Internal

- Internal emails
- Meetings
- Staff noticeboard
- Social Media (Facebook)

Key Contacts

The Point Person

The point person for any and all of these crises is our CEO, Matt Fanning.

If you believe the crisis has a potential to be a Level 1 or a Level 2 (or you are unsure), please contact him **directly** and **immediately**.

The First Line

The following individuals make up our ‘first line of defence,’ and will also be informed once the organisation is aware of a crisis at Levels 1-3.

Name	Title	Email	Phone Number
Matt Fanning	CEO	ceo@mingenew.wa.gov.au	0419 647 661 (08) 9928 1102
Gary Cosgrove	Shire President (Nov 2019 – Oct 2025)	crcosgrove@mingenew.wa.gov.au	0428 281 240
Shane Noon	Works Manager	works@mingenew.wa.gov.au	0409 135 665 (08) 9928 1102
Helen Sternick	Manager Corporate Services	mcs@mingenew.wa.gov.au	0437 880 995 (08) 9928 1102
Erin Greaves	Manager Governance & Community	governance@mingenew.wa.gov.au	0477 287 144 (08) 9928 1102

The Greater Response Team

If specific (or all) departments need to be brought in as part of the crisis response and/or a larger response team is needed, these are the designated individuals and their contact information.

Name	Title	Email	Phone Number
Matt Fanning	CEO	ceo@mingenew.wa.gov.au	0419 647 661 (08) 9928 1102
Gary Cosgrove	Shire President (Nov 2019 – Oct 2025)	crcosgrove@mingenew.wa.gov.au	0428 281 240
Shane Noon	Works Manager	works@mingenew.wa.gov.au	0409 135 665 (08) 9928 1102
Helen Sternick	Manager Corporate Services	mcs@mingenew.wa.gov.au	0437 880 995 (08) 9928 1102

Erin Greaves	Manager Governance & Community	governance@mingenew.wa.gov.au	0477 287 144 (08) 9928 1102
Hellene McTaggart	Deputy President (Oct 2023 – Oct 2027)	crmctaggart@mingenew.wa.gov.au	0409 083 898
Ramya Mallavarapu	Customer Service Officer	cso@mingenew.wa.gov.au	(08) 9928 1102
Jack Smith	Senior Finance Officer	sfo@mingenew.wa.gov.au	(08) 9928 1102
Lauren Higgins	Community Development Officer	cdo@mingenew.wa.gov.au	0436 689 258 (08) 9928 1102
Maria Snowden-Giles	Finance/Payroll Officer	accounts@mingenew.wa.gov.au	(08) 9928 1102
Megan Smith	Finance Officer	finance@mingenew.wa.gov.au	(08) 9928 1102
Damien Gaughan (LGIS)	Account Manager	Damien.gaughan@lgisw.com.au	0429 465 940

The Communications Team

In an unknown crisis, we have outlined a generic set of roles and responsibilities to help outline our communications to key stakeholders.

Task	Name & Title	Email
Crisis specific key messages and updates	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
Internal FAQs	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
External FAQs	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
Crisis response centre set-up and management	Shane Noon, Works Manager	works@mingenew.wa.gov.au
Spokesperson preparation	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
Email, voicemail monitoring and response	Erin Greaves Manager Governance & Community	governance@mingenew.wa.gov.au
Social media response	Erin Greaves Manager Governance & Community	governance@mingenew.wa.gov.au
Spokesperson	Gary Cosgrove Shire President (Nov 2019 – Oct 2025)	crkosgrove@mingenew.wa.gov.au
Media communications	Erin Greaves Manager Governance & Community	governance@mingenew.wa.gov.au
Council communications	Matt Fanning, CEO	ceo@mingenew.wa.gov.au



Employee communications	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
Vendor / Supplier communications	Matt Fanning, CEO	ceo@mingenew.wa.gov.au
Community outreach	Lauren Higgins, CDO	cdo@mingenew.wa.gov.au

Crisis Management Process

Phase 1: ALERT

Refer to the 'Defining A Crisis' criteria (page 3) and notify the point person (CEO) for any and all of these crises. Notify the CEO as soon as possible via phone first, then email (refer page 5 for contact information). If you're unsure, notify the CEO.

Phase 2: ASSESS

Once the point person (CEO) has been notified, the 'first line of defence,' and greater Response Team will also be informed to assess the (potential) crisis, gather any available information, classify the incident via the escalation framework and prepare to take subsequent action.

Phase 2 ASSESS Steps:

1. Convene the communications team to act on communications--related strategic objectives issued by the first line of response team.
2. Develop a specific communication plan relevant to the actual circumstances of the crisis. It will include:
 - a. Identifying and prioritising our audiences.
 - b. Communication mechanisms for each audience (email, phone call, etc.).
 - c. Responsibilities and timelines for each task.
3. Assign a team member to create a timeline of the actual events related to the crisis, and any and all responses given, and actions taken.
4. Notify the Greater Response Team to help manage the crisis.
5. Fill out the Crisis Factsheet with as much information as you have available. Details to include:
 - What happened
 - Where and when?
 - Who was affected?
 - Who is involved?
 - When did we learn about the incident?
 - What is the impact/likely impact?
 - Is there any immediate danger?
 - Do we understand the entire issue?

Phase 3: ACTIVATE

Once the crisis is better understood, turn your plan into action.

Phase 3: ACTIVATE Steps:

6. When required, determine a location for the crisis response centre and begin setup. The crisis response centre needs to include:
 - i. Copies of the response plan, prepared statements and crisis & communication team contact information
 - ii. Computers and phones
 - iii. Internet and phone/mobile access with multiple phone lines available
 - iv. Scanner and copier access
 - v. Media and social media monitoring software

- vi. Media contact lists (print and digital versions)
 - vii. Social media, monitoring sites and web login information
 - viii. Emergency supplies
 - ix. Anything else we might need to handle the crisis effectively
7. Craft key messages related to the actual circumstances (and refine/adapt them as needed).
 8. Identify and prepare the spokesperson most appropriate for the situation, likely the Shire President.
 9. Prepare possible response statements for telephone, email, text messages, website, social media, and crisis site inquiries using key messages.
 10. Assign responsibility to create and maintain phone and email logs of news organisations/reporters/bloggers/websites covering the crisis and any other key personnel, client, vendor partner, etc., who may be inquiring about the situation.
 11. Notify staff.
 - a. Use available communication vehicles (meetings, email, intranet, etc.) to call staff to action as needed.
 - b. Hold a short briefing meeting onsite, or at a predetermined offsite location or via conference call, to reassure staff members and prepare them for crisis management.
 - c. Remind staff of existing media (social and traditional) policies.
 - d. Set predetermined times for staff members to reconvene to receive regular updates and guidance.
 - e. Provide staff with key messages to communicate to residents, community members, and vendors as appropriate.
 12. Contact local emergency officials and government officials as necessary.
 13. Where appropriate, begin contacting those affected by the crisis. Identify best mechanisms to reach each person, including phone, face-to-face meetings, conference calls, email, media briefings, press releases, instant alerts, etc. Make specific assignments and include them on the timeline.

Phase 4: ADMINISTER

Determine how the Response Team will continue to assess, address, and resolve the incident.

Phase 4: ADMINISTER Steps:

14. Avoid a media crisis with response statements posted on your website home page and social media feeds as appropriate. If crisis warrants, develop additional online pages to include press releases, photos, etc. Update all as needed.
15. Set regular times for communicating updates as needed.
16. Make sure those affected by the crisis are being kept informed through regular phone updates, email updates, website updates, text messages, social media updates etc.
17. Keep your timeline updated, documenting all actions taken and team members responsible and make accessible to all crisis management team members to review.



Part 5: ADJOURN

Once the immediacy of the crisis has dissipated, regroup as a team to go over your process for crisis management, response, and communication. Consider what changes should be made and update this plan with those changes. Refer to the template included on Page 21 Evaluation & Maintenance.

Communications Response

Crisis Factsheet

The crisis factsheet should be used in Phase 2 ASSESS to define what we know about the incident, and how that progresses overtime.

Event name	
Crisis level	
Communication goal	

Details

What happened?	
When did it happen?	
Who is involved?	
Who is affected?	
How did it happen?	
Do we have credible sources of information?	
What additional facts are needed to put the event into perspective?	



What is currently being done?	
-------------------------------	--

Timeline

Information that has been confirmed	Source, date, & time

Information that is still unknown	Primary contact

Messaging Templates

The following templates will be used by the Communications Team in the event of a crisis we have not prepared for. Only include definitive facts and not speculative details; verify *everything* you say. Make sure that the statement is authentic and appropriate for the situation at hand.

The holding statement should always include:

- A factual headline
- The date and time
- The location of the incident
- Basic details that have been confirmed
- When the Shire was made aware of the issue
- Actions the Shire is taking that you are willing to make public
- An expression of compassion or empathy (if appropriate)
- Contact details OR details on when further updates may occur

It should never include:

- Details that are unconfirmed or uncertain
- Any kind of speculation
- A response to unsubstantiated rumours
- Statements of blame or finger-pointing
- Names of victims in the case of death

Holding statements should be issued as soon as possible. By preparing holding statements in advanced, they can be quickly adapted to cover the situation at hand.

Holding Statement – Generic 1

We have recently been informed that a [what happened] at [location] involving [who] occurred today at [time]. The incident is under investigation and more information is forthcoming.

Holding Statement – Generic 2

We are aware of the [type of incident] that occurred at [location/time]. Our team is currently assessing the situation and will provide updates as more information becomes available. The well-being of our community and staff is our foremost concern. For inquiries, please contact [contact information].

Holding Statement - Technical Issue/Outage

This afternoon, we were made aware of a technical issue/outage that is affecting our [specify which service].

This [issue] took place [date and time] and affected [this group of individuals]. We apologise that we are not able to provide you with [service] at the moment. Our technicians are working diligently to get our operations to full functionality as soon as possible.

We will continue to update you on our progress in resolving this matter at [website] and on Facebook. We ask that you please be patient with our customer service team as they work to help address your concerns/needs. The customer service team can be contacted on (08) 9928 1102.

We sincerely apologise for any inconvenience this may have caused you, and are working tirelessly to ensure this issue doesn't happen again.

Holding Statement – Data Breach

We have identified a data security incident that may impact [type of information]. We are taking immediate steps to secure our systems and investigate the matter. We are committed to maintaining the privacy and security of all our customers' information.

Holding Statement - Offensive Statement or Action By Employee

Accusation only:

We are saddened by the recent allegations surrounding the [incident/accusation] with/against [employee]. [Organisation] is committed to being a safe and inclusive workplace for all. We're still assessing the situation and these accusations. We want to understand what happened, and our next step will be to work with our [people operations/human resources/executive/legal] team(s) to determine the best course of action. In the meantime, we would like to offer our sincerest apologies to all of those affected or upset by these accusations.

Confirmed evidence:

The viewpoints expressed by this employee do not represent [organisation's] values at all, and we empathise with those hurt, upset, and disturbed by the employee's [words/actions]. We emphatically denounce what [employee] has [said/done], and as a result, have made the decision that we can no longer [represent/employ/collaborate/partner with] [employee]. We are determined to provide a safe and inclusive work environment at [company] and are working with our [people operations/human resources/executive/legal] team(s) to determine the best course of action. Again, we wholeheartedly apologise to [person/people] affected.

Holding Statement - Lawsuit

We cannot comment on ongoing litigation, but [company] is committed to [statement that does not divulge information or opinion about lawsuit].

Holding Statement – Generic Accident

At approximately [time] there was what is currently being investigated as a [incident] at [location]. We are working to determine [damage, injuries, etc.]. At this time, we have confirmed that [General information that is for certain. Delete if no confirmed info is available.]



The safety and well-being of our community members, employees, contractors and volunteers [delete as necessary] are our first priority. [Expression of compassion/concern if appropriate]. As more information is available, we will be providing updates through [web site address].

Holding Statement - General Mishap or Mistake by the Organisation

We owe our community members an apology. On [date], [describe incident that occurred]. As a result, [impact on community]. We're sorry for what happened – we take full responsibility for our actions and the impact this had on our community members. After reviewing the situation, we found the cause to be [cause of mistake here]. We are committed to ensuring our community members, employees, and stakeholders don't have to deal with this again by [preventative measures here]. [Customer service/the organisation] have been communicating with our [residents/ratepayers/persons affected] during this time, and are still available to help address any continuing issues that resulted from this incident.

Holding Statement - Unexpected Loss of CEO/Executive (Death)

We are saddened to announce that [name] has passed away. Amidst this time of tragic loss, our focus right now is on supporting the people closest to [him/her], our employees, and all of those affected by [his/her] passing. [Insert name], who had the benefit of working closely with [name], will be serving as interim [Title of deceased].

Holding Statement - Unexpected Loss of CEO/Executive (Unexpectedly Quits/Resigns)

[Name of employee] has resigned from [his/her] former position at [organisation] as [title], effective [date]. [name] will assume the position of [title] on an [interim/permanent] basis. We believe this transition will aid us in achieving our mission as a Shire. We wish nothing but the best for [resigned employee] and [his/her] successful and prosperous future, and we thank [him/her] for [his/her] [months/years/decades] of dedicated service to [company].

Holding Statement – Workplace Injury

We are deeply saddened to confirm that [either individual's name, or just "one of our colleagues/clients/customers/crew"] was injured at [location] in [city/town] earlier this morning. They are currently at [hospital location] receiving medical treatment. We are in contact with their family and are doing everything we can to support them during this difficult time.

An investigation has been launched and we are fully cooperating with authorities. As of [time], we have determined that we have/will/are going to [postpone/shut down/limit/maintain] the [site/business/factory/office] until the conclusion of the investigation.

For over [___] years, we have maintained an excellent safety record. We will be reviewing our procedures and



will put in place any recommendations from the authorities to ensure this does not happen again. We will share more information as it is released to us and provide an update about this incident on our website and social media channels at [date and time].

Holding Statement - Weather Emergency

The Shire has invoked its emergency plan and is working to ensure residents are kept safe and well. For up-to-date information, please go to our website at www.mingenew.wa.gov.au, follow us on Facebook, listen to local radio stations and you can call us on (08) 9928 1102. Once we are able to provide more information, we will update you.



Key Messages by Target Audience

Target Audience	Message
Community (Residents & Ratepayers)	
Employees	
Council	
Media	
General Public	

FAQs

Consistent messaging is needed for all of these questions when responding to a crisis. Though we should anticipate and address specific questions as part of our crisis response planning, this provides a place to start.

Target audience	FAQs
Community (Residents & Ratepayers)	<ul style="list-style-type: none"> ▪ When can I expect [product/service] to be back up and running? ▪ How does this affect me? ▪ How will you make this right? ▪ What are you going to do to prevent this from happening again?
Employees	<ul style="list-style-type: none"> ▪ When should I report to work? ▪ What happened to my coworker(s)? ▪ Is it safe? ▪ What are we going to do to prevent this from happening again?
Management/Leadership	<ul style="list-style-type: none"> ▪ What happened? ▪ When did it happen? ▪ What should I do next? ▪ What's the estimated impact to the organisation? ▪ What are we going to do to prevent this from happening again?
News/Media	<ul style="list-style-type: none"> ▪ What happened? ▪ When did it happen? ▪ What caused it? ▪ Who is responsible? ▪ What's the estimated impact?

Media Relations

Spokesperson Identification

The Shire of Mingenew's President (or on occasion, a delegated authority) is the spokesperson for the Shire. This helps take the Shire from a faceless entity to a responsive, human, proactive, community leader.

When speaking to operational matters for the Shire of Mingenew, it is recommended that the Shire President delegate spokesperson authority to the CEO.

The spokesperson should be as honest and upfront as possible in all communications. They will be quoted in media releases and positioned as the expert in major Shire activities.

A technical expert (delegated authority) may be required in cases where more detailed responses are needed, or where it would benefit the community to hear from a registered professional.

The Spokesperson must be familiar with crisis and emergency response communication.

Media Guidelines:

When interacting with the media in a crisis communications scenario, follow the below guidelines.

Do	Don't
Stick to the facts	Make assumptions, lie or overpromise
Provide regular, timely updates	Be slow to respond
Have a list of key messages to refer to	Be unprepared when speaking to the media
Break your own news – drive the information yourself	Wait for a media enquiry
Communicate actions/steps being taken	Provide verbal updates only with no actions taken
Keep it simple – boil the message down to essentials	Sugarcoat, waffle or blame

Evaluation & Maintenance

To help ensure the Shire of Mingenew's Crisis Management & Communications Plan is always effective and current, it is important to evaluate performance after a crisis and edit this plan as needed. Refer to the below Crisis Debrief Template which can be used as a guide.

Crisis Debrief Template

Approximately one to two weeks after the crisis event is substantially or completely handled, run a full debrief of the event with crisis communication and management team. Evaluate both the short- and long-term impact of the crisis, and how they will be addressed.

<i>What did we do well?</i>	
<i>What did we not do well?</i>	
<i>What are our key learnings for next time?</i>	
<i>What are the short-term impacts?</i>	
<i>What are the long-term impacts?</i>	
<i>What are our next steps to address all of the above?</i>	



BUSH FIRE ADVISORY COMMITTEE GENERAL MEETING

MINUTES OF THE SHIRE OF MINGENEW BUSH FIRE ADVISORY COMMITTEE GENERAL MEETING
HELD IN COUNCIL CHAMBERS ON 14 OCTOBER 2024 COMMENCING AT 6PM.

1.0 DECLARATION OF OPENING

Murray Thomas, CBFCO opened the meeting at 6:07pm.

2.0 RECORD OF ATTENDANCE / APOLOGIES

Attendees

Jordan Bechard
Robert Holmes
Brendan Rowe
High Rowe
David Yeomans
Paul Flanders
Sam Couper
Murray Thomas
Jarrad Kupsch
Jarrad Spencer
Andrew Green
Alex Pearse
Ben McTaggart
Phil Soullier
Mark Teale
Anthony Smyth
Matt Fanning
Erin Greaves

Apologies

Leigh Mulholland
Jared Heitman
Daniel Michael
Jon Holmes
Nick Duane
Brendan Smith
Simon Smith

3.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

3.1 Bush Fire Advisory Committee Meeting held 11 March 2024

BUSH FIRE ADVISORY COMMITTEE DECISION – ITEM 3.1

Moved: Anthony Smyth

Seconded: Jamie McTaggart

That the Minutes of the Shire of Mingenew Bush Fire Advisory Committee Meeting held 11 March 2024 be confirmed as a true and accurate record of proceedings.

4.0 OFFICERS' REPORTS

4.1 Chief Bush Fire Control Officer Report

- Car fire at Mt Budd (no injuries)

4.2 Captains' Reports

- Nil

4.3 Shire CEO Report

- Shire was unsuccessful in obtaining additional funding for Rec Centre Upgrade (Evacuation Centre) project through Disaster Ready funding. Use available \$500,000 to achieve what we can
- First firebreak inspections conducted in Mingenew townsite
- Request for rural landowners to be reminded about firebreaks and reducing fuel load
ACTION: Shire to issue communications regarding rural landowner responsibilities in installing firebreaks and managing fuel loads

5.0 GENERAL BUSINESS

5.1 Draft Code of Conduct

Attachment 5.1.1 – for review and discussion

No changes proposed.

5.2 Draft Bushfire Minimum Training and Competency Standards Policy

Attachment 5.2.1 – for review and discussion

- Training obligations (time commitment) too onerous and many volunteers quite experienced
- All brigade volunteers to complete Rural Fire Awareness training (available online and in-person)
ACTION: Shire to arrange with DFES to offer Rural Fire Awareness training and Appliance training in-person on Monday, 28 October 2024, and promote availability.
- Mark Teale from DFES provided some feedback and insight into training obligations
- Justin Bagley and Erin to work on updated Policy that compromises on obligations and present to next meeting
ACTION: Shire to present updated Policy to next BFAC meeting, with changes as discussed and in liaison with BFAC representative, Justin Bagley.

5.3 Volunteer Registration

Attachment 5.3.1 – new Volunteer Registration Form

Noted.

5.4 Draft Training Schedule 2024/25

Attachment 5.4.1 - for review and discussion

Training as discussed above.

5.5 Fire Protocol (adopted 2022)

Attachment 5.5.1 – for review and updating if required

Minor amendments made – updated 2024 version for Minutes.

6.0 GENERAL BUSINESS

- New handheld VHF's required

MINGENEW BUSH FIRE ADVISORY COMMITTEE MEETING MINUTES – 14 October 2024

- Volunteers require uniforms – Shire has stock, attending members to liaise with Erin after the meeting on requirements
- Contact Regional Duty Coordinator (RDC) for DFES / water bombing assistance if required – 1800 317 555 (all hours)
- New Emergency WA app in development – primary source for public information
- Water bombing support available during harvest season (3,000L capacity) – contact RDC if required.

7.0 TIME AND DATE OF NEXT MEETING

Next Bush Fire Advisory Committee Meeting to be held on 10 March 2025 (TBC) commencing at 6pm.

8.0 CLOSURE

The meeting was closed at 7:07pm.



1.6.2 BUSH FIRE BEHAVIOUR, COMPLAINTS AND DISCIPLINARY POLICY

Bush Fire Policies

Adopted:	16 October 2024 (NEW)
Reviewed:	Biannually
Associated Legislation:	Local Government Act 1995 Bush Fires Act 1954
Associated Documentation:	Nil
Review Responsibility:	Bush Fire Advisory Committee
Delegation:	Chief Executive Officer

Previous Policy Number/s N/A

Objectives:

To establish agreed expected behaviours from bush fire volunteers and personnel.

Policy Statement:

The Shire of Mingenew is committed to providing a workplace that is free from discrimination, harassment, bullying and victimisation for all employees and members of the community. We believe that in providing such a workforce we will enable all employees to feel safe, secure and free from intimidation when they are at work.

The Shire prohibits any form of unacceptable behaviour in the workplace and encourages all employees to report any unacceptable behaviour to the Brigade Captain, Bush Fire Control Officer or CEO of the Shire.

Any breach of this Policy will be considered a serious matter that will be investigated and may result in disciplinary action including termination of membership.

Personal Integrity

All members and volunteers should —

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and
- (c) act lawfully; and
- (d) identify and appropriately manage any conflict of interest; and
- (e) avoid damage to the reputation of the local government.

Relationship with others

All members and volunteers should —

- (a) treat others with respect, courtesy and fairness; and
- (b) respect and value diversity in the community.

Members and volunteers should maintain and contribute to a harmonious, safe and productive work environment.

Fitness for Duty

If attending a brigade activity including training, fund raising, meetings and fires, all volunteers are required to be in a fit state to carry out the duties involved.

If a volunteer presents unfit for duty, the person presiding over the activity must instruct that person to stand down. Examples include being impaired due to drugs (including prescription drugs), alcohol or fatigue.

Complaints & Grievances

All complaints and issues between members should in the first instance be reported to the Brigade Captain, if this is not appropriate or cannot be resolved within the Brigade, the grievance should be reported to the Chief Bush Fire Control Officer. If in the opinion of the Chief Bush Fire Control Officer the grievance cannot be resolved through counselling with individuals, the Chief Bush Fire Control Officer may consult with the Shire of Mingenew, through the CEO, to resolve the issue.

Disciplinary Action

Disciplinary action can only be taken by the Shire of Mingenew's Chief Executive Officer or Council.

The Chief Executive Officer must notify the member in writing and provide the disciplinary action once an investigation has been completed.

The notice issued by the Chief Executive Officer must have the right to appeal.

Disciplinary action includes:

- Suspension of membership
- Termination of membership
- Any other reasonable disciplinary action as determined by Council

Suspension of Membership

A volunteer member may be suspended by the Shire of Mingenew where the member:

- Wilfully or negligently disregards the Bush Fires Act 1954, Bush Fires Regulations 1954, or the Shire of Mingenew Bush Fire Brigade Operational Procedures; and
- Has performed a serious unsafe act that endangers the safety of the member or others.

The suspended member will be excluded immediately from such Brigade duties and activities. The Shire of Mingenew must notify the member, in writing, advising of the suspension period and reason.

The period of suspension shall not exceed three (3) consecutive months and shall be determined by the Shire of Mingenew.

On completion of the suspension period the member may be required to undertake refresher training before resuming active firefighting duties.

Termination of Membership

Termination of membership of a Volunteer Bush Fire Brigade may occur when:

- the member provides written notification of resignation to the brigade and the Shire of Mingenew;
- the member is, in the opinion of the Shire of Mingenew, permanently incapacitated by mental or physical health;
- Volunteer Membership is cancelled by the Brigade who notify the Shire in writing with the reason, being either;
 - Member isn't compliant with training requirements for a period greater than 2 years; or
 - Member has had their membership suspended twice in any 5 year period
- the member does not attend a meeting, incident or brigade activity in the Shire of Mingenew for a period of 2 years and does not respond to correspondence sent to their last known address within 3 calendar months of correspondence being sent.
- is dismissed by the Shire of Mingenew; or
- Deceased

NOTE: When a membership is terminated, the member must return to the Shire, within 14 days, all property belonging to the Bush Fire Brigade and/or the Shire of Mingenew.



1.6.1 BUSH FIRE PERSONNEL TRAINING & COMPETENCY STANDARDS POLICY

Bush Fire Policies

Adopted:	16 October 2024 (NEW)
Reviewed:	Biannually
Associated Legislation:	Local Government Act 1995 Bush Fires Act 1954
Associated Documentation:	Nil
Review Responsibility:	Bush Fire Advisory Committee
Delegation:	Chief Executive Officer

Previous Policy Number/s N/A

Objectives:

To define the minimum training and competency standards for personnel attending fires in the Shire of Mingenew.

Definitions:

Australasian Inter-Service Incident Management System (AIIIMS) - the nationally recognised system of incident management for Australia's fire and emergency service agencies.

Auxiliary Role - a non-combat / firefighting activity undertaken away from the site of a fire as required by the Bushfire Brigade/Unit. Examples include the organisation of transportation, catering and communications.

Brigade - refers to the Shire of Mingenew Town Bushfire Brigade registered with DFES.

Brigade Member - a person who is at least 16 years of age and is trained and deemed competent to operate Shire of Mingenew vehicles (where applicable) and equipment during bush firefighting activities. Includes the ranks of *Lieutenant & Captain*.

Bush Fire Control Officer (BFCO) - means a Fire Control Officer appointed by the Shire of Mingenew and encompasses the positions of Chief and Deputy Chief Bush Fire Control Officer.

DFES - Department of Fire and Emergency Services

Fireground - means the site of a fire attended by fire fighters.

Spontaneous Volunteers - individuals or groups of people who seek or are invited to contribute their assistance during and/or after an event, and who are unaffiliated with any part of the existing official emergency management response and recovery system and may or may not have relevant training, skills or experience.

Farmers' Response Rural Brigade Unit Member - a DFES registered member of a Shire of Mingenew Farmers Response Rural Brigade who **only** operate private vehicles and equipment during firefighting activities.

Unit - refers to the Shire of Mingenew Farmers Response Rural Brigade Units registered with DFES

WHS – Work Health and Safety, generally and specifically in regard to the *Work Health and Safety Act 2020* and Regulations

Policy Effect:

This Policy is effective from 1 November 2024 and applies to all personnel attending a fire;

- Only candidates that fulfil the minimum training requirements will be appointed into elected positions (BFCO, Captain, Lieutenant / Deputy Captain etc).
- Candidates who do not meet the minimum training requirements will hold the elected position in an administrative, non-operational capacity known as an "elect". (e.g. "Captain-Elect) until such time as they complete the minimum training required to hold the position.
- Upon completion of the training requirements, the candidate will be appointed to the position with no restriction of duties.
- If members nominate for a position without completing the recommended training but are enrolled to do so, then they can be considered for that role until the training has been completed. This would allow candidates to fulfil non-operational aspects of the role and operational aspects as per *Bush Fires Act 1954* turnout protocol only until minimum training standards are met.
Bush Fires Act 1954 Turnout Protocol "On arrival at an incident the most senior fire fighter will be the officer in charge of the incident until a more qualified fire fighter arrives".
- This process must be completed prior to 31 August 2025.

Policy Statement:

The following minimum training standards will apply to each position / role however, personnel may undertake additional training in excess of the minimum requirements.

Inductions

Upon joining the Brigade/Farmer Response Units, a member must complete the Shire's online Bush Fire Volunteer Induction prior to commencing active duty, and ideally within 2 weeks of becoming a member. The Shire will issue an email to all new members with instruction for completing the induction.

An in-person induction by the Brigade/Unit Captain or experience member, is also to be completed as soon as possible but prior to attending an event. The induction will cover the following:

- Facility and equipment use,
- Communications,
- Fire ground protocols,
- Incident, Accident & Injury reporting,
- Fitness for Duty,
- First Aid,
- Code of Conduct,
- The provision of a first aid kit and required PPE.

Farmers Response Rural Brigade Unit Members

To be deemed competent to attend the fire ground members **must**:

- a) Register as Volunteer Brigade Member with DFES
- b) Complete the Shire's online Bush Fire Volunteer Induction
- c) Undertake, as a *minimum*, the formal *Rural Fire Awareness Training* course run by DFES,

Until the above training has been completed, Farmers Response unit members shall be restricted to auxiliary roles and shall not operate on the fire ground.

Note** If a Farmers Response Rural Brigade Unit Member is to operate shire-owned vehicles or equipment, then they **must** complete the appliance training prior to operation.

Brigade Members

To be deemed a competent fire fighter to attend the fire ground and use shire-owned assets, Brigade members **must** undertake as a *minimum*, the following:

- a) Register as Volunteer Brigade Member with DFES
- b) Complete the Shire's online Bush Fire Volunteer Induction
- c) ***Bushfire Safety Awareness*** (2-day face to face that delivers bushfire characteristics and behaviour, safety & survival, & suppress bushfire. Includes AIIMS awareness unit)
- d) ***Firefighting Skills*** (2-day practical that delivers map reading, intro to comms, tools & equip, ropes & ladders, crew protection)

Until the above training has been completed, Brigade members shall be restricted to auxiliary roles and shall not operate on the fire ground.

Any member who will be using/driving an appliance (Fast Attack or Light Tanker) must undergo ***appliance training*** prior to use on the fire ground, to ensure familiarity with the appliance/s and ensure they have the appropriate licenses to operate. The appliance training is to cover:

- Basic operations of the appliance,
- Basic radio communications,
- Water drafting with the appliance,
- Equipment location,
- Appliance foam delivery (if used).

Bush Fire Control Officers (BFCO)

It is recommended that Bush Fire Control Officers have a minimum of 5 years active operational experience.

To be eligible for appointment as a Bush Fire Control Officer a person must:

- a) Complete all training required of a Brigade Member; and
- b) Complete the ***Fire Control Officer Training Program*** (1 day face to face which provides an understanding of legislative requirement and permits to burn) within 6 months of appointment.

For a person to continue as a Bush Fire Control Officer they must complete the Bush Fire Control Officers Course or a Refresher Course at intervals of no more than every five years.

All Members & Spontaneous Volunteers

- 1) First aid training is highly recommended, and courses will be offered free of charge as required.
- 2) All Active members must attend a refresher appliance training course if they have not attended a fire in the previous 2 years.

- 3) Attendance records and competency statements for all training sessions/courses must be given to the Shire within one (1) month of completing.

Spontaneous Volunteers

To be deemed competent to attend the fire ground, spontaneous volunteers **must**:

- a) Complete the Shire's online Bush Fire Volunteer Induction
- b) Undertake, as a *minimum*, the formal **Rural Fire Awareness Training** course run by DFES,
- c) Must **register with Shire** - contact details, skill statement.

Until the above training has been completed, Spontaneous Volunteers shall be restricted to auxiliary roles and shall not operate on the fire ground.

Driving and Licences

- 1) Any Brigade/Unit member or spontaneous volunteer who is operating a vehicle (including private vehicles) for fire-fighting purposes is required to hold a current Western Australian drivers' licence for the class of vehicle that is being driven (Fast Attack - C Class and the Fire Truck- HR).
- 2) Any situation that results in the suspension or loss of licence or impairment to a Members/BFCOs capability is to be reported to the Brigade/Unit Captain and Shire.
- 3) Brigade/Unit members are expected to provide a copy of their driver's licence to the Shire to be kept on file. At the expiry or suspension of licence, no further driving activity can take place until an updated copy of a valid driver's licence is provided to the Shire.
- 4) Fire Response Units should be registered with the Shire and show the Vehicle Response Unit sticker provided on registration. This system does not preclude the use of non-registered farm appliances on the fire ground, it is for ease of reference and control.
- 5) All drivers of the Fast Attack/Fire truck must have the approval of the Brigade Captain, CBFCO or DCBFCO to operate the vehicle and must always drive with due care and attention in accordance with Road Traffic legislation and continue to show consideration to other road users.

Fitness for Duty & Code of Conduct

Any accident that occurs where it is found that a member/spontaneous volunteer has been taking illicit drugs and/or alcohol has implications not only for the individual but also the Shire. Consequences of such could include:

- Insurance cover could be denied.
- Civil action could be taken if other firefighters are injured whilst under that individual's care (as driver, member of a team or managing an incident).
- Compromise the Shire because they allowed you to represent them whilst you were under the influence of illicit drugs or alcohol (knowingly or unknowingly).

Therefore, the below shall be observed by both members, BFCOs and spontaneous volunteers:

- 1) Shall not respond to any incident or participate in any training activities associated with operational tasks when drugs or alcohol have been taken or consumed.

- 2) If an individual is aware that another member, BFCO or spontaneous volunteer is taking drugs (illicit or prescribed that might impair their abilities) or have consumed alcohol, appropriate action should be taken to remove that person from firefighting duties.
- 3) If an individual is taking prescribed drugs that make them drowsy or functionally impaired, they must not take part in duties at an incident or operational training activities.

Training Expenses

Costs associated with Brigade based local training, including materials, consumables and light refreshments, will be covered by the Shire of Mingenew under Local Government Grants Scheme (LGGS).

All applications for training expenses must be presented to the Shire prior to any course date so the Shire can arrange a Purchase Order.

All receipts are to be presented to the Shire within 5 working days of course completion.

For Shire of Mingenew arranged training, refreshments will be provided to brigade members that attend if considered reasonable.

Emergency Services Volunteer Membership Application



Volunteer
Fire & Rescue
Services
 (VFRS)



Volunteer Fire
& Emergency
Services
 (VFES)



Marine
Rescue WA
 (MR)



State
Emergency
Service
 (SES)



Bush Fire
Service
 (BFS)



Youth in
Emergency
Services
 (YES)

Current/previous volunteer number

Brigade, Group or Unit

Local government (if applicable)

Membership type: Probationary Active Support/Auxiliary Junior/Cadet

Applicant details

Title First name (legal name) Middle name Last name

Occupation Gender: Male Female

Date of Birth Driver's Licence number Category

Ethnic background (optional): Aboriginal/Torres Strait Islander Other

Residential address

Street Suburb/Town Postcode

Postal address Same as above

Street Suburb/Town Postcode

Primary phone Secondary phone (if applicable)

Email address

Emergency contact details

Title First name Last name

Phone Relationship

Optional Street Address Same as applicant Suburb/Town Postcode

Medical questions

Your responses to the following questions will not exclude you from emergency service volunteering. This information will be used to help determine your suitability for the volunteer role you have applied for.

Do you currently, or have you ever suffered from, any of the following physical or mental health conditions?

	Yes	No		Yes	No
Neck or back injuries	<input type="checkbox"/>	<input type="checkbox"/>	Chest pains	<input type="checkbox"/>	<input type="checkbox"/>
Mental or nervous conditions	<input type="checkbox"/>	<input type="checkbox"/>	Colour blindness	<input type="checkbox"/>	<input type="checkbox"/>
Depression or difficulty sleeping	<input type="checkbox"/>	<input type="checkbox"/>	Do you wear glasses or contact lenses?	<input type="checkbox"/>	<input type="checkbox"/>
Heart disease	<input type="checkbox"/>	<input type="checkbox"/>	Fear of heights	<input type="checkbox"/>	<input type="checkbox"/>
High blood pressure	<input type="checkbox"/>	<input type="checkbox"/>	Other fears	<input type="checkbox"/>	<input type="checkbox"/>
Hernia or rupture	<input type="checkbox"/>	<input type="checkbox"/>	Dizziness or turns	<input type="checkbox"/>	<input type="checkbox"/>
Asthma	<input type="checkbox"/>	<input type="checkbox"/>	Head injuries	<input type="checkbox"/>	<input type="checkbox"/>
Stomach ulcers	<input type="checkbox"/>	<input type="checkbox"/>	Epilepsy or fits	<input type="checkbox"/>	<input type="checkbox"/>
Deafness	<input type="checkbox"/>	<input type="checkbox"/>	Persistent headaches	<input type="checkbox"/>	<input type="checkbox"/>

If you answered **Yes** to any of these conditions, please provide further details below:

The regional office will review this information and determine whether you are required to complete further checks. This will be done in consultation with you and your Brigade, Group or Unit leader.

Declaration: I agree to comply with the legislation that regulates the operations of emergency services in Western Australia. This includes the *Fire and Emergency Services Act 1998*, the *Fire Brigades Act 1942*, and the *Bush Fires Act 1954*, as is applicable to the volunteer emergency service of which I will be a member. In addition, I agree to comply with the DFES policies and procedures that relate to the volunteer emergency service of which I will be a member.

Applicant's signature	Date
<input type="text"/>	<input type="text"/>

Parent/Guardian approval signature	Date
<input type="text"/>	<input type="text"/>

Brigade, Group or Unit approval signature	Date
<input type="text"/>	<input type="text"/>

District Officer, Area Officer or local government approval signature	Date
<input type="text"/>	<input type="text"/>

Brigade, Group or Unit leader name

Office use:

Brigade, Group or Unit leader confirm:
Criminal History Check documents attached



Bushfire Training Schedule 2024 / 2025

In-Person Training	Who Should Complete (minimum)	Duration	Proposed Date
Rural Fire Awareness	Spontaneous Volunteers Farmers Response Rural Brigade Members Brigade Members Captains / Lieutenants Bushfire Control Officers	0.5 day	27 October 2024 9 March 2025
Appliance Training	Brigade Members Bushfire Control Officers	0.5 day	27 October 2024 9 March 2025
Bushfire Safety Awareness	Brigade Members Bushfire Control Officers	2 days	24-25 February 2025
Fire Fighting Skills	Bushfire Control Officers	2 days	5-6 May 2025
Bushfire Fundamentals	Spontaneous Volunteers Farmers Response Rural Brigade Members Brigade Members Captains / Lieutenants Bushfire Control Officers	1 day	10 March 2025
First Aid Training	All members	1 day + online learning	6 November (Irwin) 17 December (Irwin) February 2025 (MI)

Online Learning Available anytime (no cost) through the DFES eAcademy

- Rural Fire Awareness (2-3 hrs)
- AIIMS Awareness (1-2 hrs)
- Bushfire Fundamentals (2-3 hrs)
- Tree Hazard Awareness (30 mins)

If you are a current member, there are a range of courses available to you online via the [Volunteer Hub](#). If you don't know your Member ID to login, please contact me and I can provide to you.

For non-members, you can access the Rural Fire Awareness, Bushfire Fundamentals and AIIMS Awareness online using the following link:

<https://eacademy.dfes.wa.gov.au/?client=externaltenant>

For training enquiries please contact Erin Greaves, Manager Governance and Community on 0477 287 144 or email governance@mingenew.wa.gov.au.

Bushfire Events Calendar

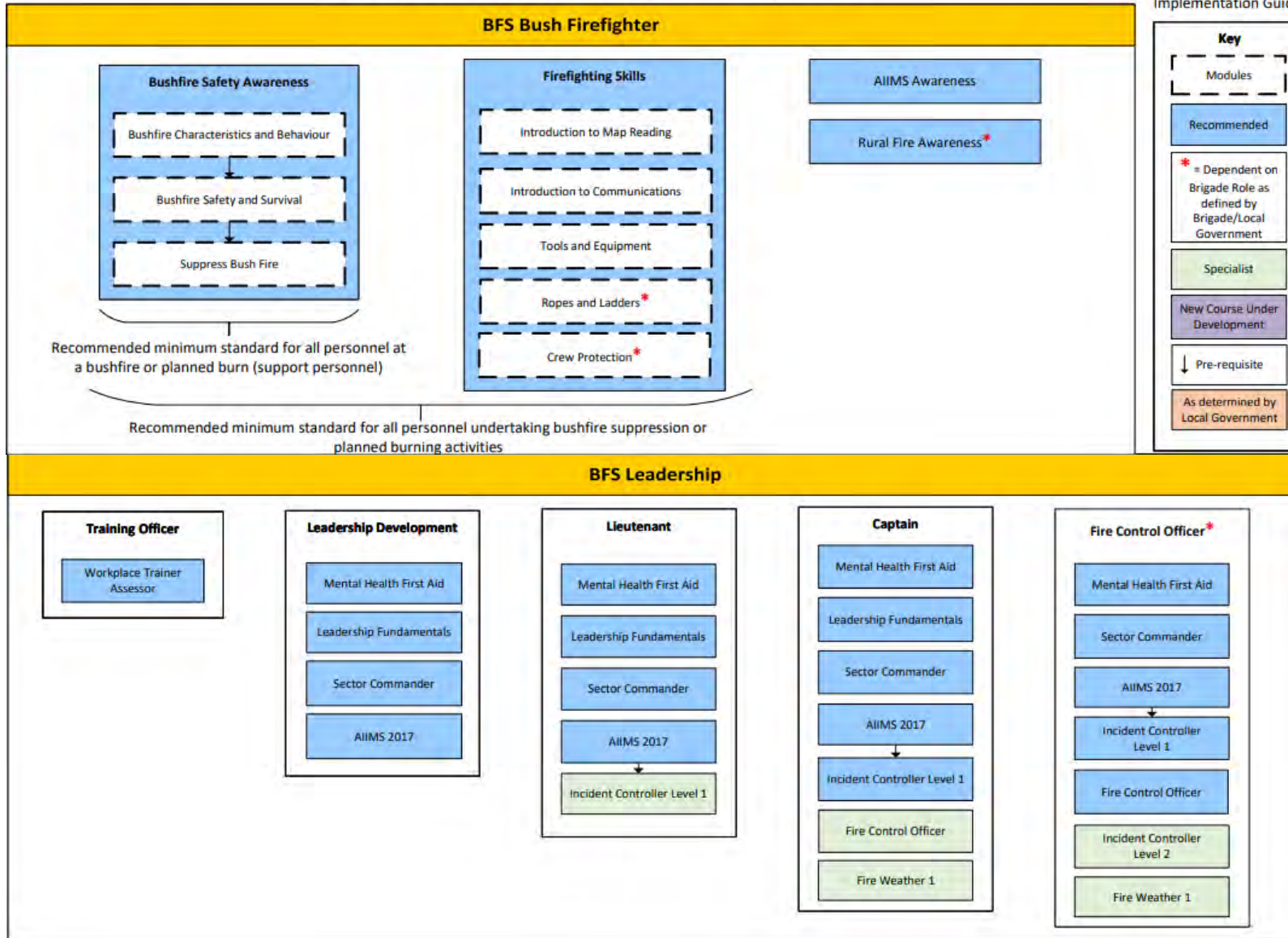
EVENT	DATE
Bush Fire Advisory Committee Meeting	Mon, 14 October 2024
Rural Fire Awareness Training (Mingenew)	Sun, 27 October 2024
First Aid Training (Mingenew)	February 2025
Bushfire Safety Awareness	Mon 24 & Tue 25 February 2025
Rural Fire Awareness	Sun, 9 March 2025
Bushfire Fundamentals	Mon, 10 March 2025
Fire Fighting Skills	Mon 5 & Tue 6 May 2025



Bush Fire Service Training Program

Local induction to be completed at Brigade/Local Government level. If no local induction exists, the DFES Volunteer Firefighter Induction may be used.

❖ This diagram is to be read in conjunction with the Training Program Implementation Guide



Fire Protocol – Mingenew

- 1) If the fire is on your property or if you know exactly where the fire is, put the location on the Mingenew Fire Whatsapp group (drop a pin) or call the shire so a text can go out with location and how to access details. Please put “urgent help needed” or “locals only” or similar depending on the severity of the fire.
- 2) Get someone that is not at the fire to call your neighbours, chief bushfire officer and call 000. Call Regional Duty Coordinator for DFES / water bombing assistance – 1800 317 555.
- 3) Go to channel 11
- 4) **MAKE YOUR OWN SAFETY AND THAT OF OTHERS A PRIORITY**
- 5) Wear your PPE – fire pants and tops, safety goggles and gloves
- 6) If you are coming to the fire reply to the Whatsapp message with the amount of water and estimated time it is going to take to get there. E.g. 1,000L, 20 minutes. Keep the messaging brief and to the point. Your passenger could do this while you are travelling to the fire.
- 7) Ask for directions to fire and where you are needed once you get there
- 8) The fire, on most occasions, will be cut into sectors, with someone in charge of that sector so we know what is happening on all fire fronts
- 9) When putting out the flames
 - a) Stay in your vehicle
 - b) Keep moving forward (don't reverse)
 - c) Go in lots of 2,3,4 etc units with the front unit knocking down the flames and the others mopping up behind. Spray along the fire edge not across it.
 - d) Be aware of where the safe burnt ground is at all times
 - e) If have a trailed unit don't go into scrub area or deep ripped paddocks
- 10) If graders, loaders or heavy machinery are operating, at least 1 fire unit to follow them
- 11) Keep talk on channel 11 to a minimum, operational talk only
- 12) Be aware of where tanks are to refill fire fighters and direct people to them
- 13) Again, call Regional Duty Coordinator for DFES assistance – 1800 317 555.



MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING
11 NOVEMBER 2024

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MINUTES OF THE SHIRE OF MINGENEW AUDIT AND RISK COMMITTEE MEETING HELD IN COUNCIL CHAMBERS ON 11 NOVEMBER 2024 COMMENCING AT 5:00PM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Chairperson, Cr HR McTaggart, opened the meeting at 5:05pm.

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members

Cr HR McTaggart (Chairperson)

Cr GJ Cosgrove

Cr AR Smyth

Ms J Bagshaw (Independent Member)

Staff

Matt Fanning, Chief Executive Officer

Erin Greaves, Manager Governance and Community

Helen Sternick, Manager Corporate Services

Apologies

Cr AT Pearse

3.0 DECLARATIONS OF INTEREST

Ms Jane Bagshaw disclosed a financial interest in Item 5.2 as the matter related to her membership on the committee (which provides for an attendance fee).

4.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

4.1 AUDIT & RISK COMMITTEE MEETING HELD 13 MARCH 2024

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 4.1

MOVED: Ms Jane Bagshaw

SECONDED: Cr AR Smyth

That the Minutes of the Audit & Risk Committee Meeting of the Shire of Mingenew held in the Council Chambers on 13 March 2024 be confirmed as a true and accurate record of proceedings.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 4/0

(FOR: Cr HR McTaggart, Cr GJ Cosgrove, Cr AR Smyth and Ms J Bagshaw AGAINST: Nil)

5.0 OFFICER REPORTS

5.1 COMPLIANCE AUDIT RETURN 2023 – RESPONSE TO NON-COMPLIANCE MATTERS

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: FM.AUD.23.24
Disclosure of Interest: Nil
Date: 8 November 2024
Author: Erin Greaves, Manager Governance and Community
Authorising Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

The 2023 Compliance Audit Return identified a number of matters to be addressed and reported back to the Audit & Risk Committee / Council.

OFFICER RECOMMENDATION - ITEM 5.1

That the Audit & Risk Committee recommends that Council the response to the non-compliance matters resulting from the 2023 Compliance Audit Return be received.

ALTERNATIVE MOTION AND COMMITTEE DECISION - ITEM 5.1

MOVED: Cr HR McTaggart SECONDED: Cr AR Smyth

That Item 5.1 be held over until the next Audit & Risk committee meeting.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 4/0

(FOR: Cr HR McTaggart, Cr GJ Cosgrove, Cr AR Smyth and Ms J Bagshaw AGAINST: Nil)

NOTE: A review of the Purchasing Policy to be conducted to consider remedies for identifying and addressing potential aggregated purchases and include report of supplier purchases for calendar year 2023 identifying non-compliance.

Attachment

5.1.1 Compliance Audit Return 2023

Background

The 2023 Compliance Audit Return was completed and presented to Council 20 March 2024. The Council decision in regards to the CAR was as follows:

AUDIT & RISK COMMITTEE RECOMMENDATION AND COUNCIL DECISION – ITEM 4.1 – RESOLUTION# 01200324S

MOVED: Cr AR Smyth **SECONDED:** Cr AT Pearse

Council:

1. Adopts the 2023 Compliance Audit Return (CAR) for the period 1 January to 31 December 2023 as presented in the Attachment Booklet;
2. Authorises the Shire President and Chief Executive Officer to sign the certification of the CAR, and lodge it with the Department of Local Government, Sport and Cultural Industries as required;
3. Notes the reported areas of non-compliance within the 2023 Compliance Audit Return, as follows:
 - a) Non-compliance with current Purchasing Policy – occasions where quotation requirements were not met or not evidenced for purchase values \$10,001-\$50,000 and purchasing activity for same category of supply has not been aggregated into single contract arrangements where it may have been possible.
 - b) Evidence of written notice not found to support requirement to give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted; and
4. Requests that a report be prepared and presented to the next Audit & Risk Committee identifying areas where aggregation of purchases into a single contract have not been undertaken and provide solutions to address this, including a potential review of the Purchasing Policy and any potential advocacy actions to gain greater clarity on expected best practice within the sector.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth, and Cr RA Starick AGAINST: Nil)

As such, a report (below) has been prepared addressing the above matters and is presented to the Audit & Risk Committee for review.

Comment

Non-compliance with current Purchasing Policy – occasions where quotation requirements were not met or not evidenced for purchase values \$10,001-\$50,000 and purchasing activity for same category of supply has not been aggregated into single contract arrangements where it may have been possible.

The following comment was provided in the March Report:

“As part of the CAR review, a creditors report was run and all creditors that had a single expense or combined total expenditure for the year of between \$10,001 and \$50,000 was reviewed for compliance against the Purchasing Policy. It was noted that there were several expenses that did not evidence the quote requirements or purchasing activity for same category of supply has not been aggregated into single contract arrangements where it should or could have been. The Shire has previously identified this as a weakness in its systems and already had scheduled a new system to be implemented (however the new Altus finance system implementation has been delayed to August 2024).

The new finance system is better equipped to capture quoting requirements and has built-in preventative measures to ensure a purchase order is not approved until requirements have been met. It will also ensure records management is captured within the same system to enable these audits to be conducted more easily.”

Response:

As indicated in the March Agenda Report, one of the key internal controls proposed to address non-compliance matters, particularly with regard to procurement, included the implementation of a new finance system in Altus Finance.

At the time, it was expected that the Shire would be transitioning to Altus Finance in August 2024 however, this was further delayed and then cancelled as IT Vision moves away from the Altus system to develop under Readytech Community. We do not currently have an update on when this will be ready and are continuing under the outdated SynergySoft program until a suitable alternative is available.

Whilst the new system proposed mechanical system protections to mitigate the risk of errors and the capturing of inadequate evidence, the Shire will need to be vigilant in ensuring the human component of adhering to the Purchasing Policy and purchasing procedures is prioritised.

Evidence of written notice not found to support requirement to give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted.

Similarly to the above non-compliance matter, the system failure is a result of human error and can be remedied with training and improved procedures or checklists.

The specific issue was determined to be occurring when the WALGA eQuotes system was used, and information not being downloaded and captured with the Shire's own recordkeeping system, or where the tender process is managed by an external party, the records were not transferred.

Consultation

Helen Sternick, Manager Corporate Services
Matt Fanning, Chief Executive Officer

Statutory Environment

Local Government Act 1995 Section 7.13

Local Government (Audit) Regulations 1996

14. Compliance audits by local governments

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

Policy Implications

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

Financial Implications

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

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency
15. Financial practices are responsive to compliance requirements and revenue needs

Prior to discussion on Item 5.2, Ms Jane Bagshaw disclosed a financial Interest, as the matter relates to her membership on the Committee (is eligible for a meeting attendance fee payment) and therefore, left the meeting at 5:30pm and did not participate in discussion on the matter.

5.2 PROCESS TO APPOINT INDEPENDENT MEMBER – AUDIT & RISK COMMITTEE

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: GV.CMT.4
Disclosure of Interest: Nil
Date: 8 November 2024
Author: Erin Greaves, Manager Governance and Community
Authorising Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

The Audit & Risk Committee's Independent Member, Ms Jane Bagshaw, has served her term on one year, plus two years as per her appointment by Council in December 2021, therefore the Committee is requested to recommend to Council the method for filling the role at the conclusion of her term.

Key Points

- The Audit & Risk Committee's Terms of Reference indicates the position of Independent Member must be recruited through an expression of interest process every 3 years
- Ms Jane Bagshaw was appointed by Council in December 2021 as Independent Member
- The Department of Local Government, Sport and Cultural Industries' reform process indicates that there is likely to be changes for audit committees, including the requirement for the Independent Member to Chair the Committee

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 5.2

MOVED: Cr GA Cosgrove **SECONDED:** Cr AR Smyth

That the Audit & Risk Committee recommends to Council that:

1. The Chief Executive Officer undertake a public Expressions of Interest process to seek an independent member for the Audit and Risk Committee, with the following selection criteria:
 - 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.
2. Ms Jane Bagshaw remains as the appointed Independent Member for the Audit & Risk Committee until the Expressions of Interest are received and an appointment is endorsed by Council.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/0

(FOR: Cr HR McTaggart, Cr GJ Cosgrove and Cr AR Smyth, AGAINST: Nil)

Attachments

5.2.1 Terms of Reference – Audit and Risk Committee

Background

Ms Jane Bagshaw was appointed as Independent Member for the Shire's Audit & Risk Committee in December 2021. Her appointment was for a 12 month term, with the option to renew for a further two years. As her three year term has been served, Council, based on a recommendation from the Committee, must determine the process for filling the vacancy.

Previously, and as outlined in the Terms of Reference, Council has opted to seek Expressions of Interest by advertising the position and setting selection criteria based on the desired skill set and candidate qualities.

Comment

Informally, Ms Bagshaw has indicated she is willing to remain on the Committee but does not wish to prevent someone else from having the opportunity to participate.

As the recommendation is to seek Expressions of Interest for the role of Independent Member, whilst providing Ms Bagshaw an opportunity to reapply.

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

The Audit & Risk Committee's Terms of Reference outline the following with regard to recruitment and appointment of an Independent Member:

"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."

Financial Implications

Nil

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency

15. Financial practices are responsive to compliance requirements and revenue needs



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.

Following Item 5.2 and prior to discussion on Item 5.3, Ms Jane Bagshaw returned to the meeting at 5:32pm.

5.3 REVIEW OF RISK REGISTER 2024

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: RM.RSA
Disclosure of Interest: Nil
Date: 8 November 2024
Author: Erin Greaves, Manager Governance & Community
Authorising Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

An update of the Shire's Risk Register has been undertaken, following completion of a number of actions from the Register endorsed in December 2022 by the Audit & Risk Committee.

Key Points

- The Shire maintains a Risk Register to assist in identifying and managing its risks, as required by the Shire's Risk Management Policy
- The Risk Register was last presented to the Audit & Risk Committee / Council in December 2022
- Many of the actions outlined in the December Risk Register have been achieved therefore the document has been updated to reflect existing risks and provide an action plan for any risk priorities identified

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 5.3

MOVED: Cr GA Cosgrove

SECONDED: Ms Jane Bagshaw

That the Audit & Risk Committee:

1. receives the updated Shire of Mingenew Draft Risk Register 2024, as attached, and
2. reviews the Risk Register at each Committee meeting.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 4/0

(FOR: Cr HR McTaggart, Cr GJ Cosgrove, Cr AR Smyth and Ms J Bagshaw AGAINST: Nil)

NOTE: Final Risk Register to be reviewed by staff (to include due dates and responsible persons) and presented at the next Audit & Risk Committee meeting for referral to Council.

Attachment

6.4.1 Shire of Mingenew Risk Register (reviewed November 2022)

Background

The Shire has a responsibility to review control effectiveness, mitigate risk and provide Council with a level of assurance on the systems, processes and procedures employed by management and the management of a Risk Register is an appropriate tool for capturing and communicating these.

The Risk Register was last reviewed in December 2022 and is now available in draft form for review by the Audit & Risk Committee and the Executive Leadership Team.

Comment

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

Whilst the Risk Register itself provides the context for Operational Risk priority areas; a summary has been provided in the table below:

The Shire's Risk Management Policy outlines the risk register's themes. For each risk theme, or risk theme under review, using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, the below listed questions are proposed as a guide. The objective is to identify potential risks that could stop the Shire from achieving its goals:

- I. What can go wrong? / What are areas of uncertainty? (Risk Description- describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event).
- II. How may this risk eventuate? (Potential Causes- are the conditions that may present or the failures that may lead to the event or point in time when control is lost (risk)).
- III. What are the current measurable activities that mitigate this risk from eventuating? (Controls- are measures that modify risk. At this point in the process only existing controls should be considered).
- IV. What are the potential consequential outcomes of the risk eventuating? (Consequences- need to be impacts to the Shire. These can be health of staff, visitors or contractors; financial; interruption to services provided; non-compliance; damage to reputation or other assets or the environment. There is no need to determine the level of impact at this stage).

Consultation

The Risk Register control measures have been determined based on a review of the Shire's current policies, procedures and practices and informed further by best practice outlined by the Office of the Auditor General, WALGA, LGIS and other industry stakeholders.

Statutory Environment

Local Government Act 1995

Policy Implications

The Shire's Risk Management Framework and Procedures outline the risk register's themes to assist in classifying risks and reporting on them.

Financial Implications

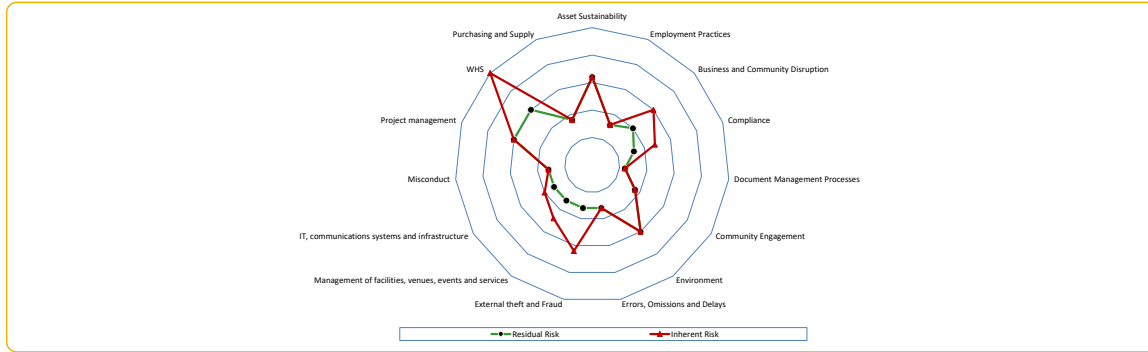
Any financial implications from proposed actions will be achieved through current budget allocations or proposed through the 2024/25 and 2025/26 Budget at an operational level.

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency
15. Financial practices are responsive to compliance requirements and revenue needs

**Local Government
Risk Dashboard**



Asset Sustainability	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Unacceptable

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.
High risk to public playground inspectors (trained staff)

Employment Practices	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

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

Business and Community Disruption	Risk Rating		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention

Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal

Compliance	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate

Document Management Processes	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

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

Community Engagement	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private

Environment	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention

Inadequate prevention, identification, enforcement and management of environmental issues.
Prepare Public Health Plan

Errors, Omissions and Delays	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process

External theft and Fraud	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	0
	Residual Risk	Moderate	Risk Acceptance	Monitor

Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic), for the purposes of fraud, malicious damage or theft.

Management of facilities, venues, events and services	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Failure to effectively manage the day to day operations of facilities, venues and events.

Misconduct	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority

Project management	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention

Inadequate analysis, design, delivery and reporting of projects / change initiatives

IT, communications systems and infrastructure	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Accept

Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community.

Purchasing and Supply	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor

Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

WHS	Risk Ratings		Risk Evaluation	
	Inherent Risk	Extreme	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention

Non-compliance with the Workplace Health & Safety Act, associated regulations and standards.

	Risk Ratings		Risk Evaluation	
	Inherent Risk	0	Control effectiveness	0
	Residual Risk	0	Risk Acceptance	0

0

Asset Sustainability

Sep-24

Risk Description

Failure or reduction in service of infrastructure assets, plant, equipment or machinery.

These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.

Causal Factors	Potential Outcomes		
<ul style="list-style-type: none"> • Skill level & behaviour of operators • Lack of trained staff • Outdated equipment • Insufficient budget to maintain or replace assets • Unavailability of parts • Lack of Maintenance • Breakdowns 	<ul style="list-style-type: none"> • Financial • Service interruption • Property damage • Non compliance • Health 		
Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	Date	Control Operating Effectiveness
Plant Replacement Program	Preventative	Sep-24	Adequate
Asset Management Framework (Plan & Strategy)	Preventative	Sep-24	Inadequate
Building Maintenance Program	Preventative	Sep-24	Inadequate
Fleet Management System	Preventative	Sep-24	Adequate
Road Asset Management System (RAMMS)	Preventative	Sep-24	Adequate
Housing Replacement Program	Preventative	Sep-24	Adequate
Incident reporting	Detective	Sep-24	Adequate
Property condition inspections	Detective	Sep-24	Adequate
Playground inspections	Detective	Sep-24	Inadequate
Training Register and Plan	Preventative	Sep-24	Effective

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Risk Evaluation Unacceptable

Actions / Treatments	Due Date	Responsibility
Update Asset Management Plan		
Develop Building Maintenance Program		
Implement schedule for regular playground inspections (trained staff)		

Comments / Justifications

Building maintenance is currently reactive, planned maintenance scheduling, developed from inspections of infrastructure will assist the Shire to have a more planned approach.

Business and Community Disruption

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Cyclone, storm, fire, earthquake • Terrorism / sabotage / criminal behaviour • Epidemic / Pandemic • Loss of suppliers • Climate change • Loss of key staff • Loss of key infrastructure 	<ul style="list-style-type: none"> • Service Interruption • Reputational damage • Health • Financial Impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Local Emergency Management Arrangements	Recovery	Sep-24	Effective
Local Recovery Plan	Recovery	Sep-24	Adequate
Business Continuity Plan	Recovery	Sep-24	Adequate
Cybersecurity systems	Preventative	Sep-24	Effective
Financial Management procedures	Preventative	Sep-24	Effective
State of Emergency protocols	Recovery	Sep-24	Adequate
STAND	Recovery	Sep-24	Effective
PID Policy and procedures	Detective	Sep-24	Effective
LEMC Meetings and exercises	Preventative	Sep-24	Effective
Established & Trained ECO's (Fire Wardens, First Aiders)	Preventative	Sep-24	Inadequate
List of vulnerable community members	Recovery	Sep-24	Adequate
Evacuation procedures	Preventative	Sep-24	Adequate
Employee Assistance Program (EAP) and counselling services	Recovery	Sep-24	Effective

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Unlikely	High

Risk Evaluation Urgent attention

Actions / Treatments	Due Date	Responsibility
Ensure appointed fire wardens complete training		
Test emergency procedures		

Comments / Justifications

Risk Description

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Lack of training, awareness and knowledge • Staff Turnover • Inadequate record keeping/ failure of corporate electronic systems • Ineffective policies & processes • Impulsive decision making • Elected member turnover • Lack of Legal Expertise • Breakdowns in the tender or procurement process • Ineffective monitoring of changes to legislation • Attitudinal problems 	<ul style="list-style-type: none"> • Non-compliance • Reputational • Environmental • Financial Impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Compliance Calendar	Preventative	Sep-24	Effective
Compliance Audit Return	Detective	Sep-24	Effective
Councillor and Staff Inductions	Preventative	Sep-24	Adequate
Records Management System	Preventative	Sep-24	Effective
WALGA Governance subscription	Preventative	Sep-24	Effective
LG Professionals - DLGSC webinars	Preventative	Sep-24	Effective
Audit & Risk Committee	Preventative	Sep-24	Effective
Internal Audits (Internal Audit Plan)	Detective	Sep-24	Adequate
External Audits (financial, Reg 17 etc)	Detective	Sep-24	Effective
Financial Interest disclosures	Preventative	Sep-24	Effective
Elected Member Training & Register	Preventative	Sep-24	Inadequate
FOI, PID Process	Detective	Sep-24	Effective
Councillor Attendance Register	Preventative	Sep-24	Effective
Tender Register & documented process	Preventative	Sep-24	Adequate
Policy Reviews	Preventative	Sep-24	Adequate

Overall Control Effectiveness	Risk Rating
	Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Action
	Monitor

Actions / Treatments	Due Date	Responsibility
Councillors to complete mandatory training		

Comments / Justifications

Document Management Processes

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Spreadsheet/database/document corruption or loss • Inadequate access and / or security levels • Inadequate Storage facilities (including climate control) • Lack of knowledge/training • Incompatible systems • Lack of awareness of the State Records Act • Outdated record keeping practices • Incomplete authorisation trails 	<ul style="list-style-type: none"> • Compliance • Reputation • Loss of data

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Records Management Policy and procedures	Preventative	Sep-24	Effective
Recordkeeping Plan	Preventative	Sep-24	Effective
Recordkeeping Inductions	Preventative	Sep-24	Adequate
Climate control archive and records room	Preventative	Sep-24	Adequate
Records access management	Preventative	Sep-24	Effective
Data back up systems	Preventative & Recovery	Sep-24	Effective

Overall Control Effectiveness	Adequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility

Comments / Justifications

Employment Practices

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Leadership failures Key / single-person dependencies Poor internal communications / relationships Ineffective Human Resources policies, procedures and practices Ineffective performance management arrangements Limited staff availability - labour market Inadequate staff training / knowledge 	<ul style="list-style-type: none"> Health Compliance Reputation Service interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
HR Policies and procedures	Preventative	Sep-24	Adequate
Training Register and Plan	Preventative	Sep-24	Adequate
Performance appraisals	Detective	Sep-24	Inadequate
Position Description reviews	Preventative	Sep-24	Adequate
Attraction and Retention Policy	Preventative	Sep-24	Adequate
WALGA Employee Relations subscription	Preventative & Recovery	Sep-24	Effective
Internal resourcing (HR expertise)	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
Workforce Plan	Preventative	Sep-24	Inadequate
Staff inductions / onboarding	Preventative	Sep-24	Adequate
Termination controls	Preventative	Sep-24	Adequate
Staff meetings / memos	Preventative	Sep-24	Effective
Exit Interviews	Detective	Sep-24	Adequate

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation Monitor

Actions / Treatments	Due Date	Responsibility
Performance reviews for all employees completed annually		
Workforce Plan to be updated		

Comments / Justifications

Community Engagement

Sep-24

Risk Description

Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Relationship breakdowns with community groups Leadership inattention to current issues Inadequate documentation or procedures Budget / funding issues Poor communication and engagement on issues Inadequate support for community groups 	<ul style="list-style-type: none"> Reputation Compliance Service interruption Environmental

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Newsletter / Social Media / SMS / Emails / Media Releases / Letter drops	Preventative	Sep-24	Effective
Community Satisfaction Survey	Detective	Sep-24	Effective
Community Information Sessions / Workshops	Preventative	Sep-24	Effective
Concept Forums / Council Meetings	Preventative	Sep-24	Adequate
Executive Management Team meetings	Preventative	Sep-24	Effective
Community Surveys	Detective	Sep-24	Effective
Marketing & Communication Strategy	Preventative	Sep-24	Adequate
Crisis Communication Plan	Preventative	Sep-24	Adequate
Budget Reviews	Detective	Sep-24	Adequate
Internal resourcing (Community Development)	Preventative	Sep-24	Effective
Staff Meetings and memos	Preventative	Sep-24	Effective

Overall Control Effectiveness	Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications

Yet to implement Marketing & Communications Strategy but framework in place. Request for quote to implement is imminent.

Environment

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> ● Inadequate management of landfill sites ● Lack of understanding / knowledge ● Inadequate local laws / planning schemes ● Prolific extractive industry (sand, limestone, etc) ● Poor management of contaminated sites ● Clandestine drug labs disposing of chemicals illegally ● Weather events / natural disasters ● Climate change ● Inadequate weed and pest management ● Land contamination 	<ul style="list-style-type: none"> ● Environmental ● Compliance ● Health ● Reputational ● Property ● Financial

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Transfer Station management contract	Preventative	Sep-24	Adequate
Asbestos Management Plan & Register	Preventative	Sep-24	Adequate
Evacuation facilities	Recovery	Sep-24	Inadequate
Weed management program	Preventative	Sep-24	Adequate
Pest control program	Preventative	Sep-24	Adequate
Bore monitoring program	Detective	Sep-24	Adequate
Local Emergency Management Arrangements / Recovery Plan	Recovery	Sep-24	Effective
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Effective
Mosquito management program	Preventative	Sep-24	Adequate
Public health planning	Preventative	Sep-24	Inadequate
Complaints / feedback system	Detective	Sep-24	Effective

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Risk Evaluation	Urgent attention
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Actions / Treatments	Due Date	Responsibility
Upgrade Rec Centre as Evacuation Centre		
Prepare Public Health Plan		

Comments / Justifications

Errors, Omissions and Delays

Sep-24

Risk Description

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate internal processes Lack of knowledge/training Legislative changes Unrealistic community/council expectations Incorrect information Staff turnover Work pressures / deadlines Failure to monitor external non-compliance (swimming pools/food hygiene) Human Error 	<ul style="list-style-type: none"> Compliance Reputational Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Customer Service Charter	Preventative	Sep-24	Effective
Documented procedures	Preventative	Sep-24	Adequate
Staff inductions and training (topic and role specific)	Preventative	Sep-24	Adequate
Executive Management Team meetings	Preventative & Detective	Sep-24	Adequate
Grants Register	Preventative	Sep-24	Adequate
Compliance Calendar	Preventative	Sep-24	Effective
Exit Interviews	Detective	Sep-24	Adequate
Complaints/feedback register	Detective	Sep-24	Effective
LG Professionals - DLGSC Webinars (reform updates, trends etc)	Preventative	Sep-24	Effective
Food premises inspections	Detective	Sep-24	Effective
Swimming Pool inspections	Detective	Sep-24	Effective
Firebreak inspections	Detective	Sep-24	Effective
WHS inspections and audits	Detective	Sep-24	Effective

Overall Control Effectiveness	Risk Rating
	Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications
Satisfactory controls given resourcing

External theft and Fraud

Sep-24

Risk Description

Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic), for the purposes of fraud, malicious damage or theft.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate security measures Robbery / theft Cyber crime Scam invoices Inadequate knowledge/training staff collusion 	<ul style="list-style-type: none"> Financial Reputational Property Service Interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	Date	Control Operating Effectiveness
Security access controls (access cards, keys, key cabinet and locks)	Preventative	Sep-24	Adequate
Cyber awareness training for employees and Councillors	Preventative	Sep-24	Inadequate
Safe (cash and important documents)	Preventative	Sep-24	Adequate
Fraud and Misconduct Management Policy	Preventative	Sep-24	Effective
Access management (passwords, limiting access, authentication)	Preventative	Sep-24	Effective
Privacy and Responsible Information Sharing (PRIS) systems	Preventative	Sep-24	Adequate
Credit Card Use Policy	Preventative	Sep-24	Effective
Information & Communication Technology (ICT) Use Policy	Preventative	Sep-24	Effective

Overall Control Effectiveness

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Cyberawareness training for employees and Councillors		

Comments / Justifications
Manager Corporate Services and Senior Finance Officer attending cyberawareness training (LGIS) in Geraldton (Nov 2024) - all organisation awareness required

Management of facilities, venues, events and services

Sep-24

Risk Description

Failure to effectively manage the day to day operations of facilities, venues and events.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Lack of internal procedures • Inappropriate alcohol consumption • Inadequate hiring agreements • Poor event planning • Lack of internal knowledge/training • Lack of monitoring 	<ul style="list-style-type: none"> • Financial • Reputational • Compliance • Health • Environmental

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Building maintenance program	Detective & Recovery	Sep-24	Adequate
Access management (keys and access cards)	Preventative	Sep-24	Adequate
Facility booking system	Preventative	Sep-24	Adequate
Hire agreements & insurance checks	Preventative	Sep-24	Adequate
Events management process	Preventative	Sep-24	Inadequate
Lease management	Preventative	Sep-24	Adequate
Public building inspections	Preventative	Sep-24	Adequate
Playground inspections	Preventative	Sep-24	Inadequate
LGIS property register review	Preventative	Sep-24	Adequate
Asset replacement program	Preventative	Sep-24	Adequate
Cleaning program	Preventative	Sep-24	Adequate
Reporting mechanisms for damage / maintenance	Detective	Sep-24	Adequate
Liquor licensing approvals	Preventative	Sep-24	Adequate
Property Condition reporting (housing)	Detective	Sep-24	Adequate
APU Management obligations (Joint Venture Agreement)	Preventative	Sep-24	Adequate

Overall Control Effectiveness	Adequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Set schedule and conduct regular playground maintenance and compliance inspections (trained staff)		
Develop events management process and checklist for community		

Comments / Justifications

Risk Description

Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Power outage on site or at provider • Software / hardware vulnerability and/or failure • Cyber crime and viruses • Inadequate IT incident and recovery processes • Failure of vendor • User error 	<ul style="list-style-type: none"> • Financial • Service interruption • Property • Reputational

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Unlikely	High

Key Controls	Type	Date	Control Operating Effectiveness
Information and system back ups	Preventative	Sep-24	Effective
IT performance monitoring and support (outsourced)	Preventative & detective	Sep-24	Adequate
Cybersecurity policy and framework	Preventative	Sep-24	Adequate
Generator / UPS	Preventative	Sep-24	Effective
Mobile phones / two ways / STAND	Preventative	Sep-24	Effective
IT Infrastructure Replacement Program	Preventative	Sep-24	Adequate
Business Continuity Plan	Recovery	Sep-24	Adequate
Cybersecurity awareness training for employees	Preventative	Sep-24	Adequate
Access management	Preventative	Sep-24	Adequate
Application controls	Preventative	Sep-24	Adequate
Cyber security responsibilities defined	Preventative	Sep-24	Adequate
Disaster Recovery Plan	Recovery	Sep-24	Adequate
End-point security	Preventative & detective	Sep-24	Effective
Multi-factor authentication	Preventative	Sep-24	Effective
ERP and other major software	Preventative	Sep-24	Adequate
Internet service reliability	Preventative	Sep-24	Adequate

Overall Control Effectiveness	Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility

Comments / Justifications

Misconduct

Sep-24

Risk Description

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Inadequate training • lack of policies and procedures (code of conduct) • Delegated authority circumvented • Lack of internal control • Poor recruitment practices • Insubordination • Workplace culture 	<ul style="list-style-type: none"> • Financial • Health • Services • Reputation • Compliance

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Delegations Register	Preventative	Sep-24	Effective
Segregation of Duties (Financial)	Preventative	Sep-24	Effective
IT Security Access Framework (Profiles and passwords)	Preventative	Sep-24	Adequate
Procurement Process (Purchase Order Process) - Electronic - Manual PO Approval	Preventative	Sep-24	Adequate
Confidentiality Agreement	Preventative	Sep-24	Effective
Induction Process	Preventative	Sep-24	Effective
PID Procedures,	Detective	Sep-24	Effective
HR Policies and Procedures	Preventative	Sep-24	Adequate
Financial Reports/documentation to Council / Statutory compliance	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
Fraud and Misconduct Management Policy	Preventative	Sep-24	Effective

Overall Control Effectiveness	Adequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications
No actions - Reg 17 and Financial Management Review (2025) to inform any further improvements and actions

Risk Description

Inadequate analysis, design, delivery and reporting of projects / change initiatives

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Poor planning methodology and process • Excessive/unrealistic project lists • Inadequate monitoring of projects • Lack on internal resources • Supply chain restrictions • Ineffective procurement processes 	<ul style="list-style-type: none"> • Reputation • Financial • Service interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Almost Certain	High

Key Controls	Type	Date	Control Operating Effectiveness
Financial reporting and monitoring	Detective	Sep-24	Adequate
Project reporting and variation management	Detective	Sep-24	Inadequate
Worforce Planning	Preventative	Sep-24	Inadequate
Procurement Policy and procedures	Preventative	Sep-24	Adequate
Progress meetings with suppliers and contractors	Preventative	Sep-24	Inadequate
Project planning	Preventative	Sep-24	Inadequate

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Almost Certain	High

Risk Evaluation Urgent attention

Actions / Treatments	Due Date	Responsibility

Comments / Justifications
 Worforce plan update action under Psychosocial - reactive response resourcing changes or change to project plans causing project variations

Risk Description

Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Inadequate tendering/procurement processes • Limited internal resources (physical and financial) • Inadequate contractor management practices • Inadequate supply/contractor monitoring • Supply chain limitations 	<ul style="list-style-type: none"> • Financial • Service Interruption • Reputation • Compliance • Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Tender Register	Detective	Sep-24	Adequate
Purchasing Policy	Preventative	Sep-24	Adequate
Procurement Procedures	Preventative	Sep-24	Adequate
Contractor Management	Preventative	Sep-24	Adequate
Purchasing management system	Preventative	Sep-24	Inadequate
Internal auditing (including CAR)	Detective	Sep-24	Adequate
Delegations Register	Preventative	Sep-24	Effective
Financial Interests / Confilcts of Interest Disclosures	Preventative	Sep-24	Adequate
WALGA Procurement subscription and eQuotes	Preventative	Sep-24	Effective

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Transition to electronic purchasing / management system		MCS

Comments / Justifications

Risk Description

Non-compliance with the Workplace Health & Safety Act, associated regulations and standards.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Lack of resources (physical and financial) Ineffective safety management practices Inadequate training and supervision Lack of understanding of WHS requirements Poor culture System failures 	<ul style="list-style-type: none"> Health Compliance Reputation Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Almost Certain	Extreme

Key Controls	Type	Date	Control Operating Effectiveness
WHS Policies and Procedures	Preventative	Sep-24	Adequate
Safety Audits (LGIS)	Detective	Sep-24	Effective
GRIP Register (Hazard and Risk)	Detective	Sep-24	Effective
Training Plans	Preventative	Sep-24	Adequate
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Adequate
Safe Work Method Statements (SWMS)	Preventative	Sep-24	Adequate
Regional Risk Coordinator (LGIS)	Preventative	Sep-24	Adequate
Management oversight and commitment	Preventative	Sep-24	Adequate
Minimum Bushfire Standards	Preventative	Sep-24	Inadequate
Emergency Management (plans, drills, staff trained)	Preventative	Sep-24	Inadequate
Consultation process with employees	Detective	Sep-24	Inadequate
Workplace Inspections	Detective	Sep-24	Adequate
Incident Reporting			

Overall Control Effectiveness	Risk Rating
	Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Risk Evaluation Urgent attention

Actions / Treatments	Due Date	Responsibility
Establish and adopt minimum standards for bushfire volunteers	Oct-24	CEO
Ensure fire wardens are trained and workplace evacuation plans are tested	Mar-25	MGC
Update Part B Induction to include communication procedures and provide training	Nov-24	ELT
Implement WHS Audit Actions	Apr-25	MGC

Comments / Justifications

2024 Safety audit identified gaps in process and systems in relation to bushfire volunteer management, consultation and communication with employees.

Previously trained firewardens have left the organisation, fire wardens allocated but require training.

Psychosocial Hazards

Sep-24

Risk Description

Non-compliance with the Workplace Health & Safety Act, associated regulations and standards (psychosocial hazards).

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> High demand workloads Violence, harassment, bullying and aggression Lack of support Lack of understanding of WHS requirements Poor culture Remote or isolated work 	<ul style="list-style-type: none"> Health Compliance Reputation Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Complaints handling policy and procedures	Preventative	Sep-24	Adequate
Working alone / remote policies and practices	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
EAP support	Responsive	Sep-24	Effective
Education and training on psychosocial hazards	Preventative	Sep-24	Adequate
Customer Service Charter	Preventative	Sep-24	Adequate
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Effective
Incident Reporting	Detective	Sep-24	Adequate
Performance Appraisals	Detective	Sep-24	Inadequate
Position Description reviews	Preventative	Sep-24	Adequate
Exit Interviews	Detective	Sep-24	Adequate
Management oversight and support	Detective	Sep-24	Adequate
Training and development plan	Preventative	Sep-24	Effective
Workforce planning	Preventative	Sep-24	Inadequate

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation

Monitor

Actions / Treatments	Due Date	Responsibility
Council to adopt a 'Dealing with Challenging Behaviours' Policy and internal training of application with staff	Dec-24	MGC
Psychological Hazards Training (LGIS) for employees	Mar-25	LGIS / MGC
Ensure all annual performance reviews completed	Dec-24	MW
Review and update Workforce Plan	Apr-25	MGC

Comments / Justifications

Frontline staff exposure to aggressive or hostile customers (moderate risk) - policy development proposed to give guidance to staff on appropriate action and expectations of customers (aligned with Customer Service Charter).

Psychological hazards training provided to Managers on 5 Nov 2024 - need to raise awareness with employees.

Performance reviews for outside crew incomplete (although informal feedback mechanisms available to staff and encouraged by Manager)

To ensure adequate resources are allocated for tasks and projects, propose updating the Workforce Plan 2020-2024

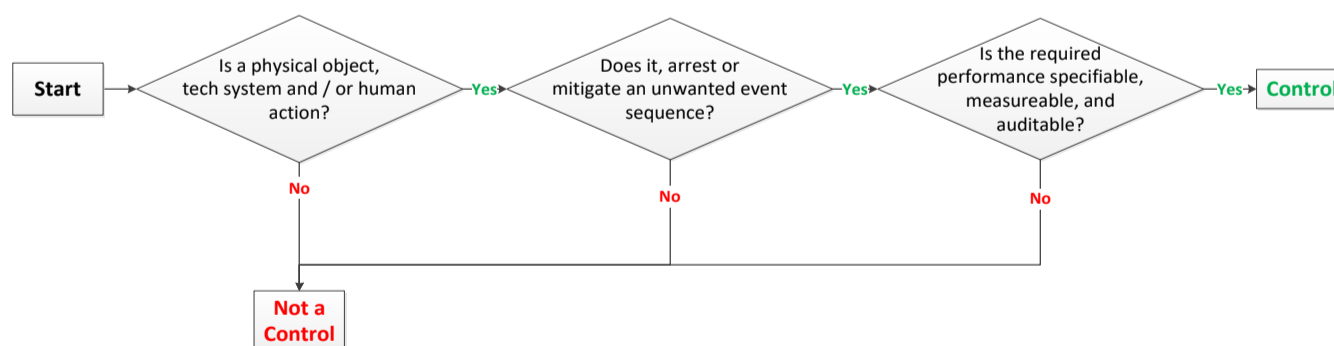
Measures of Consequence							
Type	Health	Financial Impact	Service Interruptions	Compliance	Reputation	Property	Environmental
Insignificant (1)	Near miss / minor first aid injuries	Less than \$10,000	No material service interruption	No noticeable regulatory or statutory impact. Threat of litigation. No effect on contract performance.	Unsubstantiated, low impact, no media involvement Example Gossip, Facebook item seen by limited persons	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	Medical type injuries / Lost time injury <30 Days	\$10,000 - \$50,000	Short term temporary interruption – backlog cleared (< 1 day)	Some temporary non-compliances. Single minor litigation. Requires formal meeting with contracted party where concern is raised.	Substantiated, low impact, low news profile Example Local paper / Industry news article, Facebook item seen by multiple groups	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries / Lost time injury >30 Days	\$50,001 to \$250,000	Medium term temporary interruption – backlog cleared by additional resources (< 1 week)	Short term non-compliance but with no significant regulatory requirements imposed. Single moderate litigation or numerous minor litigations.	Substantiated, public embarrassment, moderate impact, moderate news profile. Example State-wide paper, TV News story.	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Long-term disability / multiple injuries	\$250,001 to \$1,000,000	Prolonged interruption of services – additional resources; performance affected (< 1 month)	Non-compliance results in termination of service or imposed penalties. Single major litigation.	Substantiated, public embarrassment, high impact, high news profile, Third Party actions Example Australia wide news stories, Regulatory / Political commentary involvement	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	>\$1,000,000	Indeterminate prolonged interruption of services – non-performance (> 1 month)	Non-compliance results in litigation, criminal charges or significant damages or penalties. Numerous major litigations / class action.	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, Third Party actions Example World wide news, Focused articles (e.g. 60 minutes), Regulatory / Political oversight and involvement.	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Measures of Likelihood		
Rating	Descriptor	Frequency
Almost Certain (5)	Expected to occur in most circumstances	More than once per year or incident is clearly imminent.
Likely (4)	Probably occur in most circumstances	At least once per year
Possible (3)	Should occur at some time	At least once in three years
Unlikely (2)	Could occur at some time	At least once in 10 years
Rare (1)	Only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix					
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with effective controls, managed by senior management and subject to monthly monitoring	Executive Manager / CEO
EXTREME	Unacceptable	Risk generally not acceptable	CEO / Council

Existing Controls Ratings			
Rating	Foreseeable	Description	
Effective	There is <u>little</u> scope for improvement.	Documentation	Processes (Controls) fully documented, with accountable 'Control Owner'.
		Operating Effectiveness	Subject to ongoing monitoring and compliance to process is assured.
		Design Effectiveness	Reviewed and tested regularly.
Adequate	There is <u>some</u> scope for improvement.	Documentation	Processes (Controls) partially documented, with a clear 'Control Owner'.
		Operating Effectiveness	Limited monitoring, ad-hoc approach and compliance to process is generally in place.
		Design Effectiveness	Reviewed and tested, but not regularly.
Inadequate	There is a <u>need</u> for improvement or action.	Documentation	Processes (Controls) not documented or no clear 'Control Owner'.
		Operating Effectiveness	No monitoring or compliance to process is not assured.
		Design Effectiveness	Have not been reviewed or tested for some time.



5.4 INTERNAL AUDIT PLAN

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
File Reference:	FM.AUD.24.25
Disclosure of Interest:	Nil
Date:	8 November 2024
Author:	Erin Greaves, Manager Governance & Community
Authorising Author:	Matt Fanning, Chief Executive Officer
Voting Requirements:	Simple Majority

Summary

The Shire's Internal Audit Plan was last reviewed in December 2022. Since then, the Shire's staff have progressed with a number of items within the Plan and an updated version is therefore presented for Committee and Council consideration.

Key Points

- A reordering of priorities within the Internal Audit Plan is proposed and presented for consideration
- It is proposed that an internal review of 'Bushfire Management' and 'Cybersecurity' be conducted in 2024/25

OFFICER RECOMMENDATION - ITEM 5.4

That the Audit & Risk Committee recommends that Council endorses the updated Internal Audit Plan – November 2024 based on the attached Draft Plan presented and feedback provided at the meeting.

ALTERNATIVE MOTION AND COMMITTEE DECISION - ITEM 5.4

MOVED: Cr AR Smyth

SECONDED: Cr GA Cosgrove

That the Audit & Risk Committee recommends that Council endorses the updated Internal Audit Plan – November 2024 as presented, but subject to the exchange of 'Cybersecurity' (to be scheduled for Q1 in 2026) and 'Asset Management and Disposal' (to be scheduled Q3 in 2025).

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 4/0

(FOR: Cr HR McTaggart, Cr GJ Cosgrove, Cr AR Smyth and Ms J Bagshaw AGAINST: Nil)

Attachment

5.4.1 Shire of Mingenew Internal Audit Plan

Background

Internal audit is a key component of the Shire's governance framework and provides management with the opportunity to review control effectiveness, mitigate risk and provide council with a level of assurance on the systems, processes and procedures employed by management in the control of its daily operations. Internal audit, by definition, is an objective assurance activity designed to add value and improve an organisation's operations. To meet such a definition and collect independently verified data, the Shire would need to engage external contractors to undertake the auditing function, which would be associated with a significant financial burden. Whilst metropolitan Councils have the ability to financially resource such an area, smaller shires such as Mingenew do not. That being so, it has become acceptable practice for smaller shires to conduct a series of 'control assuredness' reviews to validate, to both council and management, the effectiveness of existing risk control measures.

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

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

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

The Internal Audit Plan was last presented to the Audit & Risk Committee in December 2022 and endorsed by Council.

Comment

The updated Internal plan is summarised in the table below:

A summary of the Plan is provided below:

Schedule	Audit Topic	Priority	Comment
	Business Continuity & Emergency Management	✓	Completed
2025 Q1 (Jan-Jun)	Bushfire Management	NEW	In response to industry interest, recent fire reports and the Shire's Safety Audit, it is important to determine the Shire's capacity to effectively manage.
2025 Q3 (Jul-Dec)	Cybersecurity	↑	Focus of recent OAG Performance Audits and increasing threat to industry
2026 Q1 (Jan – Jun)	Asset Management	↑	The Shire's risk register continues to identify asset management as a High Risk and requires attention.
2026 Q3 (Jul-Dec)	Contract Management	↑	Identified as high risk area in Risk Register and Safety Audit
	Waste Management	↓	Internal Audit not completed but Transfer Station Management Contract recently updated, propose review in 2 years to performance
	Workplace Health and Safety	↓	Will provide an opportunity to review practices and progress of action plan following next Safety Audit 2028 (last audit in 2024 and Action Plan developed).
	Records Management	↓	Due to the Recordkeeping Plan recently being reviewed and updated, this has reduced in priority to allow for implementation of Plan policies and practices prior to conducting an audit.

Feedback from Audit & Risk Committee members is welcomed and encouraged, particularly with regard to the scope of each audit so that expectations are made clear. Generally, a component of legislative compliance is addressed for each Audit.

The Committee should have careful regard to the resourcing requirements and appropriateness of the internal auditor to ensure there is some level of independence (where appropriate) or evidence of testing methods and analysis can be demonstrated.

Consultation

Executive Leadership Team

Statutory Environment

Local Government Act 1995

Policy Implications

Nil.

Financial Implications

Any financial implications from proposed actions will be achieved through current budget allocations or proposed through the 2022/23 Budget at an operational level.

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency
15. Financial practices are responsive to compliance requirements and revenue needs

Audit Plan with Timeline										2025				2026				2027				2028			
Project No	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	2025				2026				2027				2028			
										Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2025																									
1.2425	11.1 Collaboratively plan, run scenarios and respond to emergency situations c. Establish appropriate minimum standards for bushfire volunteers d. Advocate for DFES to increase resources to support local government in management of emergency volunteers e. Advocate for increased funding for emergency preparedness and recovery	Document Management Processes Compliance	BUSHFIRE VOLUNTEER MANAGEMENT 1. To review the Shire's management practices for effective management of bushfire volunteers provide recommendations for process improvements. 2. To assess the Shire's resourcing capacity to effectively manage its volunteers and identify resourcing options to support.	* Injury or fatality due to undertrained personnel * Insufficient evidence or records cannot be located in a timely and effective manner, particularly in the event of litigation * Non-compliance with WHS Act and Regulations * Prosecution under WHS Act	* Three Steps to Safety Audit (2024) * LGIS, DFES and WALGA resources * Wooroloo Bushfire Review Report	Major (4)	Possible (3)	High (10)	LGIS Audit Shire's Recordkeeping Plan																
2.2425	15.3 Develop an updated LTFP that considers asset management capabilities a. Review and update Asset Management plans	Asset Management	ASSET MANAGEMENT AND DISPOSAL Ensure proper procurement, data control and disposal of assets, to inform the development of an updated asset management plan	* Assets not accounted for in financial/asset systems * Inadequate maintenance activities * Increase in insurance claims * Ineffective usage / down time	* Check for compliance with policies, procedures and guidelines * Review asset register / insurance register	Moderate (3)	Unlikely (2)	Moderate (6)																	
2026																									
1.2526	14.1 Seek innovative ways to continually improve organisational efficiency and effectiveness a. Transition to a new business management IT system b. Continually review the Shire's ICT services	External Theft & Fraud Governance & Compliance Misconduct	CYBERSECURITY Review systems, safeguards and policy impacting IT security.	* Unauthorised account access and use * Loss of data and information, including private and confidential information * Financial cost to recover data * Open to legal prosecutions	Determine best practice methods and conduct a risk assessment on actions based on feasibility and cost	Moderate (3)	Possible (3)	Moderate (9)	Possible external assistance from LGIS and Infinitum																
2.2526	14.4 Identify risks and implement adequate management controls	Errors, omissions and delays Procurement / Contract Management and Tendering	CONTRACT MANAGEMENT Review variations and extensions of contracts to ensure compliance with statutory requirements, including timely communication with contractors	* Contract terms are breached by contractor / Shire * Non-compliance with procurement and tendering obligations * Over budget expenditure	* Policies and procedures governing contract extensions and variations * complete and accurate records * complying with resolutions/delegations * contractor performance	Moderate (3)	Unlikely (2)	Moderate (6)	OAG has conducted a audit/report which could be used as the basis for review																
Other Risk Themes / Topics																									
		Environment Management	WASTE MANAGEMENT The Audit is to assess: 1. Are waste services planned to minimise waste and meet community expectations? 2. Does the Shire have effective and economical arrangements in place to collect and transport domestic kerbside waste to maximise recycling rates and minimise costs?	The Shire fails to manage its responsibilities in relation to compliance with the Waste and Resource Recovery Act	Assess whether the Shire's has effective waste managements, practices and services in place to reduce waste. Documented evidence in the focus areas below: * Residents satisfaction survey results * Corporate plans * Contractual arrangements * Policies, procedures * WHS * Finances	Catastrophic (5)	Rare (1)	Moderate (5)	Waste Avoidance & Resource Recovery Strategy 2030 [Waste Authority]																
		Facilities / Venues / Events / Properties	LEASING & LAND MANAGEMENT To ensure that leased properties are being effectively and appropriately managed	* Failure to renew leases in a timely fashion * Risk of missing out on either lease income, or strategic land access as a result of mismanagement of leases * Failure to meet Accounting Standards where relevant leases are not identified and reported	* Review existing lease register and associated management processes * Seek to identify any properties which do not appear on lease register, and update register * Ensure processes provide for timely reminders to renew/review leases and Land Management Agreements * Rent review schedules	Moderate (3)	Possible (3)	Moderate (9)																	
		Environment Management	ENVIRONMENTAL HEALTH SERVICES Review inspection and reporting records	* Records not maintained * Incorrect advice issued * Delays in service delivery * Incident/s impacting public health * Statutory reporting requirements not met	Inspect records relating to Environmental Health Services, including: * Public Health * Food surveillance and premises * Caravan Licensing * Mosquito management * Legislative compliance	Moderate (3)	Possible (3)	Moderate (9)																	
		Governance & Compliance	LEGISLATIVE COMPLIANCE Assess the framework / systems review for legislative compliance, which should include: * a documented process to capture legislative changes * A system that documents legislative requirements and tracks the Shire's progress	The Shire fails to identify legislative compliance obligations leading to a reactive culture and increasing its likelihood of identifying legislative compliance obligations only in the event of an emerging problem. This has the potential to reduce the effectiveness of the administration as a whole, with respect to legislative compliance.	* Reg 17 Audit * Financial Management Review * Compliance Calendar * Compliance Audit Return (CAR)	Moderate (3)	Unlikely (2)	Moderate (6)																	
		Governance & Compliance	MANAGEMENT OF LICENCES Assess the effectiveness of the controls over the management of licences, including obtaining an understanding of the type of licence held by the Shire- To include the following license types: IT software; Building statutory; Waste transfer station ; Depot fuel.	Licenses are not renewed in a timely manner or failure to obtain relevant licenses	* Register of licences. * Procedures/processes for recording, monitoring and renewing * Managing currency of staff qualifications and licences.	Moderate (3)	Unlikely (2)	Moderate (6)																	
		Safety and Security Practices	WORKPLACE HEALTH AND SAFETY To assess the Shire's performance in relation to all procedures, processes and controls in relation to OSH matters	Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors.	* Policies and procedures * Record keeping * Education and training * Adequate and safe plant, equipment, tools and PPE * Templates, tools and guidelines * WHS induction training	Catastrophic (5)	Unlikely (2)	High (10)	Three Steps to Safety Audit LGIS																
		Document Management Processes Misconduct External Theft and Fraud	RECORDS MANAGEMENT 1. To review the Shire's security and privacy policies and procedures and provide recommendations for any optimisations, cost reductions and efficiencies 2. To Assess the systems and processes in relation to records access, capture and retrieval, retention, storage and disposal. 3. To assess the Shire's performance in relation to fraud management and prevention, inclusive of: * Risk identification; * Opportunities reduction; * Awareness and Monitoring. 4. Is the current records management software enabling efficient records management? 5. Is the Shire providing adequate resourcing in terms of software, hardware, personnel and strategic planning?	* Inadequate records management could result in a breach of State Records Act 2000 and loss of information. * Records cannot be located in a timely and effective manner particularly in the event of appeal or litigation as well as operational requirements * Potential for records information inconsistency; files not retrieved, systems contain incorrect data on applicants and property. * Potential for illegitimate use of local government computers, or illegitimate access to local government property of power supplies	Examine the Shire's Records Management internal control environment including: * Recordkeeping Plan * Information security * Record management and IT software * Change control * Physical security * Policies and procedures * Storage and disposal practices * Staff training and inductions	Moderate (3) Major (4) Major (4)	Possible (3) Unlikely (2) Unlikely (2)	Moderate (9) Moderate (8) Moderate (8)	OAG LG records management audit Shire Recordkeeping Plan																
		Misconduct	FRAUD MANAGEMENT To assess the Shire's performance in relation to fraud management and prevention, inclusive of: * Risk identification; * Opportunities reduction; * Awareness and Monitoring.	Incidents of fraud may result in financial loss and/ or reputation damage to the Shire	* Fraud risk assessment * Public Interest Disclosure * Code of Conduct. * Induction. * Investigation and reporting procedures	Insignificant (1)	Possible (3)	Low (3)	OAG LG fraud prevention report																

Audit Plan with Timeline										2025				2026				2027				2028				
Project No	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
		Errors, omissions and delays Governance & Compliance Misconduct	CREDITORS & PAYMENT PROCESSING To provide assurance that the function is being effectively managed and free of any risks of fraud. To provide recommendations (if any) for the improvements in efficiencies of the function and effectiveness of controls and procedures. The audit will: 1. Evaluate internal controls designed to prevent fraud and corruption in the payment processes; 2. Verify that the payments were made correctly, timely, and properly supported. 3. Review for duplicate payments 4. Evaluate compliance with policy, procedures and legislation.	* Exposure to fake invoices / scams * Payments made to incorrect creditor / additional time to make corrections * Incidents of corruption, fraud and theft * Non-compliance with legislation and policy * Poor audit outcomes and reporting	* Financial management guidelines / procedures * Reconciliations * Electronic fund transfer security protocols * Segregation of duties including fraud management controls * Management reporting	Moderate (3)	Unlikely (2)	Moderate (6)																		
		External Theft & Fraud Misconduct	FRAUD & CORRUPTION MANAGEMENT To review the Shire's practices and controls in fraud and corruption management.	* Incidents of fraud may result in financial loss and/ or reputation damage to the Shire * Poor processes/ control weaknesses could impact the quality of employees in, and the integrity of, the Shire	Scope- 1. Has the Shire implemented a coordinated approach to manage fraud risks? 2. Does the Shire have adequate controls for preventing and detecting fraud? 3. Can the Shire respond appropriately to suspected fraud? Code of Conduct * Conflict of Interest Guidelines * policies and procedures, reporting mechanisms and protection * risk management practices * Pre-employment screening * screening of grant recipients * training	Major (4) Major (4)	Unlikely (2) Unlikely (2)	Moderate (8) Moderate (8)	OAG Fraud prevention audit. OAG employee screening audit.																	
		Governance & Compliance	PLANNING AND DEVELOPMENT SERVICES To ensure that Planning & Development services are being provided in line with statutory obligations. The audit will: 1. Assess the adequacy of control processes relating to planning services 2. Assess the management arrangements for the delivery of planning services 3. Extent to which the Shire is complying with key legislatives, planning scheme, policies, procedures, guidelines and other requirements in providing planning services.	* Delays in the planning approval process results in tribunal appeals * Inadequate internal quality assurance procedures results in poor outcomes binding the Shire * Systems do not support ease of use in relation to planning and development approvals	* Delegated authority * Policies and procedures * Archiving of information * Business continuity * Environmental, health, building approvals.	Moderate (3)	Unlikely (2)	Moderate (6)																		
		Facilities / Venues / Events / Properties	BUILDING MAINTENANCE Review and assess the effectiveness of the Shire's systems, processes and activities in relation to building infrastructure and maintenance services.	* Dilapidation of building leading to a lack of capital for services * Increased building and more infrastructure will increase the costs of renewal & maintenance to such an extent that it will be unsustainable for the Shire into the future, resulting in reduced customer service * The Shire could be exposed to litigation by third party users of Shire's buildings * A fire results in injury or death to members of the public and/or Shire staff	* Inspections * Condition surveys and reporting (on a random basis, confirmation of the condition reports matching to physical site inspection) * Budget and financial management * Risk assessment * OSH inspections (e.g. evidence of test & tag, fire management, roof restraints) * Inductions * JSA's * Management of work orders and service requests * Asbestos register review.	Catastrophic (5)	Unlikely (2)	High (10)																		
		Facilities / Venues / Events / Properties	EVENTS MANAGEMENT To ensure that any risks posed to the Shire through events are being managed effectively. To ensure each program is operating within and adhering to the required safety and risk management standards.	* Non-compliance with relevant OSH legislation and DAIP requirements * Accident of injury occurs * COVID-19 outbreak	Review current event application processes and develop an appropriate checklist to ensure all requirements are met.	Catastrophic (5)	Unlikely (2)	High (10)																		
		Employment Practices Errors, omissions and delays	PAYROLL The audit will: 1. Test that only bona fide employees are paid for work performed, paid on time and are paid using correct pay rate. 2. Review and test the adequacy of the IT system controls including: * System access and profiles (at the application level); * Administrator access; * EFT controls, security of documentation and that there is adequate segregation of duties * Edit-ability of payroll data files (ABA file).	Wages, salaries and/or conditions of employment are incorrectly paid to employees	* Setting up of employees in Synergy * Payroll system- review access controls * Recovery of overpayment * Processing timesheets * Authorisation, including overtime approval * Reconciliation * Payment processing in accordance with LGIA, EBA's, policies. * Recording and paying employees for leave. * Review archiving practice for ex-employee records. * Cross-reference banking records against creditor/debtor modules.	Moderate (3)	Unlikely (2)	Moderate (6)	IT Vision support																	
		Errors, omissions and delays Governance & Compliance Misconduct	FINANCIAL MANAGEMENT Assess the effectiveness of the process level controls within the following financial functions: * Credit cards * Bank reconciliations * Petty cash * Fees and charges * Investments * Fixed Assets * Receipting administration (library, rec centres, leases etc)	The risk is that the Shire has incomplete and/or inaccurate financial records. Fraud	* Financial management guidelines / procedures * Reconciliations * Electronic fund transfer security protocols * Segregation of duties including fraud management controls * Management reporting	Moderate (3)	Unlikely (2)	Moderate (6)																		
		Projects / Change Management Errors, omissions and delays	GRANTS MANAGEMENT CAS Grants - Review grants issued under CAS are compliant with Council Policy and conditions External Grants - review to determine if the Shire has complied with grant condition requirements and appropriately managed expenditure and acquittals Review grant activities for both issuing grant funds and receiving	* Grants funds not expended within timeframes * Payments issued to correct grant receiver	* Check compliance with Council Policy * Check compliance with grant conditions * Adequate receipts/invoices provided to evidence grant compliance * Reporting requirements met	Moderate (3)	Unlikely (2)	Moderate (6)																		
		Errors, omissions and delays Governance & Compliance Misconduct	RATES & PROPERTY MANAGEMENT Review adequacy of controls in place to ensure legislative requirements are met, interim and final rates are processed correctly, valuations are correctly administered and appropriate debt collection procedures are in place.	* Inaccurate rate records * Incorrect funds collected from rates * Additional resourcing to remedy errors * Excessive debt collection costs	Review policies, procedures and records to check rate records reflect current and accurate valuations, and that rate notices align.	Moderate (3)	Unlikely (2)	Moderate (6)																		
		IT or Communication Systems and Infrastructure Governance & Compliance	WEBSITE MANAGEMENT Ensure all legislated documents are published	* Non-compliance with statutory requirements * Incorrect information available to public * Increase in volume of queries / complaints * Reduced community engagement and education / awareness	Check legislative requirements with regard to information being published on the Shire's website	Moderate (3)	Unlikely (2)	Moderate (6)	CAR, Policy Manual to inform requirements																	
		Community Engagement	CUSTOMER SERVICE DELIVERY Review the adequacy and effectiveness of the Shire's customer services in relation to: * The Customer Service Charter * The processes for handling enquiries and customer complaint * The processes, operation and management of the customer service 'desk'. * The handling of after hours queries * Response times to queries (including general residential enquires) * Tracking of outstanding complaints 2. To aid in the development and implementation of a customer service charter	* Customer enquiries are not adequately managed in a timely manner resulting in reputational damage. * Complaints are mismanaged resulting in customer dissatisfaction and possible escalation of complaint to external bodies. * Inadequate / incorrect / outdated information disseminated to the public. * Staff have lack of clarity regarding expectations due to lack of Customer Service Charter	* Key performance indicators for customer service * Customer Service Charter / standards * Management reporting processes * Processes for escalating service requests and complaints * Development of Customer Service Charter * Training of staff	Minor	Likely	Low (3)	Internal review; external templates will be sought and utilised for Customer Service Charter																	
		Employment Practices Errors, omissions and delays	HUMAN RESOURCE MANAGEMENT Assess the effectiveness of the Shire's HR strategies and management processes including recruitment, staff retention, termination, disciplinary actions, performance management, training and development.	* The Shire is unable to recruit and retain sufficiently skilled people to fulfil strategic objectives * Recruitment process opened to challenge- misconduct risk; * Recruited staff does not have the requisite skills, experience and expertise; * High turnover or short retention period.	* Workforce plan and staff retention strategies; * Policies and procedures (recruitment, leave, flexible work arrangement etc); * Recruitment, selection and appointment processes including internal review of recruitment lessons. * Staff on long term higher duties. * Performance appraisal and management system; * Training. * Grievance and disciplinary guidelines and procedures. * Personnel records management including privacy; * Termination.	Major (4)	Unlikely (2)	Moderate (8)																		

Audit Plan with Timeline										2025				2026				2027				2028			
Project No	Strategic Planning Objectives	Auditable Risk Theme	Objective of Audit	Risk	Indicative Audit Scope and Description	Consequence	Likelihood	Audit Requirement Rating	Resourcing	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
		Procurement / Contract Management and Tendering	TENDERING & PROCUREMENT Assess the Shire's processes, procedures, controls and activities in relation to procurement, including tendering, supplier's selection, and approval.	<ul style="list-style-type: none"> * 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. 	<ul style="list-style-type: none"> * Tendering policies and procedures * The processes for tender advertising, submission and receipting and securing. * The process of tender evaluation; * Probity measures. * Internal controls designed to prevent fraud and corruption. * Authorisation and approval processes, delegations. 	Moderate (3)	Unlikely (2)	Moderate (6)																	
		External Theft & Fraud Governance & Compliance Misconduct	WAIVERS, CONCESSIONS AND WRITE OFFS To ensure approvals for waivers, concessions and write offs are in accordance with legislation, Council policy and procedures.	<ul style="list-style-type: none"> * Unauthorised transactions * Insufficient fees collected * Breach of delegation conditions 	Check all fee waivers, concessions and write offs against delegations, policies and booking forms / works requests	Moderate (3)	Unlikely (2)	Moderate (6)																	

Prior to closure of the meeting, Cr HR McTaggart, on behalf of the Committee, thanked Jane Bagshaw for her contributions to the Committee and welcomed her return should she be selected to continue as Independent Member, following the Expressions of Interest process.

Ms Bagshaw thanked the Committee and Council for the opportunity to participate.

6.0 CLOSURE

The meeting was closed at 6:05pm.



MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING
26 NOVEMBER 2024

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MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING OF THE SHIRE OF MINGENEW HELD IN COUNCIL CHAMBERS ON 26 NOVEMBER 2024 COMMENCING AT 8:00AM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Chairperson, Cr HR McTaggart welcomed all for their attendance and opened the meeting at 8:04am.

2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members

Cr HR McTaggart (Chairperson)

Cr AT Pearse *attended by phone*

Ms J Bagshaw (Independent Member) *attended via Microsoft Teams*

Attendance by Cr Pearse and Ms Bagshaw was authorised in accordance with r.14CA of the Local Government (Administration) Regulations 1996.

Staff

Matt Fanning, Chief Executive Officer

Erin Greaves, Manager Governance and Community

Helen Sternick, Manager Corporate Services

Apologies

Cr AR Smyth

Cr GJ Cosgrove

Guests – via Microsoft Teams

Stephanie Kaharudin, Acting Assistant Director, Office of the Auditor General (OAG)

Justin Mulhair, Director, Nexia Australia

Steven Lee, Manager, Nexia Australia

3.0 DECLARATIONS OF INTEREST

Nil.

4.0 CONFIRMATION OF PREVIOUS MEETING MINUTES

4.1 AUDIT & RISK COMMITTEE MEETING HELD 11 NOVEMBER 2024

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 4.1

MOVED: Ms J Bagshaw

SECONDED: Cr AT Pearse

That the Minutes of the Audit & Risk Committee Meeting of the Shire of Mingenew held in the Council Chambers on 11 November 2024 be confirmed as a true and accurate record of proceedings.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/0

(FOR: Cr HR McTaggart, Cr AT Pearse, and Ms J Bagshaw AGAINST: Nil)

5.0 OFFICER REPORTS

Prior to consideration of Item 5.1, attendees from the Office of the Auditor General and Nexia Australia, provided an overview of the 2023/24 audit, their findings and recommendations. The Shire's staff were commended and thanked for their efforts and cooperation to provide timely responses during the audit process.

Chairperson, Cr HR McTaggart thanked Ms Kaharudin, Mr Mulhair and Mr Lee for their presentation attendance, and the guests left the meeting at 8:20am.

5.1 ANNUAL REPORT, FINANCIAL REPORT & INDEPENDENT AUDIT REPORT 2023/24

Location/Address:	Shire of Mingenew
Name of Applicant:	Shire of Mingenew
Disclosure of Interest:	Nil
File Reference:	FM.AUD.23.24
Date:	21 November 2024
Author:	Helen Sternick, Manager Corporate Services Erin Greaves, Manager Governance and Community
Authorised by:	Matt Fanning, Chief Executive Officer
Voting Requirement:	Simple Majority

Summary

The 2023/24 Annual Report, Annual Financial Report and Auditor's Reports are presented to, initially the Audit & Risk Committee, then Council for adoption. Additionally, a proposed date has been set for the Annual Meeting of Electors.

Key Points

- Audit completed by Nexia Australia on behalf of the Office of the Auditor General with an anticipated unqualified audit outcome.
- One Moderate item in the Management Letter on the final audit of the Annual Financial Report, relating to certain assets within categories of building non-specialised and building specialised that were being depreciated at a shorter useful life than the Shire's depreciation policy.
- The Annual Report information has been compiled, in accordance with s.5.53 of the Local Government Act 1995.

OFFICER RECOMMENDATION – ITEM 5.1

The Shire of Mingenew Audit & Risk Committee:

1. Receives the 2023/24 Annual Report, as attached;
2. Receives the Annual Financial Report and Auditor's Exit Report for the 2023/24 financial year for inclusion in the 2023/24 Annual Report, noting no significant adverse findings;
3. Notes the auditor's "moderate" finding, relating to certain assets within the categories of building non-specialised and building specialised which were being depreciated at a shorter useful life than the Shire's depreciation policy, and the management response indicating it will review the fixed asset register to ensure alignment with the depreciation policies.

4. Receives the Audit Report for 2023/24 on the Statement of Receipts and Expenditure and Own Source Expenditure on Roads for the Roads to Recovery Funding;
5. Receives the Audit Report for 2023/24 on the Local Roads and Community Infrastructure Program Annual Reports of Phases 3 and 4.
6. Subject to any changes determined by the Committee, recommends that Council:
 - a) By Absolute Majority, receives the Annual Report 2023/24 including the signed Annual Financial Report and Independent Auditor's Report for the 2023/24 financial year in accordance with s.5.54 of the *Local Government Act 1995*; and
 - b) Holds its Annual Meeting of Electors on Wednesday, 29 January 2025 at 5:00pm to discuss the contents of the annual report and any other matters, in accordance with s5.27 of the *Local Government Act 1995* and Regulation 15 of the *Local Government (Administration) Regulations 1996*.

AMENDED MOTION AND COMMITTEE DECISION - ITEM 5.1

MOVED: Ms J Bagshaw

SECONDED: Cr AT Pearse

The Shire of Mingenew Audit & Risk Committee:

1. Receives the 2023/24 Annual Report, as attached;
2. Receives the Annual Financial Report and Auditor's Exit Report for the 2023/24 financial year for inclusion in the 2023/24 Annual Report, noting no significant adverse findings and including minor and non-material formatting updates from the Office of the Auditor General, prior to finalising;
3. Notes the auditor's "moderate" finding, relating to certain assets within the categories of building non-specialised and building specialised which were being depreciated at a shorter useful life than the Shire's depreciation policy, and the management response indicating it will review the fixed asset register to ensure alignment with the depreciation policies.
4. Receives the Audit Report for 2023/24 on the Statement of Receipts and Expenditure and Own Source Expenditure on Roads for the Roads to Recovery Funding;
5. Receives the Audit Report for 2023/24 on the Local Roads and Community Infrastructure Program Annual Reports of Phases 3 and 4.
6. Subject to any changes determined by the Committee, recommends that Council:
 - a) By Absolute Majority, receives the Annual Report 2023/24 including the signed Annual Financial Report and Independent Auditor's Report for the 2023/24 financial year in accordance with s.5.54 of the *Local Government Act 1995*; and
 - b) Holds its Annual Meeting of Electors on Wednesday, 5 February 2025 at 5:00pm to discuss the contents of the annual report and any other matters, in accordance with s5.27 of the *Local Government Act 1995* and Regulation 15 of the *Local Government (Administration) Regulations 1996*.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/0

(FOR: Cr HR McTaggart, Cr AT Pearse, and Ms J Bagshaw AGAINST: Nil)

Attachments

- 5.1.1 2023/24 Draft Annual Report
- 5.1.2 2023/24 Annual Financial Report (incorporating Statement by CEO)
- 5.1.3 2023/24 Audit Exit Report
- 5.1.4 2023/24 Independent Auditor's Report on the Roads to Recovery Annual Report
- 5.1.5 2023/24 Independent Auditor's Report on the LRCI Annual Reports of Phases 3 and 4

Background

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

- (a) Mayor or President; and
- (b) The Chief Executive Officer; and
- (c) The Minister.

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

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

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

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

The Audit and Risk Committee is requested to consider and forward the Annual Financial Report and Exit Report to Council.

The Audit and Risk Committee is required to review the Audit Exit Report and the Annual Financial Report, incorporating the statement by the Chief Executive Officer.

There is also a requirement from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts – National Land Transport Act 2014, Part 8 for the Statement of Receipts and Expenditure and Own Source Expenditure for the Roads to Recovery (R2R) Program and the Local Roads and Community Infrastructure Program (LRCI) Phases 3 and 4 to be audited, previous this has been completed Nexia Australia and signed off by the Office of the Auditor General (OAG) but this year it was not required to be signed by the OAG. Therefore Nexia Australia completed and signed the audit of these programs. There is not a statutory requirement for this to be reported through this Committee but is considered better practice.

Comment

Annual Report

The 2023/24 Annual Report has been prepared and, as required under s.5.53 of the Act, the Annual Report includes:

- The Shire President's Report

- The CEO's Report
- An overview of Strategic Community Plan and Corporate Business Plan achievements
- An overview of SCP and CBP major initiatives proposed extending into 2023/24
- The Annual Financial Statements and Audit Report
- Employee remuneration details
- A report on training completed by Elected Members
- Other information as prescribed

Annual Financial Report

The Auditors are required to determine if the Annual Financial Statements are deemed to be '*unqualified*', meaning it is considered to be a fair and transparent financial representation, correct, free from fraud and error and prepared within statutory requirements.

The Office of the Auditor General (OAG) recognised the Shire of Mingenew as an entity following best practice as a finding on its financial and auditing in 2021/22 and 2022/23 and has demonstrated a good history of unqualified audits (no adverse findings).

Audit Report

The Auditors are required to report any identified material weakness in the accounting and internal control systems. This year there was only one finding identified during the final audit – it was noted that the Shire had certain assets within categories of building non-specialised and building specialised that were being depreciated at a shorter useful life than the Shire's depreciation policy.

It should be noted that, while the Asset Register is reconciled to the movement in the General Ledger on a monthly basis, the estimated useful life and depreciation rates settings within SynergySoft's Asset Module are reviewed less frequently. In the past, such checks and updates have been prompted by, or have otherwise coincided with, external revaluation activities. As these activities were not required to be performed during the 2023/2024 financial year, thorough verification of the underlying depreciation rates were not undertaken. A systematic review of the Fixed Asset Register will be performed during the current financial year to ensure alignment with the Shire's deprecation policies, and internal control procedures will be updated accordingly.

Electors' Meeting

Should Council accept the Annual Report at the 12 December Ordinary Council meeting, an Electors' Meeting must be held within 56 days. This would require a meeting to be held prior to 7 February 2025 (the day of the meeting is excluded from the count). The Shire has proposed the last Wednesday in January 2024 (29) to ensure it can comply with these requirements.

Consultation

- Nexia Australia
- Office of the Auditor General

Statutory Environment

Local Government Act 1995

6.4. Financial report

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

- (a) *the accounts of the local government, balanced up to the last day of the preceding financial year; and*
- (b) *the annual financial report of the local government for the preceding financial year.*

7.9. Audit to be conducted

- (1) *An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —*
 - (a) *the mayor or president; and*
 - (b) *the CEO of the local government; and*
 - (c) *the Minister.*
- (2) *Without limiting the generality of subsection (1), where the auditor considers that —*
 - (a) *there is any error or deficiency in an account or financial report submitted for audit; or*
 - (b) *any money paid from, or due to, any fund or account of a local government has been or may have been misapplied to purposes not authorised by law; or*
 - (c) *there is a matter arising from the examination of the accounts and annual financial report that needs to be addressed by the local government,**details of that error, deficiency, misapplication or matter, are to be included in the report by the auditor.*
- (3) *The Minister may direct the auditor of a local government to examine a particular aspect of the accounts and the annual financial report submitted for audit by that local government and to —*
 - (a) *prepare a report thereon; and*
 - (b) *forward a copy of that report to the Minister,**and that direction has effect according to its terms.*
- (4) *If the Minister considers it appropriate to do so, the Minister is to forward a copy of the report referred to in subsection (3), or part of that report, to the CEO of the local government.*

7.12A. Duties of local government with respect to audits

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

5.53 Annual Reports

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain –*
 - (a) *a report from the mayor or president; and*

- (b) a report from the CEO; and
- (c), (d) deleted
- (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
- (f) the financial report for the financial year; and
- (g) such information as may be prescribed in relation to the payments made to employees; and
- (h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
- (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
- (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - (i) the number of complaints recorded in the register of complaints; and
 - (ii) how the recorded complaints were dealt with; and
 - (iii) any other details that the regulations may require; andsuch other information as may be prescribed.

5.54. Acceptance of annual reports

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

5.55. Notice of annual reports

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

5.27. Electors' general meetings

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

Local Government (Audit) Regulations 1996

10. Report by auditor

- (1) An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
- (2) The report is to give the auditor's opinion on —
 - (a) the financial position of the local government; and
 - (b) the results of the operations of the local government.
- (3) The report must include a report on the conduct of the audit.
- (4) Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

Local Government (Financial Management) Regulations 1996

17A. Valuation of certain assets for financial reports

- (1) *In this regulation —*
- carrying amount**, in relation to a non-financial asset, means the carrying amount of the non-financial asset determined in accordance with the AAS;
- fair value**, in relation to a non-financial asset, means the fair value of the non-financial asset measured in accordance with the AAS;
- right-of-use asset**, of a local government, includes the local government's right to use —
- (a) Crown land; or
 - (b) other land that is not owned by the local government,
- that is vested in the local government at nil or nominal cost for an indefinite period for the purpose of roads or for any other purpose;
- vested improvement**, in relation to a local government, means a pre-existing improvement on land of which the care, control or management is vested in the local government at nil or nominal cost for an indefinite period.
- (2) A local government must show in each financial report for a financial year ending on or after 30 June 2020 —
- (a) the fair value of all of the non-financial assets of the local government that are —
 - (i) land and buildings that are classified as property, plant and equipment; or
 - (ii) investment properties; or
 - (iii) infrastructure; or
 - (iv) vested improvements that the local government controls;and
 - (b) the carrying amount of all of the non-financial assets of the local government that are plant and equipment type assets measured using the cost model in accordance with the AAS; and
 - (c) the carrying amount of all of the right-of-use assets of the local government (other than vested improvements referred to in paragraph (a)(iv)) measured using the cost model in accordance with the AAS.
- [(3) deleted]
- (4) A local government must revalue a non-financial asset of the local government referred to in subregulation (2)(a) —
- (a) whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and
 - (b) in any event, within a period of no more than 5 years after the day on which the asset was last valued or revalued.
- (5) A non-financial asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5,000.

Policy Implications

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

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

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

Financial Implications

Nil

Strategic Implications

Strategic Community Plan 2023-2033

14 Operating with a high standard of governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

2023/24

ANNUAL REPORT

SHIRE OF MINGENEW

SHIRE
OF MINGENEW





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Shire President's Report

Over the past year, the Shire of Mingenew has ventured into relatively new territory, focusing much of our advocacy and lobbying on the region's expanding resource and energy developments. While these investments offer significant growth opportunities for our community, they also present challenges—particularly in navigating the evolving political and logistical landscapes that impact local decision-making, infrastructure, and community engagement.

These developments have strongly influenced the formation of our Strategic Community Plan 2023-2033 and Corporate Business Plan 2023-2027. Council has remained attentive to the community's aspirations for a larger resident population, healthier living environments, the preservation of natural assets, and a strong commitment to delivering on community priorities. Feedback from various engagement initiatives has been carefully integrated into the new Strategic Community Plan (SCP), ensuring alignment with the community's vision for the future.

The community's key priorities—housing, road improvements, town centre development, and job creation—continue to guide our actions. Council has initiated or planned several significant projects to address these areas, including:

- The construction of the **Mingenew Early Development and Education Centre** (Child Care)
- Implementation of the **2023-24 Road Improvement Plan**
- Construction of a **Community Garden**
- Design and development of the **Mingenew Spring Botanical Garden**
- Upgrading the Mingenew Recreation Centre to serve as an **Evacuation Centre**
- Final decision-making on the future of the **Town Hall**
- Development of a **Marketing and Communications Strategy**

Looking ahead, we are focused on increasing key worker and aged/independent living accommodation. We are also enhancing our sport and recreation precincts through the development of a Sport and Recreation Master Plan, created in collaboration with local sporting and community groups. This plan aims to strengthen our recreational offerings, minimize volunteer burnout, and assist with long-term planning.

We hope that our community feels well-informed about the Shire's achievements and planned activities through our ongoing communication efforts, which include post box drops, flyers, and notifications across various mediums. We remain committed to continually improving our communications.

In addition to delivering tangible outcomes, the Shire remains dedicated to upholding its governance and financial management responsibilities. This past year has seen significant local government reforms initiated by the State Government. We continue to advocate for flexibility in these reforms to ensure they account for our Shire's size and capacity, as resourcing remains a challenge. Despite these pressures, the Shire team continues to achieve positive outcomes.

A notable achievement has been our recognition by the Office of the Auditor General as one of the top 20 best practice entities for the second consecutive year, despite rising audit costs. This recognition underscores our dedication to sound governance and financial stewardship.

Finally, I would like to acknowledge the strong bond between Council and Shire staff. This partnership is central to our continued success in achieving our goals and delivering positive outcomes for the Mingenew community.

I must also recognise the devotion and dedication of your Councillors in their service to the community of Mingenew.



Gary Cosgrove
Shire President



CEO's Report

As we reflect on the past year, I am proud to share the progress the Shire has made in delivering on the aspirations of the community and highlight several key achievements throughout 2023-24. Initiatives have been developed on the key priorities areas that our community indicated through the Community Scorecard in 2022.

Under the pillar of **Town Activation and Development** we have commenced our street beautification program, further developed the Mingenew Spring Regional Botanical Garden Concept, completed the detailed design of the Mingenew Hill Trail, installed solar lighting in Cecil Newton Park, and completed the development of the Mingenew Tennis Clubhouse, which was awarded an IPWEAWA Excellence Award for projects under \$2M.

Under **Jobs and Economic Development** Council has continued to engage with emerging industries to advocate for housing and local procurement, the commencement of the development of the new daycare facility, employment of an apprentice in parks and gardens.

For **Housing** the Council has been working with GROH and the Government to deliver key worker, aged and government employees housing.

We have made significant improvements to the **Road Network** with increased maintenance spending, gravel re-sheeting 3.5km, wet grading 100km and ensuring out level 2 unsealed roads received at least 1 grade within the year. We upgraded 5.67km of the Coalseam Road and completed the Yarragadee Bridge safety improvement works.

The Shire's ability to deliver these key projects, services and events that enhance the liveability of our community demonstrate the great work of our Councillors and staff in working together to as a united team for the benefit of the community.

These efforts are appreciated and recognised through these achievements.

I look forward to continuing these results in the coming year and ensure we fulfil Council's objectives, working with our industry partners to achieve future growth and improvements for our towns, and continuing to deliver essential services to our community.

It brings me great pleasure to continue to lead the Shire of Mingenew and deliver positive, valuable outcomes and opportunities for the community both now and into the future.



Matt Fanning
Chief Executive Officer

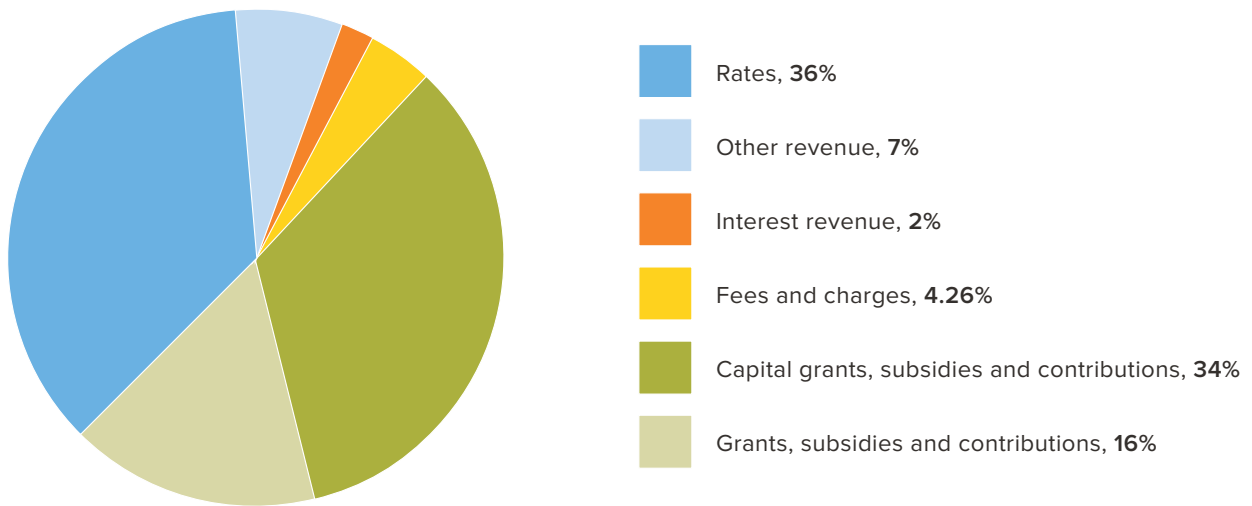
Finance Statistics

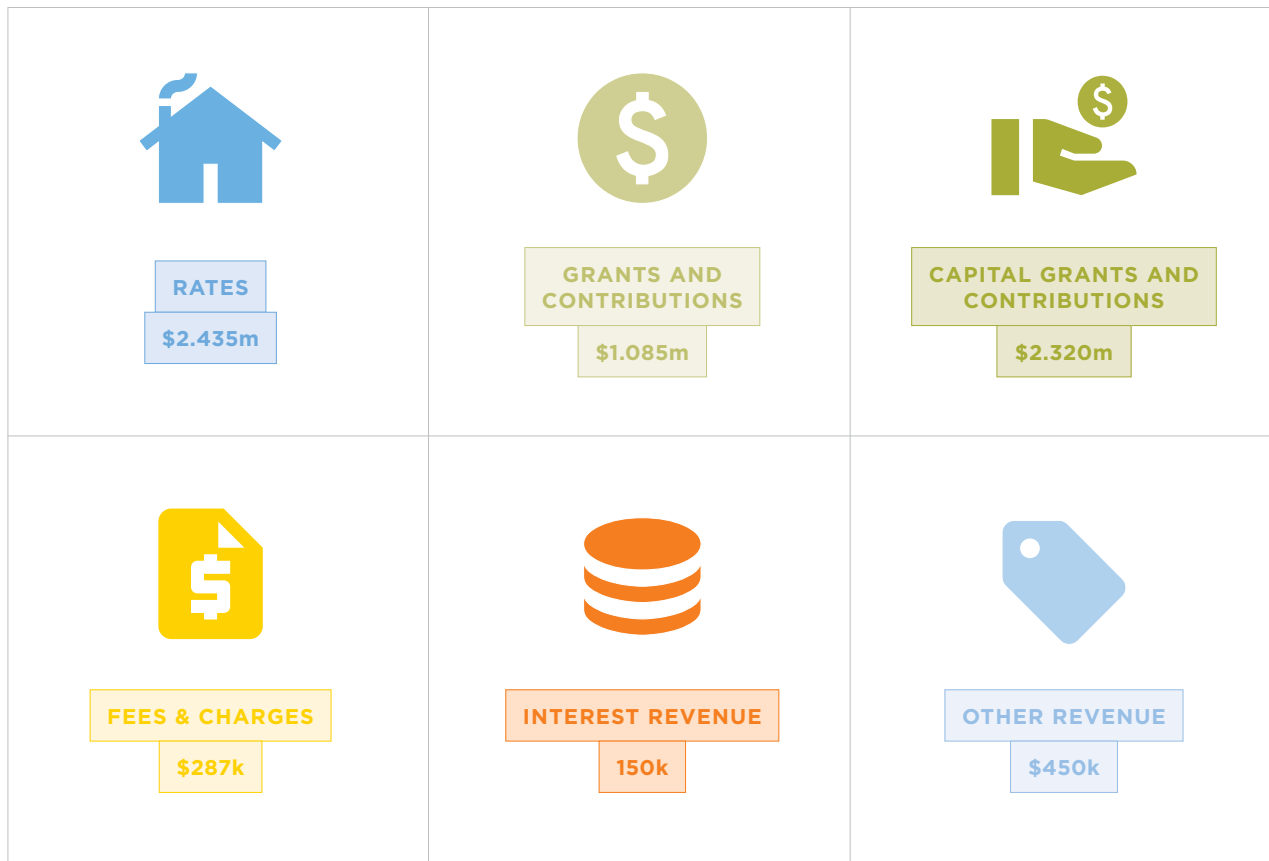
Revenue

The revenue (operating and capital) generated by the Shire is spent providing infrastructure and services for the community. The Shire provides many services including maintaining and improving roads, parks and gardens, leisure services and other community projects. A significant amount of the Shire's resources (approximately 60%) are spent on maintaining road infrastructure and the provision of recreation services.

The Shire of Mingenew had a Total Revenue of \$6.742m (including operating and capital grants) for the 2023/24 financial year. 34% (\$2.320m) of the Shire's revenue for 2023/24 was Capital Grants and contributions which funded a number of key capital projects, in particular the completion of the reconstruction and widening of Coalseam Road, resheeting of Strawberry NE and Burma Roads and priority wet grading. Operating Grants and contributions account for 16% and Rates (36%) are also significant contributing factors to the total revenue figure. The remaining revenue comes from interest received, Department of Transport agency and other miscellaneous services carried out by the Shire during the financial year. There was a total of 4.25% of revenue made up of Fees and Charges.

Total Revenue





Revenue

During 2023/24 financial year the Shire was successful in receiving various grants and contributions from external funding sources:

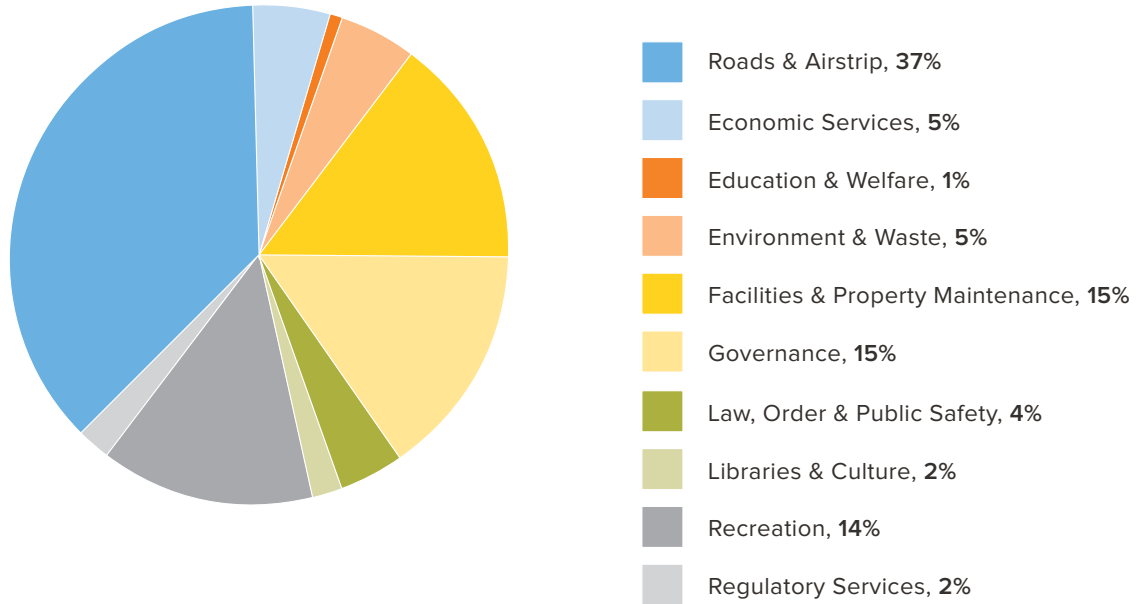
Funding Source	Project	Amount \$,000
Mingenew Football Club; Yandy Farms; Elders Rural Services; Mingenev Expo	Mingenew Early Childhood Facility (funds transferred to Reserve Account)	\$39
Building Better Regions Fund	Mingenew Hill (project completed in 2022/23)	\$12
Mingenew Tennis Club	Mingenew Tennis Clubhouse	\$177
Community Sporting and Recreation Facilities Fund	Mingenew Tennis Clubhouse	\$87
Community Benefit Fund	Mingenew Tennis Clubhouse	\$50
Disaster Recovery Funding	Mingenew Tennis Clubhouse	\$11
Northern Agricultural Catchments Council	Mingenew Spring Revegetation	\$10
Community Gardens Grants Program	Community Garden	\$10
Load Roads and Community Infrastructure – Phase 3	Mingenew Tennis Clubhouse	\$121
	Victoria Road Landscaping	\$13
	Yandanooka NE Road upgrade	\$46
Regional Road Group Grants	Coalseam Road reconstruction and widening	\$600
Roads to Recovery	Strawberry NE and Burma Roads resheeting	\$205
Load Roads and Community Infrastructure – Phase 4	Strawberry NE and Burma Roads resheeting	\$140
	Various roads wet grade program	\$243
Financial Assistance Grant – Bridges	Yarragadee Bridge upgrade	\$533
Regional Airports Program	Upgrade airstrip (project completed in 2022/23)	\$29

Finance Statistics cont.

Operating Expenditure

Below depicts the operating expenditure by activity for the 2023/24 financial year.

Total Operating Expenditure



Reserve Funds

As at 30 June 2024 the balance in the Reserve Accounts was \$1,100,189 as per table below:

Reserve	Balance
Building and Land Reserve	\$338,255
Recreation Reserve	\$14,274
Plant Reserve	\$394,838
Employee Entitlement Reserve	\$82,937
Aged Persons Units Reserve	\$16,933
Economic Development & Marketing Reserve	\$22,099
Environmental Reserve	\$26,855
Land Development Reserve	\$7,555
RTC/PO/NAB Reserve	\$24,055
Insurance Reserve	\$46,796
Mingenew Daycare Centre Redevelopment Reserve	\$66,739
Community Infrastructure Fund Contribution Reserve	\$58,853
Total	\$1,100,189

A transfer of \$161k from the Plant Reserve occurred during the year for the purchase of a replacement Skid Steer Loader and new attachments (mulcher and profiler), along with a transfer of \$39k to the Mingeneu Daycare Centre Redevelopment Reserve from funds raised externally. During the year a Community Infrastructure Fund Contribution Reserve was established to hold funds raised from road use agreements to assist with acquisition, restoration, extension and improvement of community infrastructure. The Shire will continue to make a concerted effort to improve our cash reserves for the provision of future acquisitions and proposed developments.

Loan Liability

The outstanding principal loan balance as at 30 June 2024 was \$141,395, which is due to be paid off by 2026/27.

Activities and Projects

In addition to the normal operating activities, a number of significant capital works projects were undertaken during the 2023/24 financial year, as per below:

Coalseam Road – reconstruction and widening	\$916,000
Strawberry NE and Burma Roads - resheeting	\$113,000
Various roads – priority wet grading	\$370,000
Yarragadee Bridge upgrade	\$533,000
Commencement of the daycare centre renewal	\$72,000
Completion of various housing upgrades	\$99,000
Completion of the tennis clubhouse upgrade	\$376,000
Completion of community garden	\$25,000
Completion of town landscaping (street trees)	\$51,000
Plant purchases (including skid steer loader, mulcher and profiler)	\$186,000

Finance Statistics cont.

Financial Ratio Performance Summary

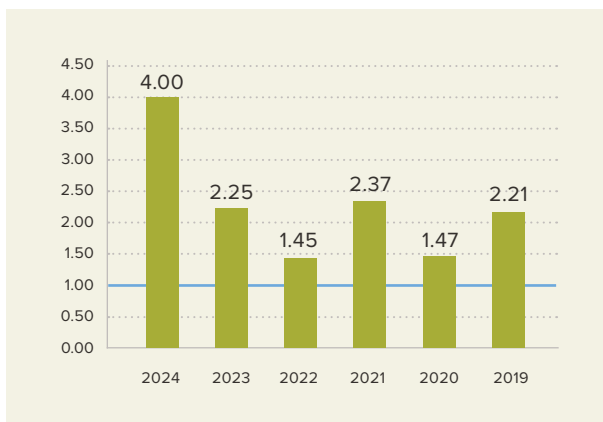
The following is a summary of the performance of the Shire's financial ratios.

Current Ratio

This ratio is designed to show the Shire's ability to meet its short-term financial obligations.

2023/24 ratio: 4.00

The Shire's current ratio is above the benchmark of 1.00.



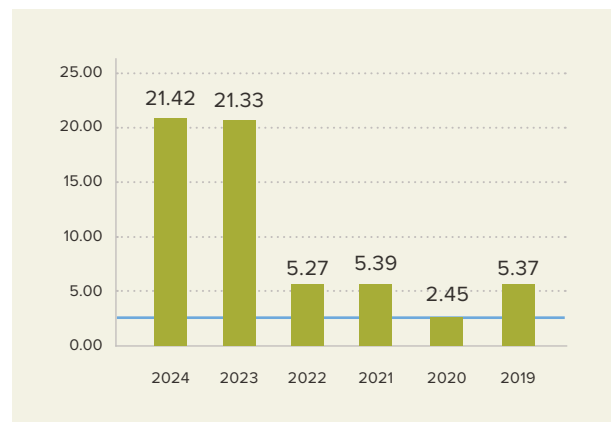
Current ratio Benchmark line

Debt Service Cover Ratio

This ratio is the measurement of the Shire's ability to repay its debt including interest, principal and lease payments.

2023/24 ratio: 21.42

The Shire's debt service cover ratio is above the benchmark of 2.00.



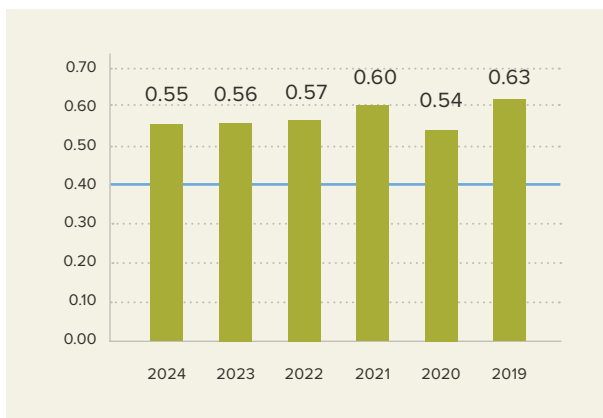
Debt service cover ratio Benchmark line

Own Source Revenue Coverage Ratio

This ratio is the measurement of the Shire's ability to cover its costs through its own revenue efforts.

2023/24 ratio: 0.55

The Shire's own source revenue coverage ratio is above the benchmark of 0.40.



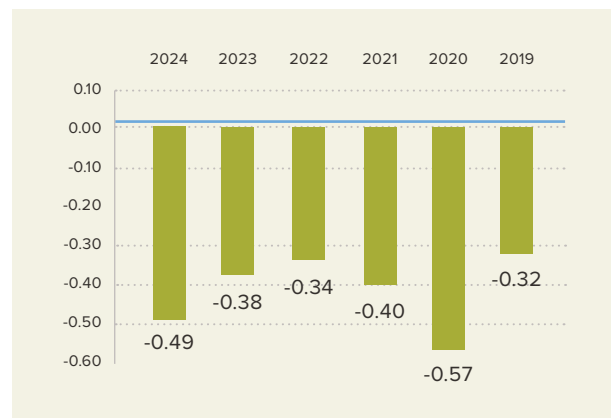
Own source revenue coverage ratio Benchmark line

Operating Surplus Ratio

This ratio is a measure of the Shire's ability to cover its operational costs and have revenues available for capital funding or other purposes.

2023/24 ratio: -0.49

The Shire's operating surplus ratio is below the benchmark of 0.01.



Operatin surplus ratio Benchmark line

Councillors and Staff

Councillors



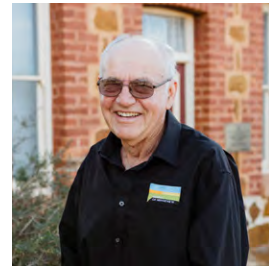
Gary Cosgrove
Shire President



Hellene McTaggart
Deputy President



Justin Bagley
Councillor



Jonathon Holmes
Councillor



Anthony Smyth
Councillor



Alexander Pearse
Councillor



Richard Starick
Councillor

Staff

Leadership Team



Matt Fanning
Chief Executive Officer



Helen Sternick
**Corporate Services
Manager**

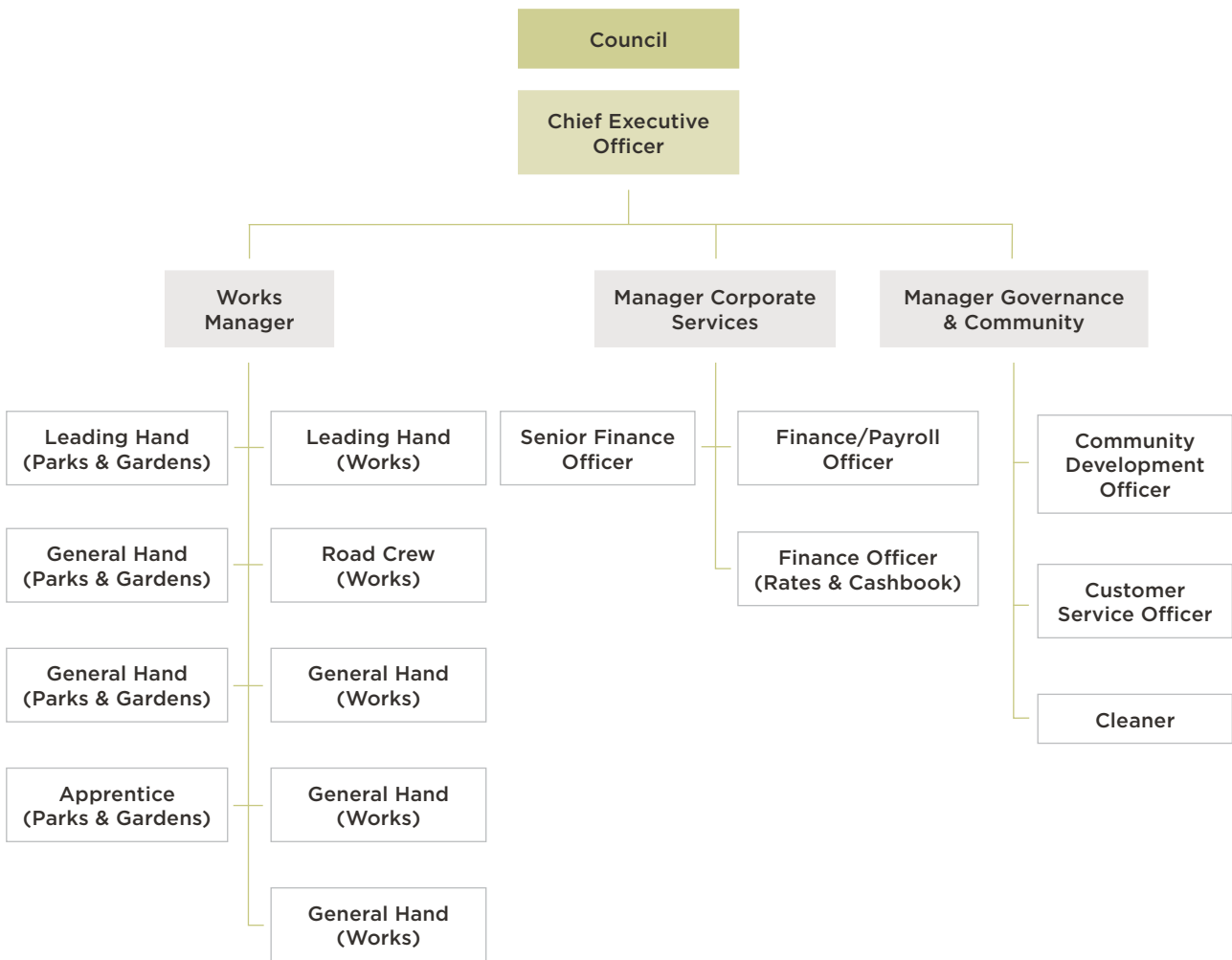


Erin Greaves
**Governance and
Community Manager**



Shane Noon
Works Manager

Organisational Charts



Strategic Community Plan 2019-29

FY23/24 Achievements

With the adoption of a new Strategic Community Plan 2023-2033, we celebrate the achievements under the Strategic Community Plan 2019-29 and Corporate Business Plan 2019-2023

Strategy 1

Leading Mingenew

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

- In 2023, Council implemented a dedicated Road Improvement Program (1.1.1) to provide and support a cost effective transport network, which included:
 - Increasing the roads maintenance budget by over \$400,000
 - Wet-graded priority roads ~ 100 km
 - Gravel re-sheeted 3.5 km
 - Ensured every Priority 2 road received at least one dry grade ~200 km
 - Completed 20 tonnes of bitumen patching works
 - Upgraded 5.67 km of Coalseam Rd
 - Completed Yarragadee Bridge safety work
- Publicly acknowledged by the Office of the Auditor General as a 2022-23 best practice entity for timeliness and quality of financial reporting and controls for the second year running (1.2.1), demonstrating sound financial management and sustainability.
- Successfully attracted \$1.687 million in grant funding to support community projects and initiatives (1.2.1)
- Prepared and adopted a new 10-year Long Term Financial Plan (1.2.1) and new Strategic Community Plan 2023-2033 (1.2.2) through engagement with the community to deliver on priorities and desired services.
- Consulted community members regarding road issues and key priority projects at the Mingenew Midwest Expo stall in 2023, providing a direct link between the community and engagement with staff and Councillors (1.2.2)
- Employed an Apprentice in Parks & Gardens to foster local talent and provide local employment pathway opportunities, as an employer of choice (1.2.3)
- To enhance public safety, the Shire commenced its Roadside Vegetation and Shoulder Maintenance program to (1.3.2)
- As a forward step in better managing and reducing waste, an audit of our waste facility was conducted (1.4.2)



Strategic Community Plan 2019-29 cont.

Strategy 2

Love living in Mingenew

Goal: *Maintain and build a healthy, connected and sustainable community with great public open spaces, facilities and enable community volunteerism.*

- The Shire advocated for continuity of quality services during the transition from Silver Chain to WACHS (2.1.1)
- Construction of the new daycare facility commenced, which provides for increased capacity to meet current and future demand for childcare services (2.2.1)
- Consulted with the community on the development of the Town Hall Options report to produce Concept Plans and facilitate detailed costings to inform the future of this building (2.3.1)
- Awarded \$10,418.96 in Community Assistance Scheme Grants (2.4.1) which has supported:
 - The CRC to deliver a seniors “Community Connections Outings” (\$712.73)
 - The CRC to deliver Youth Activities throughout 2023 and 2024 (\$5,729.73)
 - MACC to purchase/replace tables for arts and crafts activities at the Railway Station (\$2,911.95)
 - Mingenew Supermarket to replace signage (\$550.91)
 - Mingenew Historical Society to replace the plaque on the boulder at Cecil Newton Park (\$513.64)
- Commenced the process of developing a Sport and Rec Masterplan with local sporting groups to ensure a more strategic approach to the replacement and construction of facilities (2.4.2)
- Progressed planning for the upgrade of the Rec Centre to an evacuation hub including the development of and consultation on concept designs (2.4.2)
- Final concept designs were developed and grant funding sought for the Mingenew Spring Regional Botanical Garden Project, including engagement with Perth’s Kings Park and Botanic Gardens team (2.4.2)
- Completed detailed design of the Mingenew Hill trail and carpark to improve public access – project ready for future grant funding opportunities (2.4.2)
- Renovated the Council’s main turf areas to support our communities’ highly valued sporting facilities (2.4.2)
- Installed lighting and refurbished the “Big Ears” sculpture in Cecil Newton Park (2.4.2)
- Construction of the new Tennis Clubhouse was completed. The Shire was awarded an Engineering Excellence Award for the redevelopment of the Mingenew Tennis Clubhouse (2.4.2)
- Commenced development of the Community Garden, \$10,000 funded through the Department of Communities, which is expected to be completed in late 2024 (2.4.2)
- Commenced detailed planning for the Water Park that has been funded (\$150,000) through the DFES Community Benefit Fund (2.4.2)



Strategy 3

Growing Mingenew

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

- Conducted earthworks for GROH, key worker, and aged person unit housing as we plan to increase local housing stock and support living local (3.1.2)
- Continued to advocate for housing and local purchasing contracts with potential renewables/resource sector companies and State Government agencies (3.1.2)
- Support for Mingenew Irwin Group through sponsorship and ongoing engagement (3.2.3)
- Offer made to Karara Mining Ltd for the purchase of the two Shire-managed properties, however the Shire's offer was declined by Karara. The properties now leased directly from Karara to the existing tenants.

Strategy 4

See you in Mingenew

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

- Supported local community events, including Mingenew Midwest Expo 2023, CRC Health & Well-Being Day, Mingenew Races 2024 (cancelled), Jingle and Mingle Christmas Event, Youth Discos (4.2.1)
- Commenced engagement on developing a Marketing and Communication Strategy to inform and guide tourism marketing, promotional activities and community engagement (4.3.1)
- Financial support to Mingenew CRC to provide tourism services from “The Exchange”(4.3.2)
- Support for Astrotourism to broaden the local tourism market, particularly outside of wildflower season (4.3.3)

Strategy 5

Making business easy in Mingenew

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

- Broadened the scope of the Community Assistance Scheme to include support for development of small local businesses (5.2.2)



Mingenew Midwest Expo

Strategic Community Plan 2023-33

FY24/25 Planned Projects and Initiatives

Grow Mingenew

1. Safe, efficient, and connected transport network

- 1.2a Roads Improvement Plan developed in 2023/24, Year 1 implemented. Year 2 to be implemented, including:
- \$260,000 - Wet grade priority roads
 - \$190,000 - Gravel re-sheeting
 - \$220,000 - Every road graded once a year
 - \$146,000 - Rural roadside shoulder & vegetation management
 - \$200,000 - Commence bitumen resealing program FY24/25
 - Upgrade 0.8km Coalseam Rd
 - Upgrade 5km Yandanooka NE Rd
 - Gravel and asset condition surveys to optimise investment
 - Future priorities to be partly informed through feedback at Expo 2024
- 1.2b Funding application made under the State's WA Bicycle Network Program for the proceeding 4 years, based on the Shire's 10 Year Shared Pathways Plan to improve the town's footpaths.
- 1.3a Draft Mingenew Bypass study received, awaiting completion of Final Plan for consideration in 2024
- 1.3b Ongoing engagement with CBH regarding expansion plans, as well as accommodation provisions
- 1.4a Road User Agreement established with Terra Mining, template now available for future agreements

2. Attract investment and grow resident population

- 2.1a Community Benefit Sharing Policy and Prospectus to be developed to promote local investment and employment
- 2.2a New housing projects being explored to increase Shire housing stock
- 2.3a, b and c Investigating funding opportunities to build new GROH and key worker housing
- 2.3d Feedback to State Government to be provided on resource sector accommodation approvals and consideration of community impacts and social responsibility



3. Supporting infrastructure initiatives that makes business easy and support them to thrive

- 3.1a Verge tree planting along Victoria Road and Shenton Street commenced, complete second phase of town beautification in 2024/25
- 3.4a A review and update of the Shire's website to be undertaken to be more user-friendly

4. Visitors have a positive experience and extend their length of stay

- 4.1a Support is continued to be given to Mingenew CRC for delivery of tourist and information services to 2025
- 4.2a Ongoing maintenance of key marketing campaigns e.g. Liveability, Wildflowers and Astrotourism
- 4.3a Water Play Space construction expected to commence before end of 2024
- 4.3b REDS grant sought to fund Mingenew Spring Botanical Garden
- 4.4a Actively participated in advocacy to continue Wildflower Country which is undergoing a strategic review

5. Local talent returns and is retained to support the local workforce

- 5.1a New childcare facility construction due to commence late 2024
- 5.1b Service delivery model for childcare services to be reviewed and prepared for opening of new centre
- 5.2a Advertisement for Cadet Engineer commenced, further recruitment in coming months
- 5.2b Parks & Gardens Apprentice commenced in June 2024, employee living local

Love Mingenew

6. Strong sense of community and culture

- 6.1a Significant consultation undertaken to prepare Draft Sport and Recreation Master Plan, with final Facilities Plan expected to be presented before the end of 2024
- 6.1c Grant application made to DLGSC for the upgrade of the Mingenew Tennis Club light
- 6.2d Currently working with MACC to develop user agreement for Railway Station to support arts and crafts activities
- 6.4a Regular engagement with Historical Society to assist with governance and potential merger of Mingenew Men's Shed (cancelled association)
- 6.4c Upgrade the Mingenew Cenotaph and precinct

7. Mingenew is valued as a liveable community that supports diversity

- 7.1a Council updates, postal box drops and social media posts continuing regarding funding recognition and community projects
- 7.1b Financial and operational support provided for 2024 Mingenew Midwest Expo, including peppercorn lease for administration office throughout the year
- 7.1c Support provided to Mingenew Turf Club for 2025 Races and remedial and maintenance action for turf track
- 7.2a Review and implement the Shire's Disability Access and Inclusion Plan
- 7.2b Financial support provided to CRC for seniors' activities

8. A healthy and active community with access to local health services and facilities

- 8.1a Ongoing support for GP services at Mingenew Health Centre
- 8.2b Support to Mingenew CRC to deliver on ageing in place services
- 8.2d Health and social services to support seniors provided at Autumn Centre, including CRC Seniors activities, Integrated Chronic Disease Care (ICDC), Centrecare, Mahjong Club, CWA
- 8.2e Ongoing maintenance and repairs of Autumn Centre to ensure fit for purpose
- 8.3b Funding opportunities being sought to expand stock of APUs / Independent Living Units to support aged and disabled residents

9. Increased participation in sport and recreational activities

- 9.1a Club amalgamations being explored through development of Sport & Rec Master Plan

Strategic Community Plan 2023-33 cont.

Protect Mingenew

10. Valued and protected natural environment

10.2a Transfer Station audit nearing completion and will inform development of new Waste Management Contract for bin collection and Station oversight (external contract) in late 2024

11. The community is resilient and prepared for emergencies and natural disasters

11.1a LEMC meeting regularly

11.1c Minimum Standards for bushfire volunteers developed but further consultation required to reach agreed standard

11.2a A number of Local Recovery Plan projects have been commenced or funding sought – increase housing availability, town beautification, Mingenew Hill upgrade, Tennis Clubhouse, Rec Centre / Evacuation Centre

11.2b Funding application submitted to DFES for new fire shed

11.3a Grant funding support successful from DFES for upgrade to Rec Centre to become Evacuation Centre (and additional grant funding pending), informed by community consultation. Construction to be completed by June 2025

12. Sustainable Council practices

12.1d Water efficiency options currently being explored for sporting and recreation grounds



Mingenew Tennis Clubhouse

Lead Mingenew

13. Community feel they are heard and can understand Council decision making

- 13.1a Quarterly reports being provided, informed by Strategic Community Plan and Corporate Business Plan updates, as well as progress of priority projects
- 13.3a Marketing and Communications Strategy adopted by Council in July 2024. Scope of works for marketing contract renewal through request for quote process) to be informed by Strategy.
- 13.3b Install funded Community Digital Information Sign

14. Continued high standard of good governance and transparency

- 14.1a Transition to new business management IT system delayed due to system changes by provider, Council to consider alternative options
- 14.1b Scoping of project to review the Shire's ICT services is currently underway and request for quote will be issued prior to end of financial year
- 14.2a Regular updates provided on Local Government Act reform and presented to Council where appropriate
- 14.2b Consultation on reform changes has been considerate of resourcing capabilities
- 14.3a Regular attendance and participation at WALGA Northern Country Zone meetings is ongoing
- 14.4a Regional Risk Coordinator Program to be renewed for 2024/25 as we continue to gain valuable support for risk and work, health and safety matters

15. Financial practices are responsive to compliance requirements and revenue needs

- 15.1a Reserve management considered as part of development of Long Term Financial Plan, with particular regard to capital projects, plant replacement and community benefit funds
- 15.3d Updated Long Term Financial Plan was developed and endorsed by Council in June 2024

16. Resources are sourced efficiently through cooperation and collaboration

- 16.1a Shared planning services provided by the Shire of Chapman Valley
- 16.1b Shared building services provided by the City of Greater Geraldton
- 16.1c Shared Environmental Health services provided by the Shire of Irwin
- 16.2a The Shire continues to participate in the Midwest Library Consortium as a shared regional cost

17. Competent, invested and capable Council and organisation

- 17.1a Elected Member Entitlements Policy recently reviewed to support appropriate remuneration for Council Members
- 17.2a Attraction and Retention Policy developed and adopted in 2023
- 17.3b Volunteer online safety inductions now available for bushfire volunteers and any other volunteers operating for the Shire

Governance

Elected Member Attendance

Elected Member	Cr GJ Cosgrove	Cr HR McTaggart	Cr JD Bagley	Cr JR Holmes	Cr AT Pearse*	Cr AR Smyth	Cr RA Starick	Cr CV Farr**
Term Commenced	2023	2023	2023	2021	2022	2021	2023	2019
Term Expiry	2027	2027	2027	2025	2025	2025	2027	2023

* Councillor appointed in July 2022 by resolution

** Councillor did not renominate in 2023 Ordinary LG Election (October)

Elected Member Attendance - 1 July 2023 to 30 June 2024

Elected Member Meeting Attendance Register 2023/24

	Cr GJ Cosgrove	Cr JD Bagley	Cr CV Farr	Cr JR Holmes	Cr HR McTaggart	Cr AT Pearse	Cr AR Smyth	Cr RA Starick
19 Jul 2023 OCM	✓	✓	✓	✓	✓	✓	✓	
11 Aug 2023 – Executive Management Committee	✓	✓			✓			
16 Aug 2023 OCM	✓	✓	A	✓	✓	✓	A	
20 Sep 2023 SCM	✓	✓	✓	✓	✓	✓	✓	
9 Oct 2023 - LEMC							✓	
17 Oct 2023 – Bush Fire Advisory Committee						A	✓	
18 Oct 2023 OCM	✓	✓	✓	✓	✓	A	✓	
15 Nov 2023 SCM	✓	✓		✓	✓	✓	A	✓
27 Nov 2023 – Audit & Risk Committee	✓				✓	✓	✓	
6 Dec 2023 OCM	✓	✓		✓	✓	✓	✓	✓
15 Dec 2023 SCM	✓	E		✓	✓	E	A	✓
21 Feb 2024 OCM	✓	✓		✓	LA	✓	A	✓
11 Mar 2024 – Bush Fire Advisory Committee						✓	✓	
11 Mar 2024 - LEMC							A	A
20 Mar 2024 SCM	✓	✓		✓	✓	✓	✓	✓
17 Apr 2024 OCM	✓	✓		✓	✓	✓	✓	✓
29 Apr 2024 SCM	✓	A		✓	✓	✓	✓	✓
6 May 2024 SCM	✓	✓		✓	✓	✓	✓	✓
12 Jun 2024 Executive Management Committee	✓	✓			✓			
19 Jun 2024 OCM	✓	A		✓	✓	✓	✓	✓

✓ Attended

A Apology

LA Leave of Absence

E Electronic attendance

Elected Member Training

Part 10 – Training of the Local Government (Administration) Regulations 1996 was introduced requiring all elected members to complete the Council Member Essentials training course within 12 months of their election, in accordance with s5.126(1) of the Local Government Act 1995. The status of Councillor-completed training as at 30 June 2024 is as follows:

Council Member Essentials module completion status

Elected Member	Understanding Local Government	Serving on Council	Meeting Procedures	Conflicts of Interest	Understanding Financial Reports and Budget
Cr GJ Cosgrove	In Progress	Completed	In Progress	In Progress	Completed
Cr JD Bagley	Completed	Completed	In Progress	In Progress	Completed
Cr HR McTaggart	Completed	Completed	Completed	Completed	Completed
Cr CV Farr	In Progress	Completed	In Progress	In Progress	Completed
Cr AR Smyth	In Progress	Completed	In Progress	In Progress	Completed
Cr JL Holmes	Completed	Completed	Completed	Completed	Completed
Cr AT Pearse	In Progress	In Progress	In Progress	In Progress	In Progress
Cr RA Starick	Completed	In Progress	In Progress	Completed	In Progress



Governance cont.

Elected Members Remuneration

Elected Member	President's Allowance	Deputy President's Allowance	Meeting Attendance Fees	ICT Expenses	Training/ Conferences	Travel/ Accommodation expenses	Total
Cr GA Cosgrove	\$7,724	\$0	\$6,775	\$432	\$1738	\$140	\$16,649
Cr JD Bagley	\$0	\$724	\$3,956	\$432	\$1738	\$1,221	\$7,911
Cr HR McTaggart	\$0	\$1,207	\$3,956	\$432	\$0	\$0	\$5,995
Cr CV Farr	\$0	\$0	\$1,215	\$177	\$0	\$0	\$1,392
Cr AR Smyth	\$0	\$0	\$3,956	\$432	\$560	\$0	\$4,788
Cr JL Holmes	\$0	\$0	\$3,956	\$432	\$0	\$0	\$4,788
Cr AT Pearse	\$0	\$0	\$3,956	\$432	\$560	\$0	\$4,788
Cr RA Starick	\$0	\$0	\$2,569	\$255	\$1040	\$515	\$4,219

Employee Remuneration

In accordance with s19B (2) of the *Local Government (Administration) Regulations 1996*, the number of Shire employees entitled to an annual salary of \$130,000 or more during the 2023/24 year were:

Salary Range	Number of Employees
\$130 000 to \$139,999	0
\$140 000 to \$149,999	0
\$150 000 to \$159,999	0
\$160,000 to \$169,999	0
\$170 000 to \$179,999	0
\$180,000 to \$189,999	0
\$190 000 to \$199,999	1

The Total Remuneration for the CEO in 2023/24 is \$227,120 (remuneration is defined as salary, allowances, fees, enrolments and benefits (whether in money or not)).



Freedom of Information

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

The Shire did not receive any applications under the Freedom of Information Act in 2023/24.

Disability and Access Inclusion Plan

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

- I. Ensuring that people with disability have the same opportunities as other people to access the services of, and any events organised by the Shire through consultation, policy development and improved services

- II. Ensuring that people with disability have the same opportunities as other people to access the buildings and other facilities of the Shire through improved planning and consultation during new and development works, including parking and access way
- III. Ensuring people with a disability receive information in a format that will enable them to access information as readily as other people by having information available in alternative formats and continuously improving the Shire's website formatting
- IV. Ensuring people with disability receive the same level and quality of service from staff as other people through training, inductions and seeking advice from disability service providers
- V. Ensuring the Shire's grievance mechanisms are accessible for people with a disability
- VI. Ensuring people with disability have the same opportunity to participate in any public consultation through promotion of the DAIP and targeting affected community members on relevant matters
- VII. Using inclusive recruitment methods and practices to support people with disability in obtaining and maintaining employment with the Shire

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

The DAIP is currently undergoing a major review and an updated version is anticipated to be adopted in the second quarter of 2024/25.



Governance cont.

Complaints Register

The Shire reports no complaints, as defined under s5.105 of the Act – ‘Breaches by council members’, for the period ending 30 June 2024. The complaints officer (CEO for the Shire of Mingenew) is required to maintain a register of complaints that result in a finding under s5.110(2)(a) that a minor breach has occurred. A copy of the Register is available on the Shire’s website.

Public Disclosures

The *Public Interest Disclosure Act 2013* aims to ensure openness and accountability in government. Disclosures are treated in confidence and persons making a disclosure are protected from detrimental action. The Chief Executive Officer is the appointed Public Interest Disclosure (PID) Officer for the Shire. During 2023/24 the Shire did not receive any disclosures

Recordkeeping Plan

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

Council undertook a formal review of its Recordkeeping Plan in 2020 and prepared an updated Recordkeeping Plan in 2021.

The objectives of the Shire of Mingenew RKP are to ensure:

- Compliance with Section 28 of the State Records Act 2000;
- Recordkeeping within the Local Government is moving towards compliance with State Records Commission Standards and Records Management Standard AS ISO 15489;
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- Recorded information can be retrieved quickly, accurately and cheaply when required; and the
- Protection and preservation of the Local Government’s records.

In accordance with Section 17 of the Act, the Shire of Mingenew and all its employees are legally required to comply with the contents of this Plan. Induction and training programs are in place to ensure recordkeeping obligations are met by employees, contractors, Elected Members and outsourced services.

National Competition Policy

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

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

1. Competitive neutrality

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

2. Structural reform

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

3. Legislation review

To review legislation that restricts competition.

Competitive Neutrality

There are several tests to apply that assist in determining if there is a ‘significant business enterprise’:

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

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

Structural Reform

In this area, Council has no monopoly activities.

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

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

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

Legislation Review

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

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

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SHIRE OF MINGENEW
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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The Shire of Mingenew conducts the operations of a local government with the following community vision:

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

Principal place of business:
21 Victoria Road
Mingenew WA 6522

**SHIRE OF MINGENEW
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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

STATEMENT BY CEO

The accompanying financial report of the Shire of Mingenew has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the

day of

2024

Matt Fanning
Chief Executive Officer

**SHIRE OF MINGENEW
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),25	2,435,847	2,447,031	2,208,660
Grants, subsidies and contributions	2(a)	1,085,293	918,867	1,237,219
Fees and charges	2(a)	287,062	295,996	318,931
Interest revenue	2	150,217	63,449	74,420
Other revenue	2(a)	450,457	460,634	515,992
		4,408,876	4,185,977	4,355,222
Expenses				
Employee costs	2(b)	(1,246,286)	(1,454,868)	(1,264,320)
Materials and contracts		(1,219,739)	(1,289,120)	(1,031,584)
Utility charges		(113,225)	(86,210)	(86,715)
Depreciation		(2,524,274)	(2,471,973)	(2,516,633)
Finance costs		(2,545)	(21,450)	(3,583)
Insurance		(164,659)	(166,729)	(155,561)
Other expenditure	2(b)	(421,674)	(451,505)	(468,303)
		(5,692,402)	(5,941,855)	(5,526,699)
		(1,283,526)	(1,755,878)	(1,171,477)
Capital grants, subsidies and contributions	2	2,320,655	4,455,100	4,742,274
Profit on asset disposals		11,670	21,750	26,393
Loss on asset disposals		(6,956)	0	(42,960)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		2,326,630	4,476,850	4,728,471
Net result for the period		1,043,104	2,720,972	3,556,994
Total comprehensive income for the period		1,043,104	2,720,972	3,556,994

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

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,025,057	1,693,610
Trade and other receivables	5	202,898	245,195
Other financial assets	4(a)	1,079,710	563,254
Inventories	6	698	8,808
Other assets	7	445,524	434,574
TOTAL CURRENT ASSETS		3,753,887	2,945,441
NON-CURRENT ASSETS			
Trade and other receivables	5	32,959	29,029
Other financial assets	4(b)	62,378	61,117
Property, plant and equipment	8	9,913,501	9,988,618
Infrastructure	9	51,951,949	51,729,040
Right-of-use assets	11(a)	20,707	2,913
TOTAL NON-CURRENT ASSETS		61,981,494	61,810,717
TOTAL ASSETS		65,735,381	64,756,158
CURRENT LIABILITIES			
Trade and other payables	12	391,631	478,089
Other liabilities	13	661,825	667,549
Lease liabilities	11(b)	3,186	642
Borrowings	14	56,220	55,774
Employee related provisions	15	148,064	107,008
TOTAL CURRENT LIABILITIES		1,260,926	1,309,062
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	17,521	0
Borrowings	14	85,175	141,395
Employee related provisions	15	46,686	23,732
TOTAL NON-CURRENT LIABILITIES		149,382	165,127
TOTAL LIABILITIES		1,410,308	1,474,189
NET ASSETS		64,325,073	63,281,969
EQUITY			
Retained surplus		43,217,886	42,171,894
Reserve accounts	28	1,100,189	1,103,077
Revaluation surplus	16	20,006,998	20,006,998
TOTAL EQUITY		64,325,073	63,281,969

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

**SHIRE OF MINGENEW
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		39,157,083	560,894	20,006,998	59,724,975
Comprehensive income for the period					
Net result for the period		3,556,994	0	0	3,556,994
Total comprehensive income for the period		3,556,994	0	0	3,556,994
Transfers from reserve accounts	28	81,193	(81,193)	0	0
Transfers to reserve accounts	28	(623,376)	623,376	0	0
Balance as at 30 June 2023		42,171,894	1,103,077	20,006,998	63,281,969
Comprehensive income for the period					
Net result for the period		1,043,104	0	0	1,043,104
Total comprehensive income for the period		1,043,104	0	0	1,043,104
Transfers from reserve accounts	28	160,827	(160,827)	0	0
Transfers to reserve accounts	28	(157,939)	157,939	0	0
Balance as at 30 June 2024		43,217,886	1,100,189	20,006,998	64,325,073

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

**SHIRE OF MINGENEW
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	2,421,618	2,175,489
Grants, subsidies and contributions	1,085,293	1,552,001
Fees and charges	267,851	298,444
Interest revenue	150,217	74,420
Goods and services tax received	145,388	0
Other revenue	450,457	515,992
	4,520,824	4,616,346
Payments		
Employee costs	(1,177,199)	(1,247,961)
Materials and contracts	(1,317,667)	(2,160,674)
Utility charges	(113,225)	(86,715)
Finance costs	(2,545)	(3,583)
Insurance paid	(164,659)	(155,561)
Goods and services tax paid	(75,641)	70,134
Other expenditure	(414,792)	(17,005)
	(3,265,728)	(3,601,365)
Net cash provided by operating activities	1,255,096	1,014,981
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	8(a) (766,055)	(812,432)
Payments for construction of infrastructure	9(a) (2,028,929)	(4,671,206)
Capital grants, subsidies and contributions	2,313,662	4,742,274
Proceeds for financial assets at amortised cost	(516,456)	(563,254)
Proceeds from sale of property, plant & equipment	130,545	38,183
Net cash (used in) investing activities	(867,233)	(1,266,435)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	27(a) (55,774)	(55,331)
Payments for principal portion of lease liabilities	27(c) (642)	(3,675)
Net cash (used in) financing activities	(56,416)	(59,006)
Net increase (decrease) in cash held	331,447	(310,460)
Cash at beginning of year	1,693,610	2,004,070
Cash and cash equivalents at the end of the year	2,025,057	1,693,610

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

**SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	2,372,994	2,384,494	2,153,597
Rates excluding general rates	25	62,853	62,537	55,063
Grants, subsidies and contributions		1,085,293	918,867	1,237,219
Fees and charges		287,062	295,996	318,931
Interest revenue		150,217	63,449	74,420
Other revenue		450,457	460,634	515,992
Profit on asset disposals		11,670	21,750	26,393
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,261	0	2,764
		<u>4,421,807</u>	<u>4,207,727</u>	<u>4,384,379</u>
Expenditure from operating activities				
Employee costs		(1,246,286)	(1,454,871)	(1,264,320)
Materials and contracts		(1,219,739)	(1,289,120)	(1,031,584)
Utility charges		(113,225)	(86,210)	(86,715)
Depreciation		(2,524,274)	(2,471,973)	(2,516,633)
Finance costs		(2,545)	(21,450)	(3,583)
Insurance		(164,659)	(166,729)	(155,561)
Other expenditure		(421,674)	(451,505)	(468,303)
Loss on asset disposals		(6,956)	0	(42,960)
		<u>(5,699,358)</u>	<u>(5,941,858)</u>	<u>(5,569,659)</u>
Non cash amounts excluded from operating activities	26(a)	2,578,381	2,450,223	2,550,702
Amount attributable to operating activities		<u>1,300,830</u>	<u>716,092</u>	<u>1,365,422</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,320,655	4,455,100	4,742,274
Proceeds from disposal of assets		130,545	153,900	38,183
		<u>2,451,200</u>	<u>4,609,000</u>	<u>4,780,457</u>
Outflows from investing activities				
Right of use assets received - non cash	11(a)	(20,707)	(15,000)	0
Purchase of property, plant and equipment	8(a)	(766,055)	(3,312,000)	(812,432)
Purchase and construction of infrastructure	9(a)	(2,028,929)	(2,608,000)	(4,671,206)
		<u>(2,815,691)</u>	<u>(5,935,000)</u>	<u>(5,483,638)</u>
Non-cash amounts excluded from investing activities	26(b)	20,707	0	0
Amount attributable to investing activities		<u>(343,784)</u>	<u>(1,326,000)</u>	<u>(703,181)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	0	400,000	0
Proceeds from new leases - non cash	27(c)	20,707	15,000	0
Transfers from reserve accounts	28	160,827	0	81,193
		<u>181,534</u>	<u>415,000</u>	<u>81,193</u>
Outflows from financing activities				
Repayment of borrowings	27(a)	(55,774)	(87,403)	(55,331)
Payments for principal portion of lease liabilities	27(c)	(642)	(3,187)	(3,675)
Transfers to reserve accounts	28	(157,939)	(64,502)	(623,376)
		<u>(214,355)</u>	<u>(155,092)</u>	<u>(682,382)</u>
Non-cash amounts excluded from financing activities	26(c)	(20,707)	0	0
Amount attributable to financing activities		<u>(53,528)</u>	<u>259,908</u>	<u>(601,189)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(d)	696,724	350,000	635,672
Amount attributable to operating activities		1,300,830	716,092	1,365,422
Amount attributable to investing activities		(343,784)	(1,326,000)	(703,181)
Amount attributable to financing activities		(53,528)	259,908	(601,189)
Surplus or deficit after imposition of general rates	26(d)	<u>1,600,242</u>	<u>0</u>	<u>696,724</u>

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

**SHIRE OF MINGENEW
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF MINGENEW

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

The financial report of the Shire of Mingenew which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards.

The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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 *Leases* which would have required the Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls; and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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.

Critical accounting estimates and judgements

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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on the nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Impairment losses of non-financial assets - note 8 and 9
- Measurement of employee benefits - note 15
- Measurement of provisions - note 15

Fair value hierarchy information can be found in note 24

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.

No Trust Funds were held as at 30 June 2024.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Rates	General rates	Over time	Payment date adopted by Council during the year	None	When rates notice is issued
Grants, subsidies and contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies and contracts with customers	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	On receipt of funds
Capital grants, subsidies and contracts with customers	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste collection	Kerbside collection service	Over time	Payment on an annual basis in advance	None	When rates notice is issued
Interest revenue	Interest earned on term deposits, cash balances and outstanding rates and debtors	Over time	Upon maturity of term deposit, monthly on bank balances or accruing daily on outstanding rates and debtors	Not applicable	On receipt of funds
Reimbursements	Insurance claims, rental utilities and debt collection costs	Single point in time	Payment in arrears for claimable event	None	Earlier of when the event is agreed or cash received
Other revenue	Agency revenue - Department of Transport	Single point in time	Payment in full on receipt	None	On receipt of funds

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

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2024

Nature	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	0	0	2,435,847	0	2,435,847
Grants, subsidies and contributions	153,448	0	907,588	24,257	1,085,293
Fees and charges	177,478	0	109,584	0	287,062
Interest revenue	137,410	0	12,807	0	150,217
Other revenue	352,083	0	24,232	74,142	450,457
Capital grants, subsidies and contributions	0	2,320,655	0	0	2,320,655
Total	820,419	2,320,655	3,490,058	98,399	6,729,531

For the year ended 30 June 2023

Nature	Contracts with	Capital	Statutory	Other	Total
	customers	grant/contributions	Requirements		
	\$	\$	\$	\$	\$
Rates	0	0	2,208,660	0	2,208,660
Grants, subsidies and contributions	20,683	0	1,152,174	64,362	1,237,219
Fees and charges	293,703	0	25,228	0	318,931
Interest revenue	67,542	0	6,878	0	74,420
Other revenue	452,659	0	0	63,333	515,992
Capital grants, subsidies and contributions	0	4,742,274	0	0	4,742,274
Total	834,587	4,742,274	3,392,940	127,695	9,097,496

Note	2024	2023
	Actual	Actual
	\$	\$
Interest revenue		
Interest on reserve account	52,585	18,064
Trade and other receivables overdue interest	8,306	3,899
Other interest revenue	89,326	52,457
	150,217	74,420
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$3,550.		
Fees and charges relating to rates receivable		
Charges on instalment plan	2,584	2,000
The 2024 original budget estimate in relation to: Charges on instalment plan was \$4,200.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	25,090	28,200
- Other services – grant acquittals	3,120	3,000
	28,210	31,200
Employee Costs		
Employee benefit costs	1,181,541	1,201,665
Other employee costs	64,745	62,655
	1,246,286	1,264,320
Other expenditure		
Impairment losses on rates and statutory receivables	125	22
Impairment losses on trade receivables	1,030	(1,597)
Write down of inventories to net realisable value	6,882	0
Department of Transport - licensing expenditure	341,804	393,176
Fees paid to Councillors	39,994	39,210
Community grants scheme	12,087	18,912
Sundry expenses	19,752	18,580
	421,674	468,303

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	1,960,457	1,693,610
Term deposits	64,600	0
Total cash and cash equivalents	2,025,057	1,693,610
Held as		
- Unrestricted cash and cash equivalents	1,345,334	487,550
- Restricted cash and cash equivalents	679,723	1,206,060
17	2,025,057	1,693,610

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

Note	2024	2023
	\$	\$
Financial assets at amortised cost	1,079,710	563,254
	1,079,710	563,254
Other financial assets at amortised cost		
Term deposits	1,079,710	563,254
	1,079,710	563,254
Held as		
- Restricted other financial assets at amortised cost	1,079,710	563,254
17	1,079,710	563,254
	1,079,710	563,254
Financial assets at fair value through profit or loss	62,378	61,117
	62,378	61,117
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	61,117	58,353
Movement attributable to fair value increment	1,261	2,764
Units in Local Government House Trust - closing balance	62,378	61,117

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire has elected to classify the following financial assets at fair value through profit or loss:

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

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

5. TRADE AND OTHER RECEIVABLES

Note	2024 \$	2023 \$
Current		
Rates and statutory receivables	64,797	57,702
Trade receivables	102,614	81,104
GST receivable	36,664	106,411
Allowance for credit losses of rates and statutory receivables	(147)	(22)
Allowance for credit losses of trade receivables	(1,030)	0
	202,898	245,195
Non-current		
Pensioner's rates and ESL deferred	32,959	29,029
	32,959	29,029

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Trade and other receivables from contracts with customers	102,614	72,409	836,729
Contract assets	7 387,328	413,671	0
Allowance for credit losses of trade receivables	5 (1,030)	(22)	(1,575)
Total trade and other receivables from contracts with customers	488,912	486,058	835,154

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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

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

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

6. INVENTORIES

	Note	2024	2023
Current		\$	\$
Fuel and materials		698	8,808
		698	8,808
The following movements in inventories occurred during the year:			
Balance at beginning of year		8,808	4,227
Inventories expensed during the year		(76,466)	(57,988)
Write down of inventories to net realisable value	2(b)	(6,882)	0
Additions to inventory		75,238	62,569
Balance at end of year		698	8,808

MATERIAL ACCOUNTING POLICIES

General

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

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

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

7. OTHER FINANCIAL ASSETS

	2024	2023
	\$	\$
Other assets - current		
Prepayments	9,844	5,200
Accrued income	48,352	15,703
Contract assets	387,328	413,671
	445,524	434,574

MATERIAL ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period and accrued income which represent revenue that is earned on term deposit during the current accounting period which payment is yet to be received.

Contract assets

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Assets not subject to operating lease			Assets subject to operating lease	Total Property				Plant and equipment				Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Buildings - non-specialised	Land	Buildings - non-specialised	Buildings - specialised	Total Property	Furniture and equipment	Plant and equipment	Bushfire equipment	PPE - work in progress	
		\$	\$	\$		\$	\$	\$		\$	\$	\$	
Balance at 1 July 2022	611,000	3,694,193	2,420,248	1,640,090	611,000	5,334,283	2,420,248	8,365,531	22,097	1,488,489	187,297	214,502	10,277,916
Additions	0	29,357	186,821	0	0	29,357	186,821	216,178	0	247,061	230,976	118,217	812,432
Disposals	0	(42,960)	0	0	0	(42,960)	0	(42,960)	0	0	(11,790)	0	(54,750)
Depreciation	0	(278,112)	(383,881)	(55,376)	0	(333,488)	(383,881)	(717,369)	(5,060)	(267,456)	(57,095)	0	(1,046,980)
Transfers	0	7,102	163,868	0	0	7,102	163,868	170,970	0	0	0	(170,970)	0
Balance at 30 June 2023	611,000	3,409,580	2,387,056	1,584,714	611,000	4,994,294	2,387,056	7,992,350	17,037	1,468,094	349,388	161,749	9,988,618
Comprises:													
Gross balance amount at 30 June 2023	611,000	3,933,679	2,977,836	1,695,466	611,000	5,629,145	2,977,836	9,217,981	43,141	2,400,812	654,313	161,749	12,477,996
Accumulated depreciation at 30 June 2023	0	(524,099)	(590,780)	(110,752)	0	(634,851)	(590,780)	(1,225,631)	(26,104)	(932,718)	(304,925)	0	(2,489,378)
Balance at 30 June 2023	611,000	3,409,580	2,387,056	1,584,714	611,000	4,994,294	2,387,056	7,992,350	17,037	1,468,094	349,388	161,749	9,988,618
Additions	0	27,084	391,110	84,780	0	111,864	391,110	502,974	0	186,207	0	76,874	766,055
Disposals	0	0	0	0	0	0	0	0	0	(125,832)	0	0	(125,832)
Depreciation	0	(171,353)	(133,429)	(57,250)	0	(228,603)	(133,429)	(362,032)	(7,759)	(283,722)	(64,741)	0	(718,254)
Transfers	0	3,098	114,436	0	0	3,098	114,436	117,534	2,914	0	0	(117,534)	2,914
Balance at 30 June 2024	611,000	3,268,409	2,759,173	1,612,244	611,000	4,880,653	2,759,173	8,250,826	12,192	1,244,747	284,647	121,089	9,913,501
Comprises:													
Gross balance amount at 30 June 2024	611,000	3,963,862	3,483,382	1,780,246	611,000	5,744,108	3,483,382	9,838,490	56,848	2,364,586	654,313	121,089	13,035,326
Accumulated depreciation at 30 June 2024	0	(695,453)	(724,209)	(168,002)	0	(863,455)	(724,209)	(1,587,664)	(44,656)	(1,119,839)	(369,666)	0	(3,121,825)
Balance at 30 June 2024	611,000	3,268,409	2,759,173	1,612,244	611,000	4,880,653	2,759,173	8,250,826	12,192	1,244,747	284,647	121,089	9,913,501

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Price per hectare
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2021	Market data/improvements to land using construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - drainage	Infrastructure - bridges	Infrastructure - footpaths	Infrastructure - parks and ovals	Infrastructure - airfields	Infrastructure - other	Infrastructure - service concession assets	Infrastructure - work in progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	38,585,228	143,682	7,168,399	221,887	1,679,954	96,860	298,642	180,000	150,094	48,524,746
Additions	4,179,913	0	0	0	151,580	273,904	36,009	29,800	0	4,671,206
Depreciation	(1,119,323)	(1,796)	(143,368)	(7,426)	(142,069)	(8,645)	(32,305)	(11,980)	0	(1,466,912)
Transfers	0	0	0	0	106,499	12,634	30,961	0	(150,094)	0
Balance at 30 June 2023	41,645,818	141,886	7,025,031	214,461	1,795,964	374,753	333,307	197,820	0	51,729,040
Comprises:										
Gross balance at 30 June 2023	42,765,141	143,682	7,168,399	221,887	1,942,837	390,038	376,131	209,800	0	53,217,915
Accumulated depreciation at 30 June 2023	(1,119,323)	(1,796)	(143,368)	(7,426)	(146,873)	(15,285)	(42,824)	(11,980)	0	(1,488,875)
Balance at 30 June 2023	41,645,818	141,886	7,025,031	214,461	1,795,964	374,753	333,307	197,820	0	51,729,040
Additions	1,398,744	0	533,333	0	25,133	0	0	0	71,719	2,028,929
Depreciation	(1,409,158)	(1,796)	(154,035)	(7,426)	(165,984)	(22,094)	(33,547)	(11,980)	0	(1,806,020)
Balance at 30 June 2024	41,635,404	140,090	7,404,329	207,035	1,655,113	352,659	299,760	185,840	71,719	51,951,949
Comprises:										
Gross balance at 30 June 2024	44,163,885	143,682	7,701,732	221,887	1,967,970	390,038	376,131	209,800	71,719	55,246,844
Accumulated depreciation at 30 June 2024	(2,528,481)	(3,592)	(297,403)	(14,852)	(312,857)	(37,379)	(76,371)	(23,960)	0	(3,294,895)
Balance at 30 June 2024	41,635,404	140,090	7,404,329	207,035	1,655,113	352,659	299,760	185,840	71,719	51,951,949

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - bridges	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - airfields	3	Cost approach using current replacement cost	Independent specialist valuer	June 2021	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - other	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.
Infrastructure - service concession assets	3	Cost approach using current replacement cost	Independent specialist valuer	June 2022	Depreciated cost value of similar assets adjusted for condition and comparability.

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

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

**SHIRE OF MINGENEW
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Land - freehold land	Not depreciated
Buildings - non-specialised	40 to 60 years
Buildings - specialised	40 to 60 years
Furniture and equipment	5 to 10 years
Plant and equipment	5 to 20 years
Bushfire equipment	5 to 30 years
Right-of-use assets - Furniture and equipment	Based on the remaining lease term
Infrastructure - roads	10 to 80 years
Infrastructure - drainage	80 years
Infrastructure - bridges	50 years
Infrastructure - footpaths	10 to 40 years
Infrastructure - parks & ovals	3 to 50 years
Infrastructure - airfields	10 years
Other infrastructure	5 to 50 years
Service concession assets - infrastructure	5 to 50 years

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

11. LEASES

(a) Right-of-Use Assets

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

Note	Right-of-use assets - furniture and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2022	5,654	5,654
Depreciation	(2,741)	(2,741)
Balance at 30 June 2023	2,913	2,913
Gross balance amount at 30 June 2023	13,707	13,707
Accumulated depreciation at 30 June 2023	(10,794)	(10,794)
Balance at 30 June 2023	2,913	2,913
Additions	20,707	20,707
Transfer to furniture and equipment AASB13	(172)	(172)
Depreciation	(2,741)	(2,741)
Balance at 30 June 2024	20,707	20,707
Gross balance amount at 30 June 2024	20,707	20,707
Balance at 30 June 2024	20,707	20,707

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Shire is the lessee:

	2024 Actual \$	2023 Actual \$
Depreciation on right-of-use assets	(2,741)	(2,741)
Finance charge on lease liabilities	(7)	(217)
Total amount recognised in the statement of comprehensive income	(2,748)	(2,958)
Total cash outflow from leases	(649)	(3,892)
(b) Lease Liabilities		
Current	3,186	642
Non-current	17,521	0
	20,707	642

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased asset recognised in the financial statements revert to the lessor in the event of default.

MATERIAL ACCOUNTING POLICIES

Leases

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

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

All contracts that are classified as short-term leases (i.e. a lease with a 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.

Details of individual lease liabilities required by regulations are provided at Note 27(c).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

11. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year
1 to 2 years
2 to 3 years
3 to 4 years
4 to 5 years
> 5 years

	2024 Actual	2023 Actual
	\$	\$
	88,010	102,492
	94,510	92,534
	94,510	92,534
	94,510	92,534
	94,510	92,534
	94,510	92,534
	560,560	565,162
Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease		
Rental income	97,164	112,483

The Shire leases houses to staff, community and aged persons with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The staff and community houses are not considered investment property as they are leased for use in the supply of services to the community. Similarly, the aged persons units are not considered investment property as the primary purpose is to provide affordable and accessible housing for aged residents in the community.

Although the Shire is exposed to changes in the residual value at the end of the current leases, the Shire typically enters into new leases shortly thereafter. Demand for housing is strong such that the Shire does not anticipate any reduction in residual value at the end of the current leases. Expectations about the future residual values are reflected in the fair value of the properties.

MATERIAL ACCOUNTING POLICIES

The Shire as Lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 ATO liabilities
 Bonds and deposits held
 Accrued interest
 Accrued expense
 Other payables

	2024	2023
	\$	\$
	101,289	237,230
	3,472	6,801
	60,719	46,456
	38,785	47,971
	19,542	40,281
	288	402
	167,536	98,302
	0	646
	391,631	478,089

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

13. OTHER LIABILITIES

Current

Capital grant/contributions liabilities
Other liabilities income in advance

	2024	2023
	\$	\$
Capital grant/contributions liabilities	659,244	666,237
Other liabilities income in advance	2,581	1,312
	661,825	667,549

The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.

Reconciliation of changes in capital grant/contribution liabilities

Opening balance
Additions
Revenue from capital grant/contributions held as a liability at the start of the period

Opening balance	666,237	676,769
Additions	1,246,160	666,237
Revenue from capital grant/contributions held as a liability at the start of the period	(1,253,153)	(676,769)
	659,244	666,237

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year
1 to 2 years

Less than 1 year	659,244	566,237
1 to 2 years	0	100,000
	659,244	666,237

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

MATERIAL ACCOUNTING POLICIES

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		56,220	85,175	141,395	55,774	141,395	197,169
Total secured borrowings	27(a)	56,220	85,175	141,395	55,774	141,395	197,169

Secured liabilities and assets pledged as security

Debentures are secured by a floating charge over the assets of the Shire of Mingenew.

The Shire of Mingenew has complied with the financial covenants of the borrowing facilities during the 2024 and 2023 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	91,839	63,541
Long service leave	30,528	26,673
	122,367	90,214
Other provisions		
Employment on-costs	25,697	16,794
	25,697	16,794
Total current employee related provisions	148,064	107,008
Non-current provisions		
Employee benefit provisions		
Long service leave	39,373	18,876
	39,373	18,876
Other provisions		
Employment on-costs	7,313	4,856
	7,313	4,856
Total non-current employee related provisions	46,686	23,732
Total employee related provisions	194,750	130,740

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions 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.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

16. REVALUATION SURPLUS

	2024 Opening Balance	2024 Closing Balance	2023 Opening Balance	2023 Closing Balance
	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	786,615	786,615	786,615	786,615
Revaluation surplus - Buildings - non-specialised	4,241,524	4,241,524	4,241,524	4,241,524
Revaluation surplus - Buildings - specialised	2,419,608	2,419,608	2,419,608	2,419,608
Revaluation surplus - Plant and equipment	232,384	232,384	232,384	232,384
Revaluation surplus - Bushfire equipment	40,733	40,733	40,733	40,733
Revaluation surplus - Infrastructure - roads	9,501,272	9,501,272	9,501,272	9,501,272
Revaluation surplus - Infrastructure - drainage	780,643	780,643	780,643	780,643
Revaluation surplus - Infrastructure - bridges	1,087,918	1,087,918	1,087,918	1,087,918
Revaluation surplus - Infrastructure - footpaths	167,382	167,382	167,382	167,382
Revaluation surplus - Infrastructure - parks and ovals	519,934	519,934	519,934	519,934
Revaluation surplus - Infrastructure - airfields	148,860	148,860	148,860	148,860
Revaluation surplus - Infrastructure - other	80,125	80,125	80,125	80,125
	20,006,998	20,006,998	20,006,998	20,006,998

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	679,723	1,206,060
- Financial assets at amortised cost	4	1,079,710	563,254
		1,759,433	1,769,314
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	1,100,189	1,103,077
Capital grant liabilities	13	659,244	666,237
Total restricted financial assets		1,759,433	1,769,314
18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS			
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		0	0
Credit card limit		14,500	14,500
Credit card balance at balance date		(7,581)	(101)
Total amount of credit unused		506,919	514,399
Loan facilities			
Loan facilities - current		56,220	55,774
Loan facilities - non-current		85,175	141,395
Total facilities in use at balance date		141,395	197,169
Unused loan facilities at balance date		NIL	NIL

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

19. CONTINGENT LIABILITIES

In compliance with the *Contaminated Sites Act 2003 (WA)*, the Shire has listed a site to be a possible source of contamination. Details of the site are:

Mingenew Transfer Station

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation (DWER) on the need and criteria for remediation using a risk-based approach, the Shire is unable to estimate the potential costs associated with remediation of the site. This is consistent with DWER Guidelines.

20. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	689,452	655,638
	689,452	655,638
Payable:		
- not later than one year	689,452	555,638
- 1 to 2 years	0	100,000

The capital expenditure projects outstanding at the end of the current reporting period represents the Mingenew Early Childhood Education Facility under RFT01 2023-24 (the prior year represents the renewal of Mingenew-Mullewa Road Bridge, childcare centre upgrade and Midland Road garden rest area upgrade).

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	7,724	7,724	7,608
President's meeting attendance fees	6,775	6,775	6,608
President's other expenses	1,578	1,857	1,755
President's ICT expenses	252	1,000	872
President's travel and accommodation expenses	140	714	2,300
	<u>16,469</u>	<u>18,070</u>	<u>19,143</u>
Deputy President's annual allowance	1,931	1,931	1,904
Deputy President's meeting attendance fees	3,956	3,956	3,896
Deputy President's other expenses	1,578	1,857	600
Deputy President's ICT expenses	252	1,000	872
Deputy President's travel and accommodation expenses	1,221	714	0
	<u>8,938</u>	<u>9,458</u>	<u>7,272</u>
All other council member's meeting attendance fees	19,608	19,780	19,194
All other council member's All other council member expenses	2,996	9,286	3,000
All other council member's ICT expenses	2,521	5,000	4,359
All other council member's travel and accommodation expenses	0	3,572	0
	<u>25,125</u>	<u>37,638</u>	<u>26,553</u>
21(b)	<u>50,532</u>	<u>65,166</u>	<u>52,968</u>

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	584,371	527,754
Post-employment benefits	82,283	70,384
Employee - other long-term benefits	13,546	18,471
Employee - termination benefits	13,864	2,802
Council member costs	50,532	52,968
21(a)	<u>744,596</u>	<u>672,379</u>

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

21. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2024 Actual	2023 Actual
	\$	\$
Purchase of goods and services	6,393	26,912

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b).

ii. Other Related Parties

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

22. JOINT ARRANGEMENTS

Share of joint operations

In 1997/98, Council, in conjunction with Homeswest, constructed 3 x two-bedroom and 1 x one-bedroom Aged Persons' Units in the Mingenew townsite. The terms of the joint agreement provided for Council to contribute \$54,777 which equated to 15.34% of the equity at that time. Council capitalised subsequent expenditure on the units, increasing their equity stake to 18.58%.

A fair value assessment of the asset was undertaken in 2020/21, along with all other Council Land and Buildings assets, resulting in a revised valuation of \$439,000. The \$81,566 asset value reported in 2023 represents 18.58% of the revised fair value.

Council has capitalised further expenditure in the 2024 year, bringing their equity stake to 28.35%. Additions have been captured and disclosed at Note 9.

The initial term of the agreement was 25 years and expired on 20 August 2022. The contract is ongoing under the same terms of the original contract.

Statement of Financial Position	2024 Actual	2023 Actual
	\$	\$
Cash and cash equivalents	16,935	16,608
Property, plant and equipment (Asset #0254)	141,448	81,566
Less: accumulated depreciation	(9,533)	(5,106)
Total assets	148,850	93,068
Reserve accounts	16,935	16,608
Retain surplus	131,915	76,460
Total equity	148,850	93,068
Statement of Comprehensive Income		
Housing Revenue	20,085	25,440
Interest	716	422
Other income	69,916	0
Depreciation	(4,427)	(2,553)
Housing expense	(30,835)	(22,441)
Profit/(loss) for the period	55,455	868
Total comprehensive income for the period	55,455	868
Statement of Cash Flows		
Other revenue	20,118	25,862
Other expense	(19,791)	(22,441)
Net cash provided by (used in) operating activities	327	3,421

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after the end of the reporting period.

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

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

i) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

26. DETERMINATION OF SURPLUS OR DEFICIT

	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(11,670)	(21,750)	(26,393)
Less: Movement in liabilities associated with restricted cash	41,058	0	14,405
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,261)	0	(2,764)
Add: Loss on disposal of assets	6,956	0	42,960
Add: Impairment of Plant and Equipment	0	0	0
Add: Depreciation	2,524,274	2,471,973	2,516,633
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(3,930)	0	(6,051)
Employee benefit provisions	22,954	0	11,912
Non-cash amounts excluded from operating activities	2,578,381	2,450,223	2,550,702
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
Right of use assets received - non cash	20,707	0	0
Non-cash amounts excluded from investing activities	20,707	0	0
(c) Non-cash amounts excluded from financing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to financing activities			
Non cash proceeds from new leases	(20,707)	0	0
Non-cash amounts excluded from financing activities	(20,707)	0	0
(d) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	(1,100,189)	(653,444)	(1,103,077)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	56,220	312,597	55,774
- Current portion of lease liabilities	3,186	11,813	642
- Employee benefit provisions	148,064	92,603	107,006
Total adjustments to net current assets	(892,719)	(236,431)	(939,655)
Net current assets used in the Statement of Financial Activity			
Total current assets	3,753,887	1,857,439	2,945,441
Less: Total current liabilities	(1,260,926)	(1,621,008)	(1,309,062)
Less: Total adjustments to net current assets	(892,719)	(236,431)	(939,655)
Surplus or deficit after imposition of general rates	1,600,242	0	696,724

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
Grader		\$ 252,500	\$ 0	\$ (55,331)	\$ 197,169	\$ 0	\$ (55,774)	\$ 141,395	\$ 197,168	\$ 0	\$ (55,773)	\$ 141,395
Karara Houses		0	0	0	0	0	0	0	0	400,000	(31,630)	368,370
Total		252,500	0	(55,331)	197,169	0	(55,774)	141,395	197,168	400,000	(87,403)	509,765
Borrowing Finance Cost Payments												
Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023					
Grader	146	*WATC	0.80%	29/09/2026	\$ (2,538)	\$ (1,463)	\$ (3,365)					
Karara Houses	147	*WATC	5.00%	-	0	(19,282)	0					
Total					(2,538)	(20,745)	(3,365)					
Total Finance Cost Payments					(2,538)	(20,745)	(3,365)					

* WA Treasury Corporation

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
Purchasing housing	WATC	Debenture	10	5.00%	\$ 0	\$ 400,000	\$ 0	\$ 0	\$ 0	\$ 0
					0	400,000	0	0	0	0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual						Budget				
		Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
Multifunction Copier (Kyocera)		\$ 4,317	\$ 0	\$ (3,675)	\$ 642	\$ 0	\$ (642)	\$ 0	\$ 642	\$ 0	\$ (642)	\$ 0
Multifunction Copier (Ricoh)		0	0	0	0	20,707	0	20,707	0	15,000	(2,545)	12,455
Total Lease Liabilities	11(b)	4,317	0	(3,675)	642	20,707	(642)	20,707	642	15,000	(3,187)	12,455
Lease Finance Cost Payments												
Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term				
Multifunction Copier (Kyocera)	1	De Lage Landon	8.20%	7/09/2023	\$ (7)	\$ 0	\$ (217)	5yrs				
Multifunction Copier (Ricoh)	3	3E Advantage	12.42%	25/06/2029	0	(705)	0	5yrs				
Total Finance Cost Payments					(7)	(705)	(217)					

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

28. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Aged persons unit reserve	15,217	1,716	0	16,933	12,859	1,532	0	14,391	12,795	2,422	0	15,217
	15,217	1,716	0	16,933	12,859	1,532	0	14,391	12,795	2,422	0	15,217
Restricted by council												
(b) Employee entitlement reserve	79,212	3,725	0	82,937	77,063	2,771	0	79,834	76,723	2,489	0	79,212
(c) Building and land reserve	323,061	15,194	0	338,255	30,483	9,846	0	40,329	30,331	292,730	0	323,061
(d) Plant reserve	524,627	31,038	(160,827)	394,838	275,869	46,620	0	322,489	274,895	249,732	0	524,627
(e) Recreation reserve	13,633	641	0	14,274	3,114	112	0	3,226	3,099	10,534	0	13,633
(f) Environmental reserve	25,649	1,206	0	26,855	19,734	709	0	20,443	19,636	6,013	0	25,649
(g) Land development reserve	7,216	339	0	7,555	7,020	0	0	7,020	6,985	231	0	7,216
(h) TRC/PO/NAB building reserve	22,974	1,081	0	24,055	22,351	807	0	23,158	22,240	734	0	22,974
(i) Insurance reserve	44,693	2,103	0	46,796	23,183	833	0	24,016	23,068	21,625	0	44,693
(j) Economic development & marketing reserve	21,107	992	0	22,099	10,385	373	0	10,758	10,333	10,774	0	21,107
(k) Covid-19 emergency reserve	0	0	0	0	81,193	0	0	81,193	80,789	404	(81,193)	0
(l) Mingenew day care centre redevelopment	25,688	41,051	0	66,739	25,688	899	0	26,587	0	25,688	0	25,688
(m) Community infrastructure fund contribution reserve	0	58,853	0	58,853	0	0	0	0	0	0	0	0
	1,087,860	156,223	(160,827)	1,083,256	576,083	62,970	0	639,053	548,099	620,954	(81,193)	1,087,860
	1,103,077	157,939	(160,827)	1,100,189	588,942	64,502	0	653,444	560,894	623,376	(81,193)	1,103,077

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

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

Name of reserve account	Purpose of the reserve account	
Restricted by legislation/agreement		
(a) Aged persons unit reserve	Ongoing	For funding of future operating shortfalls of the aged person units in accordance with the Homeswest Joint Arrangement
Restricted by council		
(b) Employee entitlement reserve	Ongoing	For acquisition, construction and maintenance of buildings and associated land
(c) Building and land reserve	Ongoing	For purchase of plant and equipment
(d) Plant reserve	Ongoing	For the improvement of sportsgrounds
(e) Recreation reserve	Ongoing	To fund annual, sick and long service leave and accrued staff bonuses
(f) Environmental reserve	Ongoing	For rehabilitation of sites such as gravel pits, refuse and contaminated sites
(g) Land development reserve	Ongoing	For the acquisition, subdivision and development of land
(h) TRC/PO/NAB building reserve	Ongoing	For the maintenance of the buildings
(i) Insurance reserve	Ongoing	For the settlement of minor property expenses under \$5,000 that would otherwise been insurance claims
(j) Economic development & marketing reserve	Ongoing	For economic development and marketing of the Shire of Mingenew
(k) Covid-19 emergency reserve	As needed	For emergency relief to impacted staff and the fire or purchase of critical equipment
(l) Mingenew day care centre redevelopment	As needed	For holding funds raised externally, to be used for the future redevelopment of the Mingenew Day Care Centre
(m) Community infrastructure fund contribution reserve	Ongoing	To fund the acquisition, restoration, extension and improvement of community infrastructure

Shire of Mingenew

Audit Exit Report for the year ended 30 June 2024

Confidential
Nexia Perth Audit Services Pty Ltd
Report to those charged with governance

25 November 2024

Council Members
Shire of Mingenew
21 Victoria Road
Mingenew WA 6522

Dear Council Members

Exit Report for the year ended 30 June 2024 – Communication with those charged with Governance

We are pleased to present you with our Exit Report relating to the audit of Shire of Mingenew (the “Shire”) for the year ended 30 June 2024.

We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to the responsibilities in overseeing the financial reporting process. This report includes an analysis of the audit outcomes, key audit risk areas, our audit opinion and other recommendations for your attention.

We have substantially completed our audit work, with only the following matters outstanding:

- Receipt of the signed management representation letter;
- Confirmation that there are no subsequent events which might affect the financial statements; and
- Receipt of the signed financial report.

We expect to recommend an unmodified audit report to the Office of the Auditor General (“OAG”) after these matters are completed.

We would like to take this opportunity to thank the Shire finance and administrative team for their assistance over the course of the audit.

If you have any queries or wish to discuss any issues further, please do not hesitate to contact us.

Yours faithfully,

Justin Mulhair
Director
Nexia Perth Audit Services Pty Ltd

Stephanie Kaharudin
Acting Assistant Director
Office of the Auditor General

Section 1

Audit snapshot

Audit aspects	Outcome	Reference
i. Audit risk areas and focus areas	●	Section 3
ii. Current year findings and recommendations	●	Section 4
iii. Internal control assessment	●	Section 4
iv. Materiality and audit adjustments	●	Section 5
v. Instances of fraud or error relating to operations	●	Section 6

Audit process	Outcome	Reference
i. Level of preparedness for audit sufficient	●	Section 6
ii. All information required supplied in a timely manner	●	Section 6

High	Significant issues which warrant management's urgent attention.
Medium	Issues noted which warrant non-urgent attention by management.
Low	No exceptions noted.

Section 2

Audit scope

Scope

Financial Audit

The primary scope and objective is to perform a reasonable assurance audit to enable the Auditor General to express an opinion to the Council of the Shire on whether the **Shire's** general purpose financial report as a whole is free from material misstatements (whether due to fraud or error) and is prepared (in all material respects) in accordance with applicable Australian Accounting Standards to the extent they are not inconsistent with the Local Government Act 1995, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

Section 3

Audit risk areas

The areas below are audit risk areas that we identified based on our understanding of the **Shire's** operations, discussions with management as well as any additional risks that arose during the audit. These audit risk areas were included in our Audit Strategy Memorandum at the commencement of the audit and are summarised as follows;

Risk Areas

- Revenue recognition and presumed risk in accordance with ASA 240;
- Property, plant and equipment and infrastructure;
- Management override of controls;
- Information Technology General Controls (ITGC);

Focus Areas

- Operational expenditure and capital expenditure;
- Employee benefit provisions;
- Related party transactions and disclosures;
- Local government reform changes;
- Cash and cash equivalents;
- Borrowings and trade payables;
- Trade and other receivables;
- Reserve accounts; and
- Prior year management letter points.

This is not a complete list of all audit risks considered or all audit procedures performed. We have presented the risks in three categories: high, medium and low. These are defined as follows:

High Risk	A judgmental assessment of inherent risk as high relates to those risks which require special audit consideration (in terms of the nature, timing or extent of testing) because of: the nature of the risk, the likely magnitude of the potential misstatements (including the possibility that the risk may give rise to multiple misstatements) and the likelihood of the risk occurring.
Medium Risk	A judgmental assessment of inherent risk as medium relates to a risk that requires additional audit consideration beyond what would be required for a low risk, but which does not rise to the level of a high risk.
Low Risk	A judgmental assessment of inherent risk as low is related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement. Although it is considered that there is a risk of material misstatement, there are no elevated or special factors related to the nature, the likely magnitude of the potential misstatements or the likelihood of the risk occurring. We do not, as a matter of course, discuss normal risks with those charged with governance unless we seek their confirmation on the judgment that has been applied.

Audit risk areas


High Risk
Relates to those risks which require special audit consideration.


Medium Risk
Relates to a risk that requires additional audit consideration beyond what would be required for a low risk, but which does not rise to the level of a high risk.


Low Risk
Related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement.



















Risk rating	Audit risk area	Audit response and conclusion	Risk outcome
●	<p>Revenue recognition (presumed risk in accordance with <i>ASA 240 The Auditor's Responsibility to Consider Fraud in an Audit of a Financial Report</i>) The Shire's main sources of revenue are:</p> <ul style="list-style-type: none"> • government grants; • rates; • subsidiaries and contributions; and • other fees and charges. 	Based on the work performed, we are satisfied that operating and non-operating revenue/income has been correctly recognised during the year in accordance with the Shire's accounting policy and Australian accounting standards.	●
●	<p>Property, plant and equipment and infrastructure</p> <ul style="list-style-type: none"> • Under regulation 17A of the Financial Management Regulations, the Shire's Land and Buildings and Infrastructure are to be carried at fair value less accumulated depreciation and accumulated impairment losses. Under regulation 17(4) of the Financial Management Regulations, the Shire is required to revalue an asset: <ul style="list-style-type: none"> o whenever the local government believes the fair value of the asset is likely to be materially different from its carrying amount; and o in any event, within a period of at least every 5 years after the day on which the asset was last valued or revalued. • There is a risk that the fair value assessment has not been performed in accordance with AASB 13 Fair value measurement. • Furthermore, in accordance with paragraph 9 of AASB 136 Impairment of Assets, the Shire is required to assess at each reporting date whether there is any indication that an asset may be impaired. • Effective from 1 July 2018, regulation 17A (5) of the Financial Management Regulations provides that an asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition is under \$5,000. 	Based on the work performed, we are satisfied that Property, Plant and Equipment and Infrastructure were carried at fair value. There are effective internal controls in place, and we are satisfied that the Shire's accounting policy has been consistently applied and is in accordance with Australian accounting standards.	●
●	<p>Management override of controls (presumed risk in accordance with <i>ASA 240 The Auditor's Responsibility to Consider Fraud in an Audit of a Financial Report</i>) Management is involved in the day-to-day operations and monitoring of the business, which gives them the ability to manipulate accounting records and manipulate financial disclosures by overriding controls in place. Due to the unpredictable way in which such override could occur, this leads to potential fraud risk.</p>	Based on the work performed, we are satisfied that there are adequate internal controls in place surrounding journal entries and that these are operating effectively. Furthermore, journals processed during the year which we examined were supported by appropriate documentation. Lastly, there was no evidence of management bias noted in the use of accounting estimates and no unusual or significant transactions were noted outside the ordinary business of the Shire.	●
●	<p>Information Technology General Controls (ITGC) Integrated financial information and financial reporting relies on the security, integrity and reliability of a Shire's information technology environment.</p>	Based on work performed, we are satisfied that, overall, there are appropriate Information Technology General Controls in place.	●

Audit focus areas

 **High Risk**
Relates to those risks which require special audit consideration.

 **Medium Risk**
Relates to a risk that requires additional audit consideration beyond what would be required for a low risk, but which does not rise to the level of a high risk.

 **Low Risk**
Related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement.

Focus rating	Audit focus area	Audit response and conclusion	Focus Outcome
	Operational expenditure and capital expenditure As is prevalent in the local government industry, expenditure forms a large part of the Shire's operations. This takes the form of both operating expenditure and capital expenditure.	Based on the work performed, we are satisfied that operational and capital expenditure were correctly treated during the year and there are effective internal controls in place. Further, we are satisfied that Shire's accounting policy has been consistently applied and is in accordance with Australian accounting standards.	
	Employee benefit provisions Employee benefit provisions are a material balance in the Statement of Financial Position. Provisions for annual leave and long service leave involve a degree of management estimation and a level of uncertainty in their calculations.	Based on the work performed, we are satisfied that employee benefit provisions are fairly stated at the reporting date.	
	Related party transactions and disclosures The Shire is subject to the requirements of AASB 124 <i>Related Party Disclosures</i> (AASB 124) as they prepare general purpose financial statements. AASB 124 requires the disclosures of key management personnel compensation, elected members remuneration and other transactions and balances with related parties.	Based on the work performed, we are satisfied that related party transactions were all conducted at arm's length and have been appropriately disclosed in the financial report.	
	Local government reform changes As communicated at planning, the Local Government Reforms project is currently underway.	Based on work performed, there were no issues identified regarding any reform changes impacting the financial year ended 30 June 2024.	
	Cash and cash equivalents Cash and cash equivalents are material balances in the Statement of Financial Position for the Shire.	Based on the work performed, we are satisfied that cash and cash equivalents are fairly stated at the reporting date.	
	Borrowings and trade payables Borrowings and trade payables are material balances in the Statement of Financial Position for the Shire.	Based on the work performed, we are satisfied that borrowings and trade payables are fairly stated at the reporting date.	
	Trade and other receivables Trade and other receivables are material balances in the Statement of Financial Position for the Shire.	Based on the work performed, we are satisfied that trade and other receivables are fairly stated at the reporting date.	
	Reserve accounts The Shire has set up various reserve accounts for the purpose of setting aside money for a specific purpose to be used in a future period. Cash reserves are required to be held in separate bank accounts. However, reserve accounts are not separate funds and are consolidated with the municipal fund in the financial statements of the Shire.	Based on the work performed, we are satisfied that reserve accounts are fairly stated at the reporting date.	
	Prior year management letter point During the prior year audit, we identified that the Long Term Financial Plan for 2012 – 2022 was outdated and that a new Long Term Financial Plan has not been implemented as of 30 June 2023. However, we did identify that the Shire budgets annually effectively.	The Shire has addressed the prior year management letter point by updating the Long Term Financial Plan covering 2025-2036.	

Section 4

Current year findings and recommendations

Internal controls findings and recommendations

We are required to report to you any material weaknesses in the accounting and internal control systems identified during the audit.

During our audit for the year ended 30 June 2024, we evaluated the effectiveness of 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 processes:

1. Procurement, purchases and payments;
2. Property, plant and equipment
3. Payroll;
4. Bank and cash;
5. Monthly financial reporting; and
6. Journal entries.

Control weaknesses or deficiencies identified during the course of our fieldwork are categorised and reported in accordance with the categories defined below. The categories are:

Significant	Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating may be reported as a matter of non-compliance in the audit report in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
Moderate	Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
Minor	Those findings that are not of primary concern but still warrant attention and/or action being taken.

Current year findings and recommendations

● **Significant**
 Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.

● **Moderate**
 Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

● **Minor**
 Those findings that are not of primary concern but still warrant attention and/or action being taken.

Status: ✔ Done 🔄 In progress ○ Open / pending

Observation	Recommendation	Management comment / status
<p>● The Shires depreciation policy in relation to depreciation of buildings non-specialised and buildings – specialised is 40 to 60 years. It was identified that certain assets classified within these categories had been depreciated over shorter useful lives.</p>	<p>We recommend that management should ensure depreciation rates are correctly applied in accordance with the shire’s depreciation policy</p>	<p>While we reconcile the Asset Register to the movement in the General Ledger on a monthly basis, the estimated useful life and depreciation rates settings within SynergySoft’s Asset Module are reviewed less frequently. In the past, such checks and updates have been prompted by, or have otherwise coincided with, external revaluation activities. As these activities were not required to be performed during the 2024 financial year, thorough verification of the underlying depreciation rates was not in the forefront of our minds, and gave way to other priorities. A systematic review of our Fixed Asset Register will be performed during the current financial year to ensure alignment with our deprecation policies, and will update our internal control procedures accordingly.</p>

Section 5

Materiality and audit adjustments

Materiality

Misstatements, including omissions, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users of the financial report. The determination of materiality is a matter of professional judgement and is affected by our perception of the financial information needs of users of the financial report.

Unadjusted misstatements

Australian Auditing Standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

Unadjusted misstatements identified during the audit

	Assets Dr / (Cr)	Liabilities Dr / (Cr)	Equity Dr / (Cr)	Income Dr / (Cr)	Expenses Dr / (Cr)
Being differences identified in accrued income.	(8,512)	-	-	8,512	-
Total	(8,512)	-	-	8,512	-

Adjusted misstatements identified during the audit

	Assets Dr / (Cr)	Liabilities Dr / (Cr)	Equity Dr / (Cr)	Income Dr / (Cr)	Expenses Dr / (Cr)
Being the journal to account for additional accrued expenses.	-	(63,095)	-	-	63,095
Being the journal to correct the error identified in depreciation rates used.	342,070	-	-	-	(342,070)
Total	342,070	(63,095)	-	-	278,975

Section 6

Other reporting requirements

Area	Flag	Response
Consideration of fraud	●	<p>Our audit procedures include discussion with management and those charged with governance as to the existence of any known or suspected material fraud. There was no known or suspected material fraud noted from these discussions.</p> <p>We are not aware of any known or suspected material fraud, nor has it been brought to our attention by management. We will obtain in writing, representations regarding the existence of fraud, policies and procedures in place to prevent and detect fraud, noting no instances of fraud of which management are aware.</p>
Appropriateness of accounting policies	●	<p>We considered management's assessment of the effects of any accounting policy changes on the Shire's financial statements for the current financial year as well as their assessment of any potential effects arising from those standards applicable for the first time in subsequent financial periods.</p> <p>No new or revised accounting standards applicable for the first time for this financial year had an effect on the accounting policies previously adopted.</p> <p>We consider that the accounting policies adopted in the financial statements are appropriately applied and disclosed.</p> <p>We noted no transactions entered into by the Shire during the year for which there is a lack of authoritative guidance or consensus.</p> <p>There are no significant transactions that have been recognised in the financial statements in a different period than when the transaction occurred.</p>
Ethics and independence	●	<p>We have obtained independence declarations from all staff engaged in the audit.</p> <p>We confirmed that to the best of our knowledge, we met the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to our audit of the financial report.</p> <p>We have further considered the safeguards the Nexia Australia network has in place, and we are not aware of any services being provided that would compromise our independence as external auditor.</p>
Appropriateness of the use of Going Concern Basis of Accounting	●	<p>Based on the audit evidence obtained up to the date of our auditor's report, we are not aware of any material uncertainty that exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern.</p>
Interacting with management	●	<p>The Shire's finance and management team were well prepared for the audit and documentation requested over the course of the audit was provided in a timely manner. The audit was largely performed as planned.</p>

High

Significant issues which warrant management's urgent attention.

Medium

Issues noted which warrant non-urgent attention by management.

Low

No exceptions noted.

Other reporting requirements

Area	Flag	Response
Financial Report Disclosures	●	<p>Accounting estimates and judgements are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.</p> <p>The most sensitive estimates affecting the financial statements were in relation to:</p> <ul style="list-style-type: none"> • Depreciation of Infrastructure and PPE; • Fair Value Measurement of Infrastructure and PPE; • Employee Benefit Provisions (Annual Leave and Long Service Leave).
Errors, irregularities and illegal acts	●	We have noted no errors or irregularities that would cause the financial report to contain a material misstatement. As part of our normal statutory review no apparent illegal acts have come to our attention.
Compliance with laws & regulations	●	We are not aware of any known or suspected non-compliance with laws or regulations applicable to the entity that may be material to the financial report. We will also receive representations from management confirming that the Shire is in compliance with all laws and regulations that impact the organisation.
Management consultation with other independent accountants or experts	●	<p>If management consulted with other accountants about auditing and accounting matters, we are to inform the Council of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.</p> <p>To our knowledge, management has not consulted with any experts.</p>
Receipt of audit ready Financial Report	●	The date the Financial Report submitted by your entity and considered to be of audit ready quality was 24 September 2024.

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INDEPENDENT AUDITOR'S REPORT 30 JUNE 2024

Shire of Mingenew

To the Chief Executive Officer of the Shire of Mingenew

Part 1 – **Chief Executive Officer's Financial Statement for the Roads to Recovery Program under Part 8 of the *National Land Transport Act 2014***

Opinion

We have audited the accompanying special purpose financial statement presented in Part 1 – Chief Executive Officer's Financial Statement for the Roads to Recovery Program (the Program), which comprises a Statement of Receipts and Expenditure (the Statement) for the year ended 30 June 2024.

The Statement has been prepared by the Shire of Mingenew of section 90 of the *National Land Transport Act 2014* (the Act) and the *Roads to Recovery Funding Conditions 2019* (the Conditions) to meet the reporting requirements of the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

In our opinion, in all material respects:

- the Statement is based on, and in agreement with proper accounts and records
- the amount reported in the Statement as expended during the year was used solely for expenditure on the construction and/or maintenance of roads
- the amount certified by the Chief Executive Officer of the Shire of Mingenew in the Statement as its own source expenditure on roads during the year is based on, and in agreement with proper accounts and records.

Basis for opinion

We conducted our audit in accordance with the Australian Auditing Standards. Our responsibilities under those standards are further described in the **Auditor's** responsibilities for the audit of the Statement section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Basis of accounting

The Statement has been prepared for the purpose of fulfilling the Shire of Mingenew's reporting obligations to the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts under the Act and the Conditions. As a result, the Statement may not be suitable for another purpose.

Advisory. Tax. Audit.

ACN 145 447 105

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Other Matters

We draw attention to the matters below. Our opinion is not modified in respect of this matter.

Restriction on Distribution and Use

As a result of the basis of accounting, our report is intended solely for the Shire of Mingenew and the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts and should not be distributed to or used by parties other than the Shire of Mingenew or the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Other information

The Chief Executive Officer is responsible for the other information. The other information comprises the information accompanying the Statement, such as Parts 2, 3 and 4 for the year ended 30 June 2024, but not the Statement and our **auditor's report**.

Our opinion on the Statement does not cover the other information and, accordingly, we do not express any form of assurance conclusion thereon.

Responsibility of the Chief Executive Officer for the Statement

The Chief Executive Officer is responsible for the preparation of the Statement in accordance with the requirements of the Act and Conditions, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Chief Executive Officer is responsible for assessing the Shire of Mingenew's **ability to continue as a going concern, disclosing, as applicable, matters relating to going concern** and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire of Mingenew.

Auditor's responsibilities for the audit of the Statement

The objectives of our audit are to obtain reasonable assurance about whether the Statement is free **from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes** our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the Statement is located on the Auditing and Assurance Standards Board website. This description forms part of our **auditor's report and can be** found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Our independence and quality control relating to the report on the Statement

We have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

NPAS

Nexia Perth Audit Services Pty Ltd



Justin Mulhair
Director

Perth, Western Australia
31 October 2024

INDEPENDENT AUDITOR'S REPORT 30 JUNE 2024

Shire of Mingenew

2023-24 Annual Report for the Local Roads and Community Infrastructure Program

Opinion

We have audited the accompanying special purpose annual reports for Phase 3 and 4 prepared for the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) for the Local Roads and Community Infrastructure Program (the Program) for the year ended 30 June 2024, which comprises:

- the Chief Executive Officer's Financial Statement for Phase 3 and 4
- Annual Report Tables financial information limited to the *Total Approved LRCI Funding Contribution* and *LRCI Funding Actual Expenditure* for Phase 3 and 4.

The annual reports have been prepared by the Shire of Mingenew (the Shire) in accordance with the requirements of the COVID-19 Local Roads and Community Infrastructure Program Guidelines (the Guidelines) for Phase 3 and 4 of the Program to meet the reporting requirements of the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

In our opinion, in all material respects:

- the Chief Executive Officer's Financial Statements and Annual Report Tables financial information limited to the *Total Approved LRCI Funding Contribution* and *LRCI Funding Actual Expenditure* for Phase 3 and 4 are based on, and in agreement with, proper accounts and records
- the amount reported as expended during the year was used solely for expenditure on approved Local Roads and Community Infrastructure Projects
- the amount certified by the Chief Executive Officer in the Chief Executive Officer's Financial Statement as the Shire own source expenditure on the Program during the year is based on, and in agreement with, proper accounts and records.

Basis for opinion

We conducted our audit in accordance with the Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Advisory. Tax. Audit.

ACN 145 447 105

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Liability limited under a scheme approved under Professional Standards legislation.

Emphasis of Matter

We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Basis of accounting

The annual reports have been prepared for the purpose of fulfilling the Shire's **reporting obligations to the** Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts under the Guidelines. As a result, the annual report may not be suitable for another purpose.

Other Matter

We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Restriction on Distribution and Use

As a result of the basis of accounting, our report is intended solely for the Shire and the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts and should not be distributed to or used by parties other than the Shire or the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Other information

The Chief Executive Officer is responsible for the other information. The other information is the information in the annual reports for the year ended 30 June 2024, but not the information of the annual reports as described in the Opinion section of our report and our **auditor's report**.

Our opinion on the annual reports do not cover the other information and, accordingly, we do not express any form of assurance conclusion thereon.

Responsibilities of the Chief Executive Officer for the annual report

The Chief Executive Officer is responsible for the preparation of the annual reports in accordance with the requirements of the Guidelines, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the annual reports that are free from material misstatement, whether due to fraud or error.

In preparing the annual reports, the Chief Executive Officer is responsible for assessing the Shire's **ability to** continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

Auditor's responsibilities for the audit of the annual report

The objectives of our audit are to obtain reasonable assurance about whether the annual reports as a whole are **free from material misstatement, whether due to fraud or error, and to issue an auditor's report that** includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual reports. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the annual reports is located on the Auditing and Assurance Standards Board website. This description forms part of our **auditor's report and can be found at** https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Our independence and quality control relating to the report on the annual report

We have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

NPAS

Nexia Perth Audit Services Pty Ltd



Justin Mulhair
Director

Perth
31 October 2024

5.2 COMPLIANCE AUDIT RETURN 2023 – RESPONSE TO NON-COMPLIANCE MATTERS

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: FM.AUD.23.24
Disclosure of Interest: Nil
Date: 8 November 2024
Author: Erin Greaves, Manager Governance and Community
Authorising Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

The 2023 Compliance Audit Return identified a number of matters to be addressed and reported back to the Audit & Risk Committee / Council.

Key Points

- The Audit & Risk Committee resolved to hold over this item to the next meeting
- A number of actions have been taken to address the matters of non-compliance and outlined in this report

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 5.2

MOVED: Ms J Bagshaw **SECONDED:** Cr AT Pearse

That the Audit & Risk Committee recommends that Council:

1. notes the response and actions to the potential non-compliance matters resulting from the 2023 Compliance Audit Return, as outlined within this report; and
2. seeks further advice regarding the application of anti-avoidance and aggregated purchasing practices in relation to relevant legislation and its Purchasing Policy, which is to be reported back to the Audit & Risk Committee and Council prior to 30 April 2025.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/0

(FOR: Cr HR McTaggart, Cr AT Pearse, and Ms J Bagshaw AGAINST: Nil)

Background

The 2023 Compliance Audit Return was completed and presented to Council 20 March 2024. The Council decision in regard to the CAR was as follows:

AUDIT & RISK COMMITTEE RECOMMENDATION AND COUNCIL DECISION – ITEM 4.1 – RESOLUTION# 01200324S

MOVED: Cr AR Smyth **SECONDED:** Cr AT Pearse

Council:

1. Adopts the 2023 Compliance Audit Return (CAR) for the period 1 January to 31 December 2023 as presented in the Attachment Booklet;
2. Authorises the Shire President and Chief Executive Officer to sign the certification of the CAR, and lodge it with the Department of Local Government, Sport and Cultural Industries as required;
3. Notes the reported areas of non-compliance within the 2023 Compliance Audit Return, as follows:
 - a) Non-compliance with current Purchasing Policy – occasions where quotation requirements were not met or not evidenced for purchase values \$10,001-\$50,000 and purchasing activity

for same category of supply has not been aggregated into single contract arrangements where it may have been possible.

- b) Evidence of written notice not found to support requirement to give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted; and

4. Requests that a report be prepared and presented to the next Audit & Risk Committee identifying areas where aggregation of purchases into a single contract have not been undertaken and provide solutions to address this, including a potential review of the Purchasing Policy and any potential advocacy actions to gain greater clarity on expected best practice within the sector.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 7/0

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, Cr AR Smyth, and Cr RA Starick AGAINST: Nil)

Following discussion on this report at the most recent Audit & Risk Committee meeting on 11 November 2024, this item was held over for discussion at the next meeting, for additional information to be included for consideration. As such, an amended report (below) has been prepared, addressing the above matters and is presented to the Audit & Risk Committee for review.

Comment

Non-compliance with current Purchasing Policy – occasions where quotation requirements were not met or not evidenced for purchase values \$10,001-\$50,000 and purchasing activity for same category of supply has not been aggregated into single contract arrangements where it may have been possible.

The following comment was provided in the March Report:

"As part of the CAR review, a creditors report was run and all creditors that had a single expense or combined total expenditure for the year of over \$10,000 was reviewed for compliance against the Purchasing Policy. It was noted that there were several expenses that did not evidence the quote requirements or purchasing activity for same category of supply has not been aggregated into single contract arrangements where it should or could have been. The Shire has previously identified this as a weakness in its systems and already had scheduled a new system to be implemented (however the new Altus finance system implementation has been delayed to August 2024).

The new finance system is better equipped to capture quoting requirements and has built-in preventative measures to ensure a purchase order is not approved until requirements have been met. It will also ensure records management is captured within the same system to enable these audits to be conducted more easily."

Response:

As indicated in the March Agenda Report, one of the key internal controls proposed to address non-compliance matters, particularly with regard to procurement, included the implementation of a new finance system in Altus Finance.

At the time, it was expected that the Shire would be transitioning to Altus Finance in August 2024 however, this was further delayed and then cancelled as IT Vision moves away from the Altus system to develop under Readytech Community. We do not currently have an update on when this will be ready and are continuing under the outdated SynergySoft program until a suitable alternative is available.

Whilst the new system proposed mechanical system protections to mitigate the risk of errors and the capturing of inadequate evidence, the Shire will need to be vigilant in ensuring the human component of adhering to the Purchasing Policy and purchasing procedures is prioritised.

Evidence of written notice not found to support requirement to give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted.

Similarly to the above non-compliance matter, the system failure is a result of human error and can be remedied with training and improved procedures or checklists.

The specific issue was determined to be occurring when the WALGA eQuotes system was used, and information not being downloaded and captured with the Shire's own recordkeeping system, or where the tender process is managed by an external party, the records were not transferred. Staff have determined a method for downloading responses for capturing in our recordkeeping system.

Requests that a report be prepared and presented to the next Audit & Risk Committee identifying areas where aggregation of purchases into a single contract have not been undertaken and provide solutions to address this, including a potential review of the Purchasing Policy and any potential advocacy actions to gain greater clarity on expected best practice within the sector.

Due to the complexity of this matter, the Shire is seeking further advice on the interpretation of legislation, Purchasing Policy implications and better practice from WALGA, and other procurement specialists in the industry to ensure Council is compliant and adhering to objectives of the Purchasing Policy, and can provide sound advice in regard to potential non-compliance matters identified.

Consultation

Helen Sternick, Manager Corporate Services
Matt Fanning, Chief Executive Officer

Statutory Environment

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

14. Compliance audits by local governments

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

Policy Implications

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

Financial Implications

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

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency

15. Financial practices are responsive to compliance requirements and revenue needs

5.3 REVIEW OF RISK REGISTER 2024

Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: RM.RSA
Disclosure of Interest: Nil
Date: 8 November 2024
Author: Erin Greaves, Manager Governance & Community
Authorising Author: Matt Fanning, Chief Executive Officer
Voting Requirements: Simple Majority

Summary

An update of the Shire's Risk Register has been undertaken, following completion of a number of actions from the Register endorsed in December 2022 by the Audit & Risk Committee.

Key Points

- The Shire maintains a Risk Register to assist in identifying and managing its risks, as required by the Shire's Risk Management Policy
- The Risk Register was last presented to the Audit & Risk Committee / Council in draft form on 11 November 2024

OFFICER RECOMMENDATION AND COMMITTEE DECISION - ITEM 5.3

MOVED: Ms J Bagshaw

SECONDED: Cr AT Pearse

That the Audit & Risk Committee:

1. receives the updated Shire of Mingenew Final Risk Register 2024 and Action List, as attached; and
2. reviews the Risk Register and Action List status at each Committee meeting.

VOTING REQUIREMENTS:

CARRIED BY SIMPLE MAJORITY 3/0

(FOR: Cr HR McTaggart, Cr AT Pearse, and Ms J Bagshaw AGAINST: Nil)

Attachment

5.3.1 Shire of Mingenew Risk Register (reviewed November 2024)

Background

The Shire has a responsibility to review control effectiveness, mitigate risk and provide Council with a level of assurance on the systems, processes and procedures employed by management and the management of a Risk Register is an appropriate tool for capturing and communicating these.

The Risk Register was last reviewed in December 2022, in draft form at the 11 November 2024 Audit & Risk Committee meeting and final version is available for review.

Comment

As an overview, the Risk Register has been updated to note current control measures used to mitigate risks in each risk theme, actions to address inadequate control measures, and practical timelines for completing actions. The Dashboard provides an overview of the identified risk priorities. Each risk theme tab then provides detail on the risk profile and control ratings, and proposed treatment actions.

Whilst the Risk Register itself provides the context for Operational Risk priority areas; a summary has been provided as an attachment. Risk themes that have a Risk Acceptance rating of 'Unacceptable' and 'Urgent Attention' are highlighted below:

- Asset Sustainability
- Business and Community Disruption
- Environment
- Project Management
- WHS

Consideration of resourcing capacity and budget have informed the Action List timeframes.

The Shire's Risk Management Policy outlines the risk register's themes. For each risk theme, or risk theme under review, using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, the below listed questions are proposed as a guide. The objective is to identify potential risks that could stop the Shire from achieving its goals:

- I. What can go wrong? / What are areas of uncertainty? (Risk Description- describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event).
- II. How may this risk eventuate? (Potential Causes- are the conditions that may present or the failures that may lead to the event or point in time when control is lost (risk)).
- III. What are the current measurable activities that mitigate this risk from eventuating? (Controls- are measures that modify risk. At this point in the process only existing controls should be considered).
- IV. What are the potential consequential outcomes of the risk eventuating? (Consequences- need to be impacts to the Shire. These can be health of staff, visitors or contractors; financial; interruption to services provided; non-compliance; damage to reputation or other assets or the environment. There is no need to determine the level of impact at this stage).

Consultation

The Risk Register control measures have been determined based on a review of the Shire's current policies, procedures and practices and informed further by best practice outlined by the Office of the Auditor General, WALGA, LGIS and other industry stakeholders.

Statutory Environment

Local Government Act 1995

Policy Implications

The Shire's Risk Management Framework and Procedures outline the risk register's themes to assist in classifying risks and reporting on them.

Financial Implications

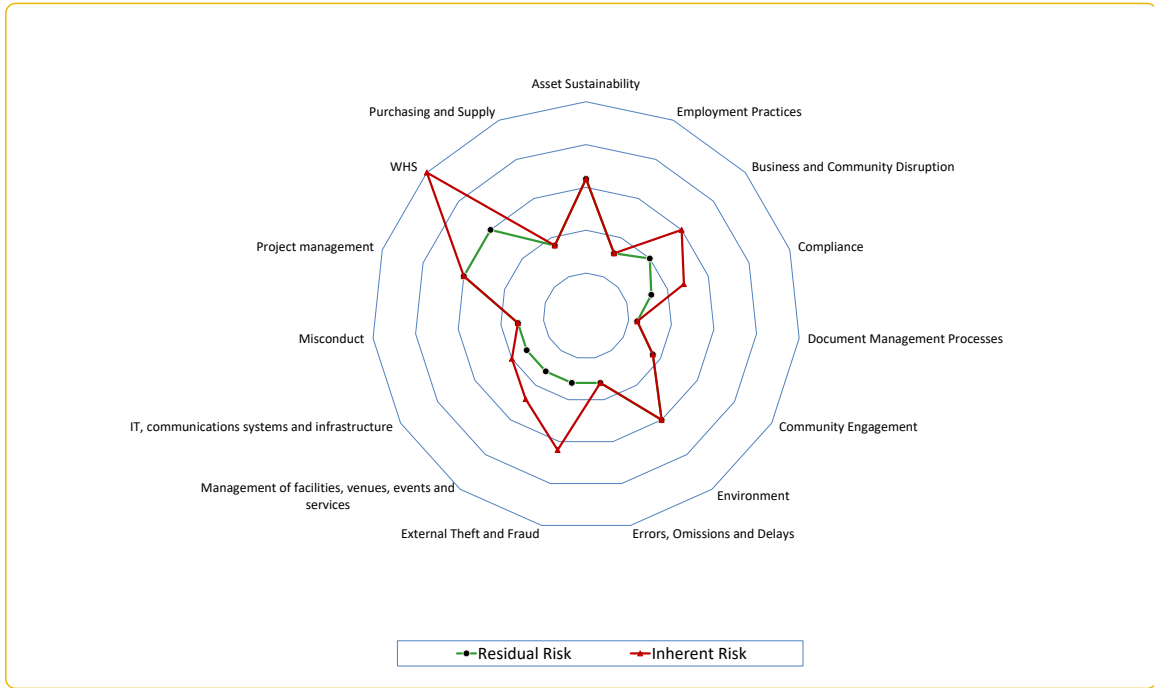
Any financial implications from proposed actions will be achieved through current budget allocations or proposed through the 2024/25 and 2025/26 Budget at an operational level.

Strategic Implications

Strategic Community Plan 2023-2033

14. Continued high standard of good governance and transparency
15. Financial practices are responsive to compliance requirements and revenue needs

**Local Government
Risk Dashboard**



Asset Sustainability	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Unacceptable
Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.				
Implement concrete strategies for regular playground inspections (trained 45992 WM)				

Employment Practices	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Failure to effectively manage human resources (full-time, part-time, casuals, temporary and volunteers).				

Business and Community Disruption	Risk Rating		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention
Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism) and/or pandemic.				

Compliance	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.				

Document Management Processes	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.				

Community Engagement	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so				

Environment	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention
Inadequate prevention, identification, enforcement and management of environmental issues.				

Errors, Omissions and Delays	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.				

External Theft and Fraud	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic), for the purposes of fraud, malicious damage or theft.				

Management of facilities, venues, events and services	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Failure to effectively manage the day to day operations of facilities, venues and events.				

Misconduct	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority				

Project management	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention
Inadequate analysis, design, delivery and reporting of projects / change initiatives				

IT, communications systems and infrastructure	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Adequate
	Residual Risk	Moderate	Risk Acceptance	Accept
Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community.				

Purchasing and Supply	Risk Ratings		Risk Evaluation	
	Inherent Risk	Moderate	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.				

WHS	Risk Ratings		Risk Evaluation	
	Inherent Risk	Extreme	Control effectiveness	Inadequate
	Residual Risk	High	Risk Acceptance	Urgent attention
Non-compliance with the Workplace Health & Safety Act, associated regulations and standards.				

Psychosocial Hazards	Risk Ratings		Risk Evaluation	
	Inherent Risk	High	Control effectiveness	Inadequate
	Residual Risk	Moderate	Risk Acceptance	Monitor
Inadequate controls to identify and manage psychosocial hazards, including poor work design, oversight and non-compliance with WHS Act and Regulations.				

Measures of Consequence							
Type	Health	Financial Impact	Service Interruptions	Compliance	Reputation	Property	Environmental
Insignificant (1)	Near miss / minor first aid injuries	Less than \$10,000	No material service interruption	No noticeable regulatory or statutory impact. Threat of litigation. No effect on contract performance.	Unsubstantiated, low impact, no media involvement Example Gossip, Facebook item seen by limited persons	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	Medical type injuries / Lost time injury <30 Days	\$10,000 - \$50,000	Short term temporary interruption – backlog cleared (< 1 day)	Some temporary non compliances. Single minor litigation. Requires formal meeting with contracted party where concern is raised.	Substantiated, low impact, low news profile Example Local paper / Industry news article, Facebook item seen by multiple groups	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries / Lost time injury >30 Days	\$50,001 to \$250,000	Medium term temporary interruption – backlog cleared by additional resources (< 1 week)	Short term non-compliance but with no significant regulatory requirements imposed. Single moderate litigation or numerous minor litigations.	Substantiated, public embarrassment, moderate impact, moderate news profile. Example State-wide paper, TV News story.	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Long-term disability / multiple injuries	\$250,001 to \$1,000,000	Prolonged interruption of services – additional resources; performance affected (< 1 month)	Non-compliance results in termination of service or imposed penalties. Single major litigation.	Substantiated, public embarrassment, high impact, high news profile, Third Party actions Example Australia wide news stories. Regulatory / Political commentary involvement	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	>\$1,000,000	Indeterminate prolonged interruption of services – non-performance (> 1 month)	Non-compliance results in litigation, criminal charges or significant damages or penalties. Numerous major litigations / class action.	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, Third Party actions Example World wide news, Focused articles (e.g. 60 minutes). Regulatory / Political oversight and involvement.	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Measures of Likelihood		
Rating	Descriptor	Frequency
Almost Certain (5)	Expected to occur in most circumstances	More than once per year or incident is clearly imminent.
Likely (4)	Probably occur in most circumstances	At least once per year
Possible (3)	Should occur at some time	At least once in three years
Unlikely (2)	Could occur at some time	At least once in 10 years
Rare (1)	Only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix					
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with effective controls, managed by senior management and subject to monthly monitoring	Executive Manager / CEO
EXTREME	Unacceptable	Risk generally not acceptable	CEO / Council

Existing Controls Ratings			
Rating	Foreseeable	Description	
Effective	There is <u>little</u> scope for improvement.	Documentation	Processes (Controls) fully documented, with accountable 'Control Owner'.
		Operating Effectiveness	Subject to ongoing monitoring and compliance to process is assured.
		Design Effectiveness	Reviewed and tested regularly.
Adequate	There is <u>some</u> scope for improvement.	Documentation	Processes (Controls) partially documented, with a clear 'Control Owner'.
		Operating Effectiveness	Limited monitoring, ad-hoc approach and compliance to process is generally in place.
		Design Effectiveness	Reviewed and tested, but not regularly.
Inadequate	There is a <u>need</u> for improvement or action.	Documentation	Processes (Controls) not documented or no clear 'Control Owner'.
		Operating Effectiveness	No monitoring or compliance to process is not assured.
		Design Effectiveness	Have not been reviewed or tested for some time.

Risk Register Action List

Action / Treatments	Risk Category	Due Date	Responsibility	Status
Council to adopt a 'Dealing with Challenging Behaviours' Policy and internal staff training	Psychosocial Hazards	Dec-24	MGC	
Pre-budget planning for community projects - include early engagement with stakeholders	Project management	Feb-25	MCS	
Councillors to complete mandatory training	Compliance	Mar-25	Council	
Establish and adopt minimum standards for bushfire volunteers	WHS	Mar-25	CEO	
Ensure appointed fire wardens complete training	Business and Community Disruption	Mar-25	MGC	
Psychological Hazards Training (LGIS) for employees	Psychosocial Hazards	Mar-25	LGIS / MGC	
Performance reviews for all employees completed annually	Employment Practices	Apr-25	All Managers / CEO	
Cyber awareness training for employees and Councillors (include as provision in new ICT Contract)	IT, communications systems and infrastructure	Apr-25	MCS	
Implement WHS Audit Actions	WHS	Apr-25	MGC	
Test emergency procedures	Business and Community Disruption	May-25	MGC	
Train additional staff to conduct playground inspections (LGIS)	Asset Sustainability	Jun-25	WM	
First aid training to be provided for staff and bushfire volunteers	Business and Community Disruption	Jun-25	MGC	
Upgrade Rec Centre as Evacuation Centre	Environment	Jun-25	CEO	
Train additional staff to conduct playground inspections (LGIS)	Management of facilities, venues, events and services	Jun-25	WM	
Transition to electronic purchasing / management system	Purchasing and Supply	Jun-25	MCS	
Implement schedule for regular playground inspections (trained staff)	Asset Sustainability	Dec-25	WM	
Workforce Plan to be updated (internal resource)	Employment Practices	Dec-25	MGC	
Implement schedule for regular playground inspections (trained staff)	Management of facilities, venues, events and services	Dec-25	WM	
Develop events management process and checklist for community	Management of facilities, venues, events and services	Dec-25	MGC	
Develop Building Maintenance Program	Asset Sustainability	Jun-26	MGC (external assist)	
Prepare Public Health Plan	Environment	Jun-26	MGC	
Update Asset Management Plan (allocate funding 2025/26 Budget)	Asset Sustainability	Jun-26	CEO (external assist)	

Asset Sustainability

Sep-24

Risk Description

Failure or reduction in service of infrastructure assets, plant, equipment or machinery.

These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Skill level & behaviour of operators • Lack of trained staff • Outdated equipment • Insufficient budget to maintain or replace assets • Unavailability of parts • Lack of Maintenance • Breakdowns 	<ul style="list-style-type: none"> • Financial • Service interruption • Property damage • Non compliance • Health

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	Date	Control Operating Effectiveness
Plant Replacement Program	Preventative	Sep-24	Adequate
Asset Management Framework (Plan & Strategy)	Preventative	Sep-24	Inadequate
Building Maintenance Program	Preventative	Sep-24	Inadequate
Fleet Management System	Preventative	Sep-24	Adequate
Road Asset Management System	Preventative	Sep-24	Adequate
Housing Replacement Program	Preventative	Sep-24	Adequate
Incident reporting	Detective	Sep-24	Adequate
Property condition inspections	Detective	Sep-24	Adequate
Playground inspections	Detective	Sep-24	Inadequate
Training Register and Plan	Preventative	Sep-24	Effective

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Risk Evaluation Unacceptable

Actions / Treatments	Due Date	Responsibility
Update Asset Management Plan (allocate funding 2025/26 Budget)	Jun-26	CEO (external assist)
Develop Building Maintenance Program	Jun-26	MGC (external assist)
Train additional staff to conduct playground inspections (LGIS)	Jun-25	WM
Implement schedule for regular playground inspections (trained staff)	Dec-25	WM

Comments / Justifications

Building maintenance is currently reactive, planned maintenance scheduling, developed from inspections of infrastructure will assist the Shire to have a facilitate a more planned approach. Data from asset valuations to inform a holistic Building Maintenance Plan. Work has commenced on preparing a Plan specific to Housing maintenance.

Asset Management Plan significantly out of date (2016) - to be renewed following valuation and as resources provide.

Business and Community Disruption

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Cyclone, storm, fire, earthquake • Terrorism / sabotage / criminal behaviour • Epidemic / Pandemic • Loss of suppliers • Climate change • Loss of key staff • Loss of key infrastructure 	<ul style="list-style-type: none"> • Service Interruption • Reputational damage • Health • Financial Impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Local Emergency Management Arrangements	Recovery	Sep-24	Effective
Local Recovery Plan	Recovery	Sep-24	Adequate
Business Continuity Plan	Recovery	Sep-24	Adequate
Cybersecurity systems	Preventative	Sep-24	Effective
Financial Management procedures	Preventative	Sep-24	Effective
State of Emergency protocols	Recovery	Sep-24	Adequate
STAND	Recovery	Sep-24	Effective
PID Policy and procedures	Detective	Sep-24	Effective
LEMC Meetings and exercises	Preventative	Sep-24	Effective
Established & Trained ECO's (Fire Wardens, First Aiders)	Preventative	Sep-24	Inadequate
List of vulnerable community members	Recovery	Sep-24	Adequate
Evacuation procedures	Preventative	Sep-24	Adequate
Employee Assistance Program (EAP) and counselling services	Recovery	Sep-24	Effective

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Unlikely	High

Risk Evaluation	Urgent attention

Actions / Treatments	Due Date	Responsibility
Ensure appointed fire wardens complete training	Mar-25	MGC
Test emergency procedures	May-25	MGC
First aid training to be provided for staff and bushfire volunteers	Jun-25	MGC

Comments / Justifications

Provision of training for fire wardens and first aid has been included in the Shire's Training Plan and Budget for 2024/25.

Emergency procedures will require review and testing once fire wardens trained.

Risk Description

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Lack of training, awareness and knowledge • Staff Turnover • Inadequate record keeping/ failure of corporate electronic systems • Ineffective policies & processes • Impulsive decision making • Elected member turnover • Lack of Legal Expertise • Breakdowns in the tender or procurement process • Ineffective monitoring of changes to legislation • Attitudinal problems 	<ul style="list-style-type: none"> • Non-compliance • Reputational • Environmental • Financial Impact

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Compliance Calendar	Preventative	Sep-24	Effective
Compliance Audit Return	Detective	Sep-24	Effective
Councillor and Staff Inductions	Preventative	Sep-24	Adequate
Records Management System	Preventative	Sep-24	Effective
WALGA Governance subscription	Preventative	Sep-24	Effective
LG Professionals - DLGSC webinars	Preventative	Sep-24	Effective
Audit & Risk Committee	Preventative	Sep-24	Effective
Internal Audits (Internal Audit Plan)	Detective	Sep-24	Adequate
External Audits (financial, Reg 17 etc)	Detective	Sep-24	Effective
Financial Interest disclosures	Preventative	Sep-24	Effective
Elected Member Training & Register	Preventative	Sep-24	Inadequate
FOI, PID Process	Detective	Sep-24	Effective
Councillor Attendance Register	Preventative	Sep-24	Effective
Tender Register & documented process	Preventative	Sep-24	Adequate
Policy Reviews	Preventative	Sep-24	Adequate

Overall Control Effectiveness	Risk Rating
	Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Action
	Monitor

Actions / Treatments	Due Date	Responsibility
Councillors to complete mandatory training	Mar-25	Council

Comments / Justifications

Council currently has four members that have not completed all units of the mandatory Council Member Training, although budget provision has been made. No consequences for non-compliance. Challenging for Councillors to commit time.

Document Management Processes

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Spreadsheet/database/document corruption or loss • Inadequate access and / or security levels • Inadequate Storage facilities (including climate control) • Lack of knowledge/training • Incompatible systems • Lack of awareness of the State Records Act • Outdated record keeping practices • Incomplete authorisation trails 	<ul style="list-style-type: none"> • Compliance • Reputation • Loss of data

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Records Management Policy and procedures	Preventative	Sep-24	Effective
Recordkeeping Plan	Preventative	Sep-24	Effective
Recordkeeping Inductions	Preventative	Sep-24	Adequate
Climate control archive and records room	Preventative	Sep-24	Adequate
Records access management	Preventative	Sep-24	Effective
Data back up systems	Preventative & Recovery	Sep-24	Effective

Overall Control Effectiveness	Risk Rating
	Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil.		

Comments / Justifications

Important to ensure new staff are appropriately trained on record keeping procedures and practices to maintain and improve.

Employment Practices

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Leadership failures Key / single-person dependencies Poor internal communications / relationships Ineffective Human Resources policies, procedures and practices Ineffective performance management arrangements Limited staff availability - labour market Inadequate staff training / knowledge 	<ul style="list-style-type: none"> Health Compliance Reputation Service interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
HR Policies and procedures	Preventative	Sep-24	Adequate
Training Register and Plan	Preventative	Sep-24	Adequate
Performance appraisals	Detective	Sep-24	Inadequate
Position Description reviews	Preventative	Sep-24	Adequate
Attraction and Retention Policy	Preventative	Sep-24	Adequate
WALGA Employee Relations subscription	Preventative & Recovery	Sep-24	Effective
Internal resourcing (HR expertise)	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
Workforce Plan	Preventative	Sep-24	Inadequate
Staff inductions / onboarding	Preventative	Sep-24	Adequate
Termination controls	Preventative	Sep-24	Adequate
Staff meetings / memos	Preventative	Sep-24	Effective
Exit Interviews	Detective	Sep-24	Adequate

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation Monitor

Actions / Treatments	Due Date	Responsibility
Performance reviews for all employees completed annually	Apr-25	All Managers / CEO
Workforce Plan to be updated (internal resource)	Dec-25	MGC

Comments / Justifications

Workforce Plan 2020-2024 is due for review. In consideration of internal resourcing, the project could be completed by Dec-2025. Workforce Plan update provides a control for various risk themes, including 'Psychosocial' and 'Project Management'.

Performance reviews have not been consistently completed for all staff within the organisation, although most are complete. The Shire does have a reasonable practice for ensure there are opportunities to discuss performance, training needs and employee satisfaction outside of reviews, this mechanism ensures there is a formal opportunity and records captured.

Community Engagement

Sep-24

Risk Description

Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Relationship breakdowns with community groups Leadership inattention to current issues Inadequate documentation or procedures Budget / funding issues Poor communication and engagement on issues Inadequate support for community groups 	<ul style="list-style-type: none"> Reputation Compliance Service interruption Environmental

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Newsletter / Social Media / SMS / Emails / Media Releases / Letter drops	Preventative	Sep-24	Effective
Community Satisfaction Survey	Detective	Sep-24	Effective
Community Information Sessions / Workshops	Preventative	Sep-24	Effective
Concept Forums / Council Meetings	Preventative	Sep-24	Adequate
Executive Management Team meetings	Preventative	Sep-24	Effective
Community Surveys	Detective	Sep-24	Effective
Marketing & Communication Strategy	Preventative	Sep-24	Adequate
Crisis Communication Plan	Preventative	Sep-24	Adequate
Budget Reviews	Detective	Sep-24	Adequate
Internal resourcing (Community Development)	Preventative	Sep-24	Effective
Staff Meetings and memos	Preventative	Sep-24	Effective
Overall Control Effectiveness			Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications

Yet to implement Marketing & Communications Strategy but framework in place. Request for quote to implement the Strategy is imminent.

Environment

Sep-24

Risk Description

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

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate management of landfill sites Lack of understanding / knowledge Inadequate local laws / planning schemes Prolific extractive industry (sand, limestone, etc) Poor management of contaminated sites Clandestine drug labs disposing of chemicals illegally Weather events / natural disasters Climate change Inadequate weed and pest management Land contamination 	<ul style="list-style-type: none"> Environmental Compliance Health Reputational Property Financial

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Transfer Station management contract	Preventative	Sep-24	Adequate
Asbestos Management Plan & Register	Preventative	Sep-24	Adequate
Evacuation facilities	Recovery	Sep-24	Inadequate
Weed management program	Preventative	Sep-24	Adequate
Pest control program	Preventative	Sep-24	Adequate
Bore monitoring program	Detective	Sep-24	Adequate
Local Emergency Management Arrangements / Recovery Plan	Recovery	Sep-24	Effective
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Effective
Mosquito management program	Preventative	Sep-24	Adequate
Public health planning	Preventative	Sep-24	Inadequate
Complaints / feedback system	Detective	Sep-24	Effective

Overall Control Effectiveness Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Risk Evaluation Urgent attention

Actions / Treatments	Due Date	Responsibility
Upgrade Rec Centre as Evacuation Centre	Jun-25	CEO
Prepare Public Health Plan	Jun-26	MGC

Comments / Justifications

Local governments are required to implement a Public Health Plan by June 2026 - preliminary work to prepare the plan has commenced.
 Rec Centre upgrade project has been delayed due to sourcing of suitable suppliers to provide cost estimates - recently engaged surveyor to prepare estimate to inform works, noting project to be acquitted by June 2025.

Errors, Omissions and Delays

Sep-24

Risk Description

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate internal processes Lack of knowledge/training Legislative changes Unrealistic community/council expectations Incorrect information Staff turnover Work pressures / deadlines Failure to monitor external non-compliance (swimming pools/food hygiene) Human Error 	<ul style="list-style-type: none"> Compliance Reputational Financial Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Customer Service Charter	Preventative	Sep-24	Effective
Documented procedures	Preventative	Sep-24	Adequate
Staff inductions and training (topic and role specific)	Preventative	Sep-24	Adequate
Executive Management Team meetings	Preventative & Detective	Sep-24	Adequate
Grants Register	Preventative	Sep-24	Adequate
Compliance Calendar	Preventative	Sep-24	Effective
Exit Interviews	Detective	Sep-24	Adequate
Complaints/feedback register	Detective	Sep-24	Effective
LG Professionals - DLGSC Webinars (reform updates, trends etc)	Preventative	Sep-24	Effective
Food premises inspections	Detective	Sep-24	Effective
Swimming Pool inspections	Detective	Sep-24	Effective
Firebreak inspections	Detective	Sep-24	Effective
WHS inspections and audits	Detective	Sep-24	Effective

Overall Control Effectiveness	Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications
Satisfactory controls noted.

External Theft and Fraud

Sep-24

Risk Description

Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic), for the purposes of fraud, malicious damage or theft.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate security measures Robbery / theft Cyber crime Scam invoices Inadequate knowledge/training staff collusion 	<ul style="list-style-type: none"> Financial Reputational Property Service Interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Likely	High

Key Controls	Type	Date	Control Operating Effectiveness
Security access controls (access cards, keys, key cabinet and locks)	Preventative	Sep-24	Adequate
Cyber awareness training for employees and Councillors	Preventative	Sep-24	Inadequate
Safe (cash and important documents)	Preventative	Sep-24	Adequate
Fraud and Misconduct Management Policy	Preventative	Sep-24	Effective
Access management (passwords, limiting access, authentication)	Preventative	Sep-24	Effective
Privacy and Responsible Information Sharing (PRIS) systems	Preventative	Sep-24	Adequate
Credit Card Use Policy	Preventative	Sep-24	Effective
Information & Communication Technology (ICT) Use Policy	Preventative	Sep-24	Effective
Overall Control Effectiveness			Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor

Actions / Treatments	Due Date	Responsibility
Nil - Cyber awareness addressed under 'IT & Comms'		

Comments / Justifications
Manager Corporate Services and Senior Finance Officer attended cybersecurity strategy and response plan training (LGIS) in Geraldton (Nov 2024) - all organisation awareness required.
Cyber awareness addressed under 'IT & Comms'

Management of facilities, venues, events and services

Sep-24

Risk Description

Failure to effectively manage the day to day operations of facilities, venues and events.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Lack of internal procedures Inappropriate alcohol consumption Inadequate hiring agreements Poor event planning Lack of internal knowledge/training Lack of monitoring 	<ul style="list-style-type: none"> Financial Reputational Compliance Health Environmental

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Building maintenance program	Detective & Recovery	Sep-24	Adequate
Access management (keys and access cards)	Preventative	Sep-24	Adequate
Facility booking system	Preventative	Sep-24	Adequate
Hire agreements & insurance checks	Preventative	Sep-24	Adequate
Events management process	Preventative	Sep-24	Adequate
Lease management	Preventative	Sep-24	Adequate
Public building inspections	Preventative	Sep-24	Adequate
Playground inspections	Preventative	Sep-24	Inadequate
LGIS property register review	Preventative	Sep-24	Adequate
Asset replacement program	Preventative	Sep-24	Adequate
Cleaning program	Preventative	Sep-24	Adequate
Reporting mechanisms for damage / maintenance	Detective	Sep-24	Adequate
Liquor licensing approvals	Preventative	Sep-24	Adequate
Property Condition reporting (housing)	Detective	Sep-24	Adequate
APU Management obligations (Joint Venture Agreement)	Preventative	Sep-24	Adequate

Overall Control Effectiveness Adequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation Monitor

Actions / Treatments	Due Date	Responsibility
Train additional staff to conduct playground inspections (LGIS)	Jun-25	WM
Implement schedule for regular playground inspections (trained staff)	Dec-25	WM
Develop events management process and checklist for community	Dec-25	MGC

Comments / Justifications

Playground inspections addressed under Asset Sustainability

Improvements identified for event management - provision of tools for event managers, stall holders etc on Shire website proposed.

Risk Description

Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Power outage on site or at provider • Software / hardware vulnerability and/or failure • Cyber crime and viruses • Inadequate IT incident and recovery processes • Failure of vendor • User error 	<ul style="list-style-type: none"> • Financial • Service interruption • Property • Reputational

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Unlikely	High

Key Controls	Type	Date	Control Operating Effectiveness
Information and system back ups	Preventative	Sep-24	Effective
IT performance monitoring and support (outsourced)	Preventative & detective	Sep-24	Adequate
Cybersecurity policy and framework	Preventative	Sep-24	Adequate
Generator / UPS	Preventative	Sep-24	Effective
Mobile phones / two ways / STAND	Preventative	Sep-24	Effective
IT Infrastructure Replacement Program	Preventative	Sep-24	Adequate
Business Continuity Plan	Recovery	Sep-24	Adequate
Cybersecurity awareness training for employees and Councillors	Preventative	Sep-24	Inadequate
Access management	Preventative	Sep-24	Adequate
Application controls	Preventative	Sep-24	Adequate
Cyber security responsibilities defined	Preventative	Sep-24	Adequate
Disaster Recovery Plan	Recovery	Sep-24	Adequate
End-point security	Preventative & detective	Sep-24	Effective
Multi-factor authentication	Preventative	Sep-24	Effective
ERP and other major software	Preventative	Sep-24	Adequate
Internet service reliability	Preventative	Sep-24	Adequate

Overall Control Effectiveness	Adequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Cyber awareness training for employees and Councillors (include as provision in new ICT Contract)	Apr-25	MCS

Comments / Justifications
Cyber awareness addressed under 'External Theft and Fraud'

Misconduct

Sep-24

Risk Description

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> Inadequate training lack of policies and procedures (code of conduct) Delegated authority circumvented Lack of internal control Poor recruitment practices Insubordination Workplace culture 	<ul style="list-style-type: none"> Financial Health Services Reputation Compliance

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Delegations Register	Preventative	Sep-24	Effective
Segregation of Duties (Financial)	Preventative	Sep-24	Effective
IT Security Access Framework (Profiles and passwords)	Preventative	Sep-24	Adequate
Procurement Process (Purchase Order Process) - Electronic - Manual PO Approval	Preventative	Sep-24	Adequate
Confidentiality Agreement	Preventative	Sep-24	Effective
Induction Process	Preventative	Sep-24	Effective
PID Procedures,	Detective	Sep-24	Effective
HR Policies and Procedures	Preventative	Sep-24	Adequate
Financial Reports/documentation to Council / Statutory compliance	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
Fraud and Misconduct Management Policy	Preventative	Sep-24	Effective

Overall Control Effectiveness	Adequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Nil		

Comments / Justifications

No actions - Reg 17 and Financial Management Review (2025) to inform any further improvements and actions

Risk Description

Inadequate analysis, design, delivery and reporting of projects / change initiatives

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Poor planning methodology and process • Excessive/unrealistic project lists • Inadequate monitoring of projects • Lack on internal resources • Supply chain restrictions • Ineffective procurement processes 	<ul style="list-style-type: none"> • Reputation • Financial • Service interruption

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Almost Certain	High

Key Controls	Type	Date	Control Operating Effectiveness
Financial reporting and monitoring	Detective	Sep-24	Adequate
Project (grant) reporting and variation management	Detective	Sep-24	Adequate
Worforce Planning	Preventative	Sep-24	Inadequate
Procurement Policy and procedures	Preventative	Sep-24	Adequate
Progress meetings with suppliers and contractors	Preventative	Sep-24	Adequate
Project planning contingency / resourcing	Preventative	Sep-24	Inadequate

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Almost Certain	High

Risk Evaluation	Urgent attention
	Urgent attention

Actions / Treatments	Due Date	Responsibility
Pre-budget planning for community projects - include early engagement with stakeholders	Feb-25	MCS

Comments / Justifications
Worforce plan addressed under 'Employment Practices'
Slow / lack of market responses major cause project delays
New proposed ERP expected to improve finance and management systems

Risk Description

Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Inadequate tendering/procurement processes • Limited internal resources (physical and financial) • Inadequate contractor management practices • Inadequate supply/contractor monitoring • Supply chain limitations 	<ul style="list-style-type: none"> • Financial • Service Interruption • Reputation • Compliance • Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Key Controls	Type	Date	Control Operating Effectiveness
Tender Register	Detective	Sep-24	Adequate
Purchasing Policy	Preventative	Sep-24	Adequate
Procurement Procedures	Preventative	Sep-24	Adequate
Contractor Management	Preventative	Sep-24	Adequate
Purchasing management system	Preventative	Sep-24	Inadequate
Internal auditing (including CAR)	Detective	Sep-24	Adequate
Delegations Register	Preventative	Sep-24	Effective
Financial Interests / Conflicts of Interest Disclosures	Preventative	Sep-24	Adequate
WALGA Procurement subscription and eQuotes	Preventative	Sep-24	Effective

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Moderate	Possible	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Transition to electronic purchasing / management system	Jun-25	MCS

Comments / Justifications
Awaiting advice on availability of new ERP system through Ready Community therefore, due date subject to review.

Risk Description

Non-compliance with the Workplace Health & Safety Act, associated regulations and standards.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • Lack of resources (physical and financial) • Ineffective safety management practices • Inadequate training and supervision • Lack of understanding of WHS requirements • Poor culture • System failures 	<ul style="list-style-type: none"> • Health • Compliance • Reputation • Financial • Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Almost Certain	Extreme

Key Controls	Type	Date	Control Operating Effectiveness
WHS Policies and Procedures	Preventative	Sep-24	Adequate
Safety Audits (LGIS)	Detective	Sep-24	Effective
GRIP Register (Hazard and Risk)	Detective	Sep-24	Effective
Training Plans	Preventative	Sep-24	Adequate
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Adequate
Safe Work Method Statements (SWMS)	Preventative	Sep-24	Adequate
Regional Risk Coordinator (LGIS)	Preventative	Sep-24	Adequate
Management oversight and commitment	Preventative	Sep-24	Adequate
Minimum Bushfire Standards	Preventative	Sep-24	Inadequate
Emergency Management (plans, drills, staff trained)	Preventative	Sep-24	Inadequate
Consultation process with employees	Detective	Sep-24	Inadequate
Workplace Inspections	Detective	Sep-24	Adequate
Incident Reporting	Detective	Sep-24	Adequate

Overall Control Effectiveness	Inadequate

Residual Risk	Consequence	Likelihood	Risk Rating
	Catastrophic	Possible	High

Risk Evaluation	Urgent attention

Actions / Treatments	Due Date	Responsibility
Establish and adopt minimum standards for bushfire volunteers	Mar-25	CEO
Implement WHS Audit Actions	Apr-25	MGC

Comments / Justifications
2024 Safety audit identified gaps in system in relation to bushfire volunteer management, consultation and communication with employees.
Previously trained fire wardens have left the organisation, new fire wardens allocated but require training. - addressed under 'Business and Community Disruption'

Psychosocial Hazards

Sep-24

Risk Description

Inadequate controls to identify and manage psychosocial hazards, including poor work design, oversight and non-compliance with WHS Act and Regulations.

Causal Factors	Potential Outcomes
<ul style="list-style-type: none"> • High demand workloads • Violence, harassment, bullying and aggression • Lack of support • Lack of understanding of WHS requirements • Poor culture • Remote or isolated work 	<ul style="list-style-type: none"> • Health • Compliance • Reputation • Financial • Property

Inherent Risk	Consequence	Likelihood	Risk Rating
	Major	Possible	High

Key Controls	Type	Date	Control Operating Effectiveness
Complaints handling policy and procedures	Preventative	Sep-24	Adequate
Working alone / remote policies and practices	Preventative	Sep-24	Effective
Code of Conduct	Preventative	Sep-24	Effective
EAP support	Responsive	Sep-24	Effective
Education and training on psychosocial hazards	Preventative	Sep-24	Adequate
Customer Service Charter	Preventative	Sep-24	Adequate
Employee / Contractor / Volunteer Inductions	Preventative	Sep-24	Effective
Incident Reporting	Detective	Sep-24	Adequate
Performance Appraisals	Detective	Sep-24	Inadequate
Position Description reviews	Preventative	Sep-24	Adequate
Exit Interviews	Detective	Sep-24	Adequate
Management oversight and support	Detective	Sep-24	Adequate
Training and development plan	Preventative	Sep-24	Effective
Workforce planning	Preventative	Sep-24	Inadequate

Overall Control Effectiveness	Inadequate
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Residual Risk	Consequence	Likelihood	Risk Rating
	Major	Unlikely	Moderate

Risk Evaluation	Monitor
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Actions / Treatments	Due Date	Responsibility
Council to adopt a 'Dealing with Challenging Behaviours' Policy and internal staff training	Dec-24	MGC
Psychological Hazards Training (LGIS) for employees	Mar-25	LGIS / MGC

Comments / Justifications
Frontline staff exposure to aggressive or hostile customers (moderate risk) - policy development proposed to give guidance to staff on appropriate action and expectations of customers (aligned with Customer Service Charter).
Psychological hazards training provided to Managers on 5 Nov 2024 - need to raise awareness with employees and Councillors.
Performance reviews for outside crew incomplete (although informal feedback mechanisms available to staff and encouraged by Manager)
Workforce Plan and Performance Reviews addressed under 'Employment Practices'.

Prior to closing the meeting, Cr HR McTaggart acknowledged the work of Shire team throughout the year to achieve another unqualified audit result for 2023/24.

6.0 CLOSURE

The meeting was closed at 8:27am.