



SHIRE OF
DOWERIN
TIN DOG TERRITORY

AGENDA

Audit & Risk Committee Meeting

To be held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 13 December 2022
Commencing 2.30pm

ABN: 35 939 977 194

P (08) 9631 1202 E dowshire@dowerin.wa.gov.au
13 Cottrell Street, Dowerin WA 6461

 www.dowerin.wa.gov.au





NOTICE OF MEETING

Dear Audit & Risk Committee Members,

The next Audit & Risk Committee Meeting of the Shire of Dowerin will be held on Tuesday 13 December 2022 in the Shire of Dowerin Council Chambers, 13 Cottrell Street, Dowerin commencing at 2.30pm.

Rebecca McCall
Chief Executive Officer
8 December 2022

DISCLAIMER

Statements or decisions made at this meeting should not be relied or acted on by an applicant or any other person until they have received written notification from the Shire. Notice of all approvals, including planning and building approvals, will be given to applicants in writing. The Shire of Dowerin expressly disclaims liability for any loss or damages suffered by a person who relies or acts on statements or decisions made at a Council or Committee meeting before receiving written notification from the Shire.

The advice and information contained herein is given by and to Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

It should be noted that the Attachment hyperlinks may not be functional from this document when sourced from the Shire of Dowerin's website. Attachment copies follow on at the end of the Agenda and Minutes.

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10.	Date of Next Meeting
11.	Closure

Shire of Dowerin
Audit & Risk Committee Meeting
2.30pm 13 December 2022



1. Official Opening

2. Record of Attendance / Apologies / Leave of Absence

Committee Members:

Cr RI Trepp	President & Chair
Cr BA Ward	Deputy President
Cr NP McMorran	
Mrs T Jones	
Mr D Armstrong	

Staff:

Ms R McCall	Chief Executive Officer
Mr A Wooldridge	Deputy Chief Executive Officer
Ms L Dreghorn	Executive & Governance Officer

Apologies:

Approved Leave of Absence:

3. Public Question Time

4. Disclosure of Interest

Committee Members are to complete a Disclosure of Interest Form for each item they are required to disclose an interest in. The Form should be given to the Presiding Member before the meeting commences. After the meeting, the Form is to be provided to the Executive & Governance Officer for inclusion in the Disclosures Register.

5. Confirmation of Minutes of the Previous Meeting(s)

5.1 Audit & Risk Committee Meeting held on 2 August 2022

Attachment 5.1A

Voting Requirements

Simple Majority Absolute Majority

Officer's Recommendation - 5.1

That, in accordance with Sections 3.18 and 5.22(2) of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held on 2 August 2022, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

6. PRESENTATIONS

Nil

7. OFFICER'S REPORTS

7.1 Risk Dashboard Quarterly Report – September 2022

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	5 November 2022	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	As Above	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Compliance/Risk Management/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.1A - Risk Dashboard Quarterly Report – September 2022	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the Risk Dashboard Quarterly Review to the Audit & Risk Committee for noting.

Background

The Shire of Dowerin's Risk Management Policy, in conjunction with the Risk Management Framework, sets out the Shire's approach to the identification, assessment, management and monitoring of risks.

Appropriate governance of risk management within the Shire provides:

1. Transparency of decision making;
2. Clear identification of the roles and responsibilities of the risk management functions; and
3. An effective governance structure to support the Risk Management Framework.

The Audit & Risk Committee has a role to play and its responsibilities include:

1. Regular review of the appropriate and effectiveness of the Risk Management Framework;
2. Support Council to provide effective corporate governance;
3. Oversight of all matters that relate to the conduct of external audits; and
4. Must be independent, objective and autonomous in deliberations.

It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and

efficiency of controls and appropriateness of treatment/action options selected, it can be determined if the organisation's resources are being put to the best use possible. During the quarterly reporting process, management are required to review any risks within their area and follow up controls and treatments/actions that are mitigating those risks.

Comment

The reviewed Risk Dashboard is included as an Attachment for Council's perusal and comment. Due to no Audit and Risk Committee meeting schedule until after the End of Year Financials have been received, the Risk Dashboard will be presented at the next Audit and Risk Committee meeting for noting.

The following comments against current actions are noted:

Asset Management

Action: Revaluation of sewerage assets

Comment: Draft Report provided to management for comment (5 year revalue cycle)

Action: Implement New Fuel Stock Control System

Comment: Partially completed; fuel pods will be installed into new fleet

Action: Revaluation of Land & Buildings

Comment: Revalue cycle every 5 years in accordance with FM Regulations

Action: Review of Long-Term Financial Plan

Comment: Progressing, Draft reviewed LTFP currently linking; data needs to be cross referenced

KPI: Asset Renewal Funding Ratio Result 92%, worsening

KPI: Asset Consumption Ratio Result 59%, worsening

KPI: Asset Sustainability Ratio Result 69%, worsening

KPI: Accidents/Damage to Property Result 10 for quarter, improving

Business Disruption

Action: Development of IT Disaster Recovery Plan

Comment: Deferred until DCEO has reviewed IT Systems and Controls

KPI: LEMC meetings 2, worsening

KPI: LEM annual exercise 1, improving

Compliance

Action: Review of Long-Term Financial Plan

Comment: Progressing, Cross referencing data in the LTFP

Action: Review of Information Management System

Comment: Progressing, extended completion to December to provide the DCEO time to carry out review

Action: End of Financial Audit - Prepare

Comment: Financials prepared and currently with Auditors

KPI: Financial Management System Review (Every 3 years)

Comment: Scheduled to commence 21-24 November with external contractor

KPI: CEO Regulation 17 Review (Every 3 years)

Comment: Scheduled to be undertaken in December 2022 - inhouse

KPI: Regulation 53 of Building Regulations 2021 (pool Inspections)

Comment: Inspections scheduled for 24 November 2022

Document Control

Action: Review SharePoint System

Comment: Progressing; Consultant engaged to implement stage 1

Employment Practices

Action: Review of Staff Induction process

Comment: Review progressing.

Action: Develop Health & Wellbeing Plan

Comment: Draft program progressing

Action: Review Workforce Plan

Comment: Carry out review once organisation re-structure is finalised

KPI: Absenteeism Personal Leave (greater than 10 days per FTE)

Comment: Rated for the 2021/22 with a result of 32%; leave policy introduced to improve rating

KPI: Absenteeism Unpaid Leave (greater than 0 days per FTE)

Comment: Rated for the 2021/22 with a result of 41%; leave policy introduced to improve rating

KPI: Employee Turnover (% Turnover of Permanent Staff)

Comment: KPI to be reviewed to consider tolerance and measure

Engagement Practices

Action: Review Community Complaints, Feedback & Request Handling Process

Comment: Second review required to streamline process, due December 2022

Action: Review Process for Customer Response Requests

Comment: Conduct second review and align with complaints handling process

Environmental Management

Action: Address Compliance of Waste Water Re-Use

Comment: Recycled Water Quality Management Plan in draft

Management of Facilities/Venues/Events

Action: Develop Event Management Framework

Comment: EMP in place, framework ongoing, extended due date to December 2022

Action: Public Buildings Inspected Annually for Compliance

Comment: Inspections commenced; EHO on site 24 November.

IT and Communication Systems

Action: Document IT Infrastructure Replacement Program

Comment: To be developed prior to December 2022

Safety and Security Practices

Action: Assess Shire Building and Facility Safety and Security

Comment: Scheduled for November

Action: Develop Isolated Worker Management Procedure

Comment: Policy signed off, yet to prepare procedure

Action: Conduct Annual BCP and LEMC Drills

Comment: LEMC Drill completed June 2022; BCP drill due December 2022

It is planned to consider strategic financial management risks and identify key controls and treatments for inclusion into the risk dashboard.

Consultation

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Linley Dreghorn, Executive & Governance Officer

Ordinary Council Meeting November 2022

Policy Implications

Policy 2.2 - Risk Management Policy is applicable.

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.1

Asset Management Plan

Identified key controls and actions associated with asset management are factored into the Asset Management Plan.

Long Term Financial Plan

Identified key controls and actions associated with financial management are factored into the Long Term Financial Plan.

Statutory Implications

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are applicable.

Risk Implications

The Shire of Dowerin has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

Financial Implications

Many of the actions required to manage the risks identified will require resourcing and are being progressed within the current budget allocations.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation - 7.1

That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee receives the quarterly Risk Dashboard Quarterly Report - September 2022, as presented in Attachment 7.1A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin.

Please note that the Audit & Risk Committee does not have delegated authority to make decisions. All recommendations of the Audit & Risk Committee are presented to Council for ratification.

7.2 2021/22 Annual Report & Annual Electors Meeting

Corporate & Community Services



Date:	28 February 2022
Location:	Not Applicable
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>
Sharepoint Reference:	Organisation/Corporate Management/Reporting/2021-22 Annual Report
Disclosure of Interest:	Nil
Attachments:	Attachment 7.2A - 2021/22 Annual Report

Purpose of Report

Executive Decision



Legislative Requirement

Summary

This Item presents the 2021/22 Annual Report & Audited Financial Report to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

Background

The annual financial statements for the year ended 30 June 2022 have been audited by the Auditors under the Office of the Auditor General (OAG).

The 2021/22 Annual Report which includes the audited financial report and OAG's Opinion Letter is included as an Attachment.

Comment

Pursuant to its Terms of Reference, it is relevant that the Audit & Risk Committee considers the 2021/22 Annual Report and where appropriate, makes recommendation(s) in respect of the report.

In accordance with Section 7.9 of the *Local Government Act 1995*, 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, to prepare a report thereon and forward a copy of that report to:

1. the Mayor or President;
2. the CEO of the local government; and
3. the Minister.

The Opinion Letter included with the 2021/22 Annual Report provides an overview of the audit process and outcomes, whilst also identifying any matters that, whilst generally not material in relation to the overall audit of the financial report, are nonetheless considered relevant to the day to day operations of Council.

The End of Financial Year Report was received 6 December 2022. The Audit Exit Meeting took place on 5 December 2022.

2021/22 Annual Report

The interim audit was conducted on-site from 22 and 23 August 2022. The process was rigorous and extensive.

Annual Electors Meeting

Local governments are required to conduct an Annual Electors Meeting (AEM) not more than 56 days after adopting the Annual Report. A requirement of setting the date is that 14 days Local Public Notice is required for advertising the meeting. Provided that the 2021/22 Annual Report is endorsed by Council at its 20 December 2022 meeting it is recommended that the AEM be held on the same day at the conclusion of the Ordinary Council Meeting. The date is suggested as it will be prior to school holidays and with no meeting in January, a special meeting would need to be called to meet legislative requirements. It also allows enough time for the minimum 14 day notification period. This was presented to the November OCM and this was the preferred date by Council.

Discussion with the OAG and Auditors

Representatives from the OAG and Macri Partners Chartered Accountants conducted the Exit Interview which discussed the Opinion Letter and other relevant matters with the President, CEO and DCEO via teleconference on Tuesday 6 December 2022.

There were no significant findings as per the attached Auditors Report. There was one moderate finding as follows:

1. Fair Value of Land and Buildings and Infrastructure Assets - Frequency of Valuations

The Shire has performed an assessment to determine whether its land and buildings, roads, drainage and footpaths infrastructure assets represent fair value. Although the high level assessment indicated there could be significant movements or impacts on its land and buildings, roads, drainage and footpaths assets, management advised that they are comfortable with the value of the land and buildings and infrastructure assets as at 30 June 2022 and that they did not consider any potential change in fair value to be material.

Consultation

OAG / Auditors

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Linley Dreghorn, Executive & Governance Officer

Local Public Notice is required to be provided on the availability of the Annual Report and the Annual Electors Meeting.

Policy Implications

Nil

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government.

Outcome: 5.3

Reference: 5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Sections 5.27, 5.29, 5.53 and 5.54 of the *Local Government Act 1995* are applicable and state:

“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.*

5.29. Convening electors’ meetings

- (1) *The CEO is to convene an electors’ meeting by giving –*
 - (a) *at least 14 days’ local public notice; and*
 - (b) *each council member at least 14 days’ notice,*
of the date, time, place and purpose of the meeting.
- (2) *The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time the notice is first given and is to continue in the prescribed way until the meeting has been held.*

5.53. Annual reports

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

5.54. Acceptance of annual reports

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

* Absolute majority required.

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

Regulation 3A of the *Local Government (Administration) Regulations 1996* stipulates the requirements for providing Local Public Notice and states:

“3A. Requirements for local public notice (Act s. 1.7)

- (1) *For the purposes of section 1.7(a), notice of a matter must be published on the local government’s official website for –*
- (a) *the period specified in or under the Act in relation to the notice; or*
 - (b) *if no period is specified in relation to the notice – a period of not less than 7 days.*
- (2) *For the purposes of section 1.7(b), each of the following ways of giving notice of a matter is prescribed –*
- (a) *publication in a newspaper circulating generally in the State;*
 - (b) *publication in a newspaper circulating generally in the district;*
 - (c) *publication in 1 or more newsletters circulating generally in the district;*
 - (d) *publication on the official website of the Department or another State agency, as appropriate having regard to the nature of the matter and the persons likely to be affected by it, for –*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days;*
 - (e) *circulation by the local government by email, text message or similar electronic means, as appropriate having regard to the nature of the matter and the persons likely to be affected by it;*
 - (f) *exhibition on a notice board at the local government offices and each local government library in the district for –*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days;*
 - (g) *posting on a social media account administered by the local government for –*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days.”*

The *Local Government (Audit) Regulations 1996* provides the legislative framework for the conduct of audits in local government, and the role of the Audit & Risk Committee in considering the results of those audits.

Risk Implications	
Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Insignificant (1)
Likelihood Rating	Rare (1)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Governance Management Framework

Action (Treatment)	Document Governance Management Framework
Risk Rating (after treatment)	Adequate

Financial Implications

The costs for notification in accordance with Regulation 3A(2)(e), (f) and (g) will be negligible and can be accommodated within current budget allocations.

Similarly, any costs associated with conducting the AEM will be negligible and can be accommodated within current budget allocations.

Voting Requirements

Simple Majority

Absolute Majority

Officer's Recommendation - 7.2

That, by Absolute Majority, in accordance with Sections 5.27, 5.29, 5.53 and 5.54 of the *Local Government Act 1995*, the Audit & Risk Committee:

- 1. Accepts the 2021/22 Annual Report, as presented in Attachment 7.2A, for the 2021/22 financial year;**
- 2. Recommends to Council that it adopts the 2021/22 Annual Report, as presented in Attachment 7.2A, for the 2021/22 financial year; and**
- 3. Recommends to Council that it conducts its Annual Electors Meeting on Tuesday 20 December 2022 at the Dowerin Community Centre, East Street Dowerin commencing at 6.30pm.**

8.	Questions from Members
9.	Urgent Business Approved by the Person Presiding or by Decision
10.	Date of the Next Meeting
11.	Closure



SHIRE OF
DOWERIN
TIN DOG TERRITORY

MINUTES

Audit & Risk Committee Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
2 August 2022



ABN: 35 939 977 194

P (08) 9631 1202 **E** dowshire@dowerin.wa.gov.au
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6	Presentations
6.1	<u>Local Government Act Reform - Theme 6: Improved Financial Management and Reporting</u>
7.	Officer's Reports
7.1	<u>Risk Dashboard Quarterly Report - June 2022</u>
7.2	<u>Interim Audit Results for the Year Ending 30 June 2022</u>
7.3	<u>Review Business Continuity Plan</u>
8.	Questions from Members
9.	Urgent Business Approved by the Person Presiding or by Decision
10.	Date of Next Meeting
11.	Closure

Shire of Dowerin
Audit & Risk Committee Meeting
2 August 2022



1. Official Opening

The Chair welcomed those in attendance and declared the Meeting open at 1.34pm.

2. Record of Attendance / Apologies / Leave of Absence

Committee Members:

Cr RI Trepp	President & Chair
Cr BA Ward	Deputy President
Cr NP McMorran	
Mr D Armstrong	

Staff:

Ms R McCall	Chief Executive Officer
Mr A Wooldridge	Deputy Chief Executive Officer
Ms L Dreghorn	Executive & Governance Officer

Apologies: Mrs TA Jones

Approved Leave of Absence: Nil

3. Public Question Time

Nil

4. Disclosure of Interest

Nil

5. Confirmation of Minutes of the Previous Meeting(s)

5.1 Audit & Risk Committee Meeting held on 8 March 2022

Attachment 5.1A

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution - 5.1

Moved: Cr Ward

Seconded: Mr D Armstrong

0633 That, in accordance with Sections 3.18 and 5.22(2) of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held on 8 March 2022, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

CARRIED 4/0

6. PRESENTATIONS

The State Government has announced the final package of reforms to the *Local Government Act 1995*, following a review of public submissions. It is the most significant package of reforms for WA local government since the *Local Government Act 1995* was passed more than 25 years ago. The reforms have been developed based on findings identified as part of the Local Government Act Review and recommendation of various reports, including the Local Government Review Panel Final Report.

Major changes to the Local Government and Regulations aims to provide for a stronger, more consistent framework for local government across WA. The reform proposals have been designed to deliver significant benefits for residents and ratepayers, small business, elected members, and professional working in the sector.

The proposed reforms are based on six themes:

- Earlier intervention, effective regulation, and stronger penalties
- Reducing red tape, increasing consistency and simplicity
- Greater transparency and accountability
- Stronger local democracy and community engagement
- Clear roles and responsibilities
- Improved financial management and reporting

This item is tabled to highlight Theme 6: Improved Financial Management and Reporting and is provided for information. See **[Attachment 6.1A](#)**.

7. OFFICER'S REPORTS

7.1 Risk Dashboard Quarterly Report – June 2022

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	26 July 2022	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	As Above	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Compliance/Risk Management/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.1A - Risk Dashboard Quarterly Report – June 2022	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the Risk Dashboard Quarterly Review to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

Background

The Shire of Dowerin's Risk Management Policy, in conjunction with the Risk Management Framework, sets out the Shire's approach to the identification, assessment, management and monitoring of risks.

Appropriate governance of risk management within the Shire provides:

1. Transparency of decision making;
2. Clear identification of the roles and responsibilities of the risk management functions; and
3. An effective governance structure to support the Risk Management Framework.

The Audit & Risk Committee has a role to play and its responsibilities include:

1. Regular review of the appropriate and effectiveness of the Risk Management Framework;
2. Support Council to provide effective corporate governance;
3. Oversight of all matters that relate to the conduct of external audits; and
4. Must be independent, objective and autonomous in deliberations.

It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and efficiency of controls and appropriateness of treatment/action options selected, it can be determined if the organisation's resources are being put to the best use possible. During the

quarterly reporting process, management are required to review any risks within their area and follow up controls and treatments/actions that are mitigating those risks.

Comment

The reviewed Risk Dashboard is included as an Attachment for the Audit & Risk Committee's perusal and comment.

The following comments against current actions are noted:

Asset Management

Action: Road condition data to be updated in RAMM annually

Comment: Data updated in RAMMS; 22/23 program to be loaded throughout year

Action: Revaluation of sewerage assets

Comment: Draft Report provided to management for comment (5 year revalue cycle)

Action: Implement New Fuel Stock Control System

Comment: Partially completed; fuel pods will be installed into new fleet

Action: Review of Asset Management Plan

Comment: Progressing, Draft AMP; data to be cross referenced

Action: Review of Long-Term Financial Plan

Comment: Progressing, Draft reviewed LTFP currently linking; data needs to be cross referenced

KPI: Asset Renewal Funding Ratio Result 92%, worsening

KPI: Asset Consumption Ratio Result 59%, worsening

KPI: Asset Sustainability Ratio Result 69%, worsening

KPI: Accidents/Damage to Property Result 11 for quarter, worsening

Business Disruption

Action: Development of IT Disaster Recovery Plan

Comment: Deferred until DCEO has reviewed IT Systems and Controls

KPI: LEMC meetings 2, worsening

KPI: LEM annual exercise 1, improving

Compliance

Action: Review of Asset Management Plan & Long-Term Financial Plan

Comment: Progressing, Cross referencing data in the draft AMP and LTFP

Action: Review of Information Management System

Comment: Progressing, extended completion to December to provide the DCEO time to carry out review

KPI: Regulation 53 of Building Regulations 2021 (pool Inspections)

Comment: Inspections scheduled for August 2022

Document Control

Action: Review SharePoint System

Comment: Progressing

Action: Review Record Keeping Plan

Comment: Progressing, consultant engaged

Employment Practices

Action: Review of Staff Induction process

Comment: Review progressing.

Action: Develop Health & Wellbeing Plan

Comment: Draft program progressing

Action: Review Workforce Plan

Comment: Carry out review once organisation re-structure is finalised

KPI: Absenteeism Personal Leave (greater than 10 days per FTE)

Comment: Rated for the 2021/22 with a result of 32%; leave policy introduced to improve rating

KPI: Absenteeism Unpaid Leave (greater than 0 days per FTE)

Comment: Rated for the 2021/22 with a result of 41%; leave policy introduced to improve rating

Environmental Management

Action: Address Compliance of Waste Water Re-Use

Comment: Contracted EHO to review reporting requirements

Management of Facilities/Venues/Events

Action: Develop Event Management Framework

Comment: EMP in place, framework ongoing, extended due date to December 2022

Action: Public Buildings Inspected Annually for Compliance

Comment: Inspections commenced; Discuss inspection schedule with new EHO

IT and Communication Systems

Action: Document IT Infrastructure Replacement Program

Comment: To be developed prior to December 2022

Safety and Security Practices

Action: Assess Shire Building and Facility Safety and Security

Comment: Arrange EHO onsite visit to conduct assessment

Action: Develop Isolated Worker Management Procedure

Comment: Progressing; presented to WHS Committee March 2022, yet to prepare procedure

Action: Conduct Annual BCP and LEMC Drills

Comment: LEMC Drill completed June 2022; BCP drill due December 2022

It is planned to consider strategic financial management risks and identify key controls and treatments for inclusion into the risk dashboard.

Consultation

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Linley Dregghorn, Executive & Governance Officer

Policy Implications

Policy 2.2 - Risk Management Policy is applicable.

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.1

Asset Management Plan

Identified key controls and actions associated with asset management are factored into the Asset Management Plan.

Long Term Financial Plan

Identified key controls and actions associated with financial management are factored into the Long Term Financial Plan.

Statutory Implications

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are applicable.

Risk Implications

The Shire of Dowerin has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

Financial Implications

Many of the actions required to manage the risks identified will require resourcing and are being progressed within the current budget allocations.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Mr D Armstrong


0634 That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:

1. **Receives the quarterly Risk Dashboard Quarterly Report - June 2022, as presented in Attachment 7.1A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin; and**
2. **Recommends to Council that it adopts the quarterly Risk Dashboard Quarterly Report - June 2022.**

CARRIED 4/0

Please note that the Audit & Risk Committee does not have delegated authority to make decisions. All recommendations of the Audit & Risk Committee are presented to Council for ratification.

7.2 Interim Audit Results for the Year Ending 30 June 2022

<h1>Corporate & Community Services</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	19 July 2022	
Location:	Not applicable	
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer	
Author:	Linley Dreghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
Sharepoint Reference:	Organisation/Corporate Management/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.2A - Interim Audit Report Attachment 7.2B - Interim Audit Findings	

Purpose of Report

Executive Decision

Legislative Requirement

Summary

This Item presents the results and findings of the Interim Audit for the year ending 30 June 2022 to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

Background

The Office of the Auditor General (OAG) conducted its Interim Audit for the Shire of Dowerin on Monday 4 April and Tuesday 5 April 2022.

The Report on the results of the Audit has been received and is included as an Attachment for the Audit & Risk Committee's information.

Comment

The Report identifies nine areas which are considered deficient, being:

1. Monthly Creditor Reconciliations;
2. Debtor Invoice Request Forms;
3. Superannuation;
4. General Journals;
5. Bank Reconciliations;
6. Investment of Surplus Funds;
7. Credit Note Authorisation Forms;
8. Cancelled Receipts; and
9. Asset Disposal Forms;

The rating given to all nine deficiencies is Moderate, meaning the findings are of sufficient concern to warrant action being taken to rectify the deficiency as soon as practicable.

The Report details the Finding against each deficiency, indicates the Implications the deficiency may have on the organisation, and makes Recommendations on how the organisation can best rectify the deficiency. Management was made aware of the identified deficiencies at the conclusion of the Audit and were afforded the opportunity to provide comment and context to the deficiency.

While the matters are fully detailed in the Report, they have been summarised in the table below:

Finding	Recommendation	Management Comment
Monthly Creditor Reconciliations	The monthly creditor reconciliations should be reviewed by an officer independent of the preparer without delay and the date of review should be indicated. The error in the system should be investigated and appropriate action be taken to rectify it.	<p>Management will ensure all reconciliations are properly signed off and dated going forward, however, seeing the majority of the reconciliations have been fully signed and dated plus the findings themselves are signed by the reviewer, management does not agree the finding should be rated 'Moderate' rather it should be 'Minor'.</p> <p>Management does not believe the April 22 creditor balance of \$11,147.91 is due to an error but is evident that the matter needs further investigation and rectified within the coming weeks.</p>
Debtor Invoice Request Forms	The debtor invoice request forms should be authorised by the responsible officer prior to raising of debtor invoices and such authorisation be documented.	Management will ensure all debtor requests form are properly signed off and will update the existing form to clearly show the separation of requester and approver.
Superannuation	Superannuation is generally not paid on overtime unless it is required according to the employment contract signed by the employee. The Shire should review its practice of paying superannuation on overtime.	This was due to an implementation error of the payroll system (Definitive) by IT Vision at the time. The implementation of the new Definitive payroll system commenced in February 2021 but the payroll processing from Definitive only came into effect in the financial year 2021/22, therefore the error was only in 2021/22. This system error has now been rectified by IT Vision; however, management will not be proceeding with any recovery action for these overpayments.
General Journals	All relevant supporting documentation should be attached to the general journals for review by an officer independent of the preparer.	Management is satisfied with the nature of the journals as they were originally given approval and that they will not lead to any suspicious/fraudulent activity, however it is agreed by management that the forms

		and process around the journal processing will be updated and improved going forward. All journals are required to be approved by management and supporting documentation is required for each journal. Staff are made aware and will ensure this is done.
Bank Reconciliations	The monthly bank reconciliations should be prepared for all bank accounts in a timely manner and reviewed by an independent senior officer promptly. The review should be evidenced in writing.	Bank Reconciliations between July and September 2021 have been recently found and was dated and approved by management in October 2021. This is still not acceptable by management as reconciliations are required to be completed at end of month. Staff are informed and have been made aware again and new management will ensure this happens. The Muni Max and LRCIP account will be closed in the 22/23 year as they are no longer required, however, management agrees these accounts should have been reconciled.
Investment of Surplus Funds	The Shire should establish and document internal control procedures that should be followed by employees to ensure appropriate control over investments, in accordance with Regulation 19(1) of the Local Government (Financial Management) Regulations. Also, surplus funds should be invested in accordance with Investment Policy and monthly investment reconciliations should be prepared as required by the Policy.	Management is currently reviewing this process and will incorporate this as part of the end of month process to ensure staff are following the policies and procedures in relation to the investment portfolio. As of 30 June 2022, the one Term Deposit was matured on 25 June and was re-invested between 3 financial institutions in accordance with the investment policy.
Credit Note Authorisation Forms	The Shire should have a formal credit note authorisation form that should be completed by the Accounts Receivable Officer and authorised by an independent senior officer prior to processing credit notes. The Shire should also perform an independent review of credits notes issued periodically and such review should be documented and retained.	Management will ensure all debtor credit note authorisation forms are properly approved and signed off, however, the existing form has not included a provision for an approver to sign, therefore the form will be updated.
Cancelled Receipts	We recommend that cancelled receipts be reviewed promptly by an officer independent of the receipting function.	The form will be updated to include a provision for a Manager/CEO approval section. Management will investigate and put in place an end of month process to verify receipt cancellations during the month.

Asset Disposal Forms	Management should introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should include appropriate authorisation within the form.	Management will review and update the form to capture the approval of disposal by management as this was not provided for when the form was developed.
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Staff will provide additional comment on the Findings and an update of actioning recommendations at the meeting.

Consultation

OAG / Auditors

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Policy Implications

Nil

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

The *Local Government (Audit) Regulations 1996* provides the legislative framework for the conduct of audits in local government, and the role of the Audit & Risk Committee in considering the results of those audits.

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Minor (2)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (4)
Key Controls (in place)	Governance Management Framework; Governance Calendar
Action (Treatment)	Document Governance Framework

Risk Rating (after treatment)	Adequate
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Financial Implications

Nil

Voting Requirements

Simple Majority

Absolute Majority

Officer's Recommendation/Resolution - 7.2

Moved: Cr Ward

Seconded: Cr McMorran

0635 That, in accordance with the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

1. Receives the Auditor's Interim Audit Management Report, as presented in Attachment 7.2A, from Macri Partners Chartered Accountants for the 2021/22 financial year;
2. Notes the Management Comment and Actions taken to address the Findings contained in the Auditor's Interim Audit Management Report; and
3. Recommends to Council that it receives the Auditor's Interim Audit Management Report, as presented in Attachment 7.2A, from Macri Partners Chartered Accountants for the 2021/22 Interim Audit.

CARRIED 4/0

7.3 Review of Business Continuity Plan

Governance & Compliance



Date:	19 July 2022
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>
Sharepoint Reference:	Organisation/Financial Management/Internal Audit Systems & Controls/Business Continuity Plan
Disclosure of Interest:	Nil
Attachments:	Attachment 7.3A - Business Continuity Plan

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the reviewed Business Continuity Plan (BCP) to the Audit & Risk Committee (the Committee) for consideration and, if satisfactory, recommendation to Council for adoption.

Background

Council adopted the BCP at its March 2020 meeting (CMRef 0164). The Shire of Dowerin BCP is aimed at ensuring the continuity of business operations, with minimal disruption, in the event of a disaster. Without such a plan the Shire may struggle to manage such an event amidst the confusion that often follows a disaster.

The BCP provides a structured approach to business continuity and disaster recovery planning. Through the provision of preventative measures and recovery procedures, the impact of any potential disaster may be significantly reduced.

The BCP was enacted on 20 March 2020 as a result of the COVID-19 pandemic. While the focus for the organisation has been in responding to the implications of the pandemic, the BCP was reviewed in March 2021 (CMRef 0382).

It was necessary to review the BCP to consider necessary amendments due to the organisation re-structure and insurance policy adjustments.

Comment

The review included the updates and amendments to Key Contacts, both internal and external.

Consultation

Rebecca McCall, CEO

Aaron Wooldridge, DCEO

Policy Implications

Policy 2.2 – Risk Management Policy is applicable.

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the CEO to review the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance.

The BCP is an informing plan to these systems and procedures.

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Insignificant (1)
Likelihood Rating	Rare (1)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Governance Management Framework
Action (Treatment)	Document Governance Management Framework
Risk Rating (after treatment)	Adequate

Financial Implications

The actions included in the BCP will have financial implications to Council, however these are unknown and will depend on the scenario in which the BCP is to be put into effect.

Voting Requirements

Simple Majority

Absolute Majority

Officer's Recommendation/Resolution - 7.3

Moved: Mr D Armstrong

Seconded: Cr Ward

0636

That, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

- 1. Receives the reviewed Business Continuity Plan, as presented in Attachment 7.3A; and**
- 2. Recommends to Council that it adopts the Business Continuity Plan.**

CARRIED 4/0

8.	Questions from Members
	Nil
9.	Urgent Business Approved by the Person Presiding or by Decision
	Nil
10.	Date of the Next Meeting
	Workshop to discuss the draft AMP & LTFP Tuesday 6 September
11.	Closure
	The Chair thanked those in attendance and declared the Meeting closed at 2.46pm

Shire of Dowerin Risk Dashboard Report - September 2022

Asset Management Practices			Risk	Control
			Moderate	Adequate
Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal.				
Actions	Due Date	Responsibility		
Revaluation of Road Assets	N/A	CEO		
Update RAMM Annually	Jun-23	CEO		
Link Building Maintenance Schedule to AMP	Sep-22	DCEO		
Review Asset Management Plan	Completed	CEO & DCEO		
Review LTFP and Link to AMP	Sep-22	DCEO		
Review Fuel Stock Control System	Feb-21	CEO / DCEO / AWC		
Review Fuel Stock Control System	Sep-22	DCEO		
Implement New Fuel Stock Control System	Completed	CEO / DCEO / AWC		

Business Disruption			Risk	Control
			Moderate	Adequate
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).				
Actions	Due Date	Responsibility		
Annual LEM Exercise Undertaken	Jun 23	CEO		
Review Business Continuity Plan	Aug 24	CEO		
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO & DCEO		
Develop IT Disaster Recovery Plan	Dec 22	DCEO		
Fire Breaks Inspected and Enforced Annually	Nov 22	DCEO		
Fire Fighting Equipment Maintained and Serviced Annually	Sep 22	CEO		
Wardens (Internal) - Training of New Wardens	Completed	CEO & DCEO		
Admin Generator Maintained and Serviced	Monthly	CEO		
Review Managing Emergencies in Shire Facilities	Jun 22	CEO & DCEO		

Failure to fulfil Compliance Requirements			Risk	Control
			Moderate	Adequate
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.				
Actions	Due Date	Responsibility		
Document Governance Framework	Dec-22	CEO & EGO		
Continue Implementation of Training Program for Councillors and Staff	Ongoing	CEO, DCEO & EGO		
Review Councillor Induction Manual - Every 2 Years	Sep-23	EGO		
Review Human Resource Management Framework	Dec-22	CEO & DCEO		
Review Information Management System	Dec-22	DCEO		
End of Year Financial Audit - Prepare	Sep-22	DCEO		
Interim Audit Finding 30 June 2022 - Response to Findings	Dec-22	DCEO		
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Dec-22	DCEO		

Document Management Processes			Risk	Control
			Moderate	Adequate
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.				
Actions	Due Date	Responsibility		
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Completed	DCEO		
Refurbishment of Archive Room to Improve Compliance	Completed	CEO		
Review Sharepoint System	Dec-22	DCEO		
Review Information Management Framework	Dec-22	DCEO		
Information Management Staff Training	Ongoing	DCEO		
Review Record Keeping Plan	Completed	DCEO		

Employment Practices			Risk	Control
			Moderate	Adequate
Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).				
Actions	Due Date	Responsibility		
Develop a Health and Wellbeing Program	Aug-22	CEO & DCEO		
Review Workforce Plan	Dec-22	CEO & DCEO		
Create Checklist for Human Resource Management Framework	Dec-22	CEO & DCEO		
Update Training Register & Develop 2022/2023 Training Program	May-22	CEO & DCEO		
Review Staff Induction Process	Mar-20	DCEO		
Conduct Annual Drivers License Checks	Annually in Apr	DCEO		
Conduct Annual Performance Reviews	Annually in Apr	CEO & DCEO		

Engagement Practices			Risk	Control
			Moderate	Adequate
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.				
Actions	Due Date	Responsibility		
Review Community Complaints, Feedback & Request Handling Process	Dec-22	CEO & DCEO		
Review Community Engagement Policy & Framework	Dec-22	CEO, DCEO & CDO		
Conduct Community Satisfaction Survey	Sep-24	CEO & CDO		
Review Process For Customer Response Requests	Dec-22	DCEO		
Review Customer Service Charter (every two years)	As Required	DCEO		
Review Customer Service Charter (every two years)	Sep-24	EGO		
Update Complaint Register (in accordance to Act)	As Required	DCEO		

Environment Management			Risk	Control
			Moderate	Adequate
Inadequate prevention, identification, enforcement and management of environmental issues.				
Actions	Due Date	Responsibility		
Develop Waste Water Management Plan & Program	Jun-23	CEO		
Develop Waste Management Plan & Program	Jun-23	CEO		
Complete Audit of Sewage System	Completed	CEO		
Address Compliance of Waste Management	Ongoing	CEO		
Address Compliance of Waste Water Re-Use	Sep-22	CEO		

Errors, Omissions & Delays			Risk	Control
			Moderate	Adequate
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.				
Actions	Due Date	Responsibility		
Review Employee Code of Conduct	Jul-22	CEO & EGO		
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO		
Centralise Checklists, Controls and Procedures	Dec-22	CEO & DCEO		
Review Customer Service Complaints & Request Process to include Snap Send Solve	Dec-22	DCEO		

External Theft & Fraud (Including Cyber)			Risk	Control
			Moderate	Adequate
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic).				
Actions	Due Date	Responsibility		
Review Access Controls to Include Key Register	No Date	CEO & DCEO		
Photographic Record of Minor Assets & Align With Minor Assets Register	Dec-22	DCEO		
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO		
Review Security and Storage of Records	Aug-22	DCEO		
Document Financial Management System	Dec-22	DCEO		

Management of Facilities / Venues / Events			Risk	Control
			Low	Adequate
Failure to effectively manage the day to day operations of facilities, venues and / or events.				

IT or Communication Systems and Infrastructure			Risk	Control
			Moderate	Adequate
Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.				

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

Shire of Dowerin Risk Dashboard Report - September 2022

Actions	Due Date	Responsibility
Develop Event Management Framework	Dec-22	CDO
Develop Reserves Management Register	Completed	DCEO
Create Inspection and Maintenance Schedules for Event Equipment	Dec-22	CDO
Undertake Community Facilities Review	Aug-22	CEO & CDO
Public Buildings Inspected Annually for Compliance	Oct-22	CEO

Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Dec-22	DCEO
Review IT Management Service Level Agreement	Jan-24	DCEO
Document IT Infrastructure Replacement Program	Dec-22	DCEO
Develop Secure Password Procedure	Dec-22	DCEO
Develop Secure Password Procedure	Completed	DCEO
Replacement of Phone System	Sep-21	DCEO
Document IT System Access Framework	Jun-21	DCEO

Actions	Due Date	Responsibility
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures	Jun-21	CEO & DCEO
Review Fuel Stock Control and Process	Dec-22	DCEO
Present Regulation 17 Review to Audit & Risk Committee - Every 3 Years	Dec-22	CEO
Review Purchasing Policy & Procurement Process	Dec-22	DCEO
Review Social Media Policy 3.11	Dec-22	EGO
Review Code of Conduct (Councillor)	Feb-23	CEO & EGO
Conduct Drivers Licence Check Annually	April Annually	CEO & DCEO

Project / Change Management	Risk	Control
	Moderate	Adequate
Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.		
Actions	Due Date	Responsibility
Develop Project Management Methodology and Framework	Dec-22	DCEO
Review Communication and Engagement Framework	Dec-22	CEO & CDO

Safety and Security Practices	Risk	Control
	Moderate	Adequate
Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are negligence or carelessness.		
Actions	Due Date	Responsibility
Review Hazard Register	Annually	CEO & DCEO
Update Staff Training Register	Ongoing	CEO & DCEO
Conduct Quarterly Workplace Inspections	Quarterly	CEO
Safe Work Method Statements (SWMS) Library	May-22	CEO
Assess Shire Building and Facility Safety and Security	Oct-22	CEO
Develop Isolated Worker Management Procedure	Oct-22	CEO
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	CEO
Review Managing Emergencies In Shire Facilities	Mar-23	CEO & DCEO
Conduct Annual BCP and LEMC Drills	Dec-22	CEO
Review Contractor Inductions and Register	Jun-22	CEO

Supplier / Contract Management	Risk	Control
	Moderate	Adequate
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.		
Actions	Due Date	Responsibility
Review Purchasing Policy	Completed	CEO & DCEO
Develop Standardised Contracts	Ongoing	CEO & DCEO
Document Financial Controls	Ongoing	DCEO
Develop Appropriate Financial Reporting Tools	Ongoing	DCEO
Develop Centralised Contract Management System	Ongoing	CEO & DCEO

Asset Management Practices

Sep-22

Risk Context

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

Areas included in the scope are;

- Inadequate design (not fit for purpose)
- Ineffective usage (down time)
- Outputs not meeting expectations
- Inadequate maintenance activities.
- Inadequate financial management and planning (capital renewal plan).

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

Objective:

Maintain assets at a suitable level from procurement to disposal.

Potential causes include;

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

Key Controls	Type	Last Reviewed	Rating
Roads Maintenance Program	Preventative	Sep-22	Adequate
Road Asset Management Program (RAMM)	Preventative	Jul-22	Adequate
Fleet and Plant Maintenance Program	Preventative	Sep-22	Adequate
Building Maintenance Program	Preventative	Jun-22	Adequate
Asset Management Plan	Preventative	Sep-22	Adequate
Plant Replacement Program	Preventative	Sep-22	Adequate
Sewerage Maintenance Plan & Program	Preventative	Oct-19	Inadequate
Road Strategy	Preventative	Jun-21	Adequate
Stock Control Systems (Fuel)	Preventative	Jun-21	Adequate
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Partial	Partial	No	No	
CEO	Yes	Yes	Partial	Yes	No	
DCEO	Yes	Yes	Partial	Partial	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	No	No	No	No	No	
CEO	Yes	Yes	Yes	Yes	No	
DCEO	Partial	Partial	Partial	Partial	Partial	Current system subject to fraud

Actions (Treatments)	Due Date	Responsibility
Revaluation of Road Assets	N/A	CEO
Revaluation of Sewerage System	Dec-22	CEO
Revaluation of Other Infrastructure (New Action)	Completed	DCEO
Revaluation of Land & Buildings (New Action)	Apr-23	CEO
Update RAMM Annually	Jun-23	CEO
Link Building Maintenance Schedule to AMP	Sep-22	DCEO
Review Asset Management Plan	Completed	CEO & DCEO
Review LTFP and Link to AMP	Sep-22	DCEO
Review Fuel Stock Control System	Completed	CEO
Implement New Fuel Stock Control System	Completed	DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			Completed 2020; FM Regulation no longer requires revaluation *
Dec-22	Apr-22		Draft Report provided to management for comment (5 year revalue cycle)
			Onsite inspection carried out; report due mid July 2022 (5 year revalue cycle)
			Revalue cycle every 5 years in accordance to FM Regulations
			Data updated in RAMMS; 22/23 program to be loaded throughout year
Dec-20	Apr-21	Jun-22	Postponing until updated AMP is finalised
Mar-20	Dec-20	Apr-22	Adopted September 2023
Jun-20	Feb-21	Apr-22	Draft reviewed AMP & LTFP currently link; data needs to be cross referenced
Completed			Review identified control deficiencies
Nov-20	Feb-21	Sep-22	

Key Performance Indicators	Tolerance	Latest Result	Trend
Asset Renewal Funding Ratio	95%-105%	92%	Worsening
Asset Consumption Ratio	60%-75%	59%	Worsening
Asset Sustainability Ratio	90%-110%	69%	Worsening
AMP & LTFP	Reviewed Annually	Not Completed	Improving
Accidents and / or Damage to Property	<2 Per Quarter	10 for Quarter	Improving

KPI / Action Data			
2021	2020	2019	Comments
92%	140%	135%	Rate annually in December
59%	60%	95%	Rate annually in December
69%	83%	143%	Rate annually in December
			AMP adopted; LTFP in draft
8	4		Result December 2020 - 8; Rate annually in December

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Additional / Final Comments

Reviewed by Management Team - September 2022
 Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

Business & Community Disruption Sep-22

Risk Context

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).

This includes;

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

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

Potential causes include;

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

Key Controls	Type	Last Reviewed	Rating
Local Emergency Management Arrangements (LEMA)	Preventative	Oct 19	Adequate
Business Continuity Plan	Preventative	Aug 22	Adequate
Managing Emergencies in Shire Facilities	Preventative	Dec 16	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Annual LEM Exercise Undertaken	Jun 23	CEO
Review Business Continuity Plan	Aug 24	CEO
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO & DCEO
Develop IT Disaster Recovery Plan	Dec 22	DCEO
Fire Breaks Inspected and Enforced Annually	Nov 22	DCEO
Fire Fighting Equipment Maintained and Serviced Annually	Sep 22	CEO
Wardens (Internal) - Training of New Wardens	Completed	CEO & DCEO
Admin Generator Maintained and Serviced	Monthly	CEO
Review Managing Emergencies in Shire Facilities	Jun 22	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Missed LEMC Committee Meetings	1 per annum	2	Worsening
Number of Firebreak Infringements Issued	5 per annum	2	Improving
LEM Annual Exercise Undertaken	1 per annum	1	Improving
BCP Annual Exercise Undertaken	1 per annum	1	Improving

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Service Interruption; Reputation; Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Objective: To continue delivery of critical services at acceptable levels following a disruption

Control Assurance

Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Apr-20	Completed		Completed June 2022; Next due June 2023
Feb-21	Completed		Reviewed August 2022; Next due August 2024
Oct-19	Completed		COVID-19 response treated as BCP exercise; Next due Dec 2022
Dec-20	Jun-21	Dec-22	Deferred until DCEO can review IT system & controls
Completed			Inspected November 2021
N/A			Inspections completed; Next inspection Sept 2022
Oct-19	Jun-20	Jun-22	Training completed; Warden identifying tools and equipment in place
Monthly	NA	NA	Inspection completed; need to implement monthly monitoring system
Jun-20	Dec-21	Jun-22	Waiting for LGIS to confirm review date

KPI / Action Data

2020	2021	2022	Comments
1	1	2	Only 2 meetings held due to no quorum
2	0		5 Infringements issued in 2019; 2 Infringements in 2020; 0 Infringements in 2021
Nil	Nil	1	Conducted June 2022
1	1	1	COVID-19 response treated as BCP exercise

Additional / Final Comments

Reviewed by Management Team - September 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

Failure to fulfil Compliance Requirements (Statutory and Regulatory)

Sep-22

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

Objective: Compliance with Statutory and Regulatory Local Government obligations, including the Local Government Act, Planning & Development Act, Health Act, Building Act and Freedom of Information Act

Potential causes include;	
Lack of training, awareness and knowledge	Lack of Legal Expertise
Staff / Councillor Turnover	No Compliance Officer or person responsible for Compliance oversight and enforcement
Inadequate record keeping / failure of corporate electronic systems	Breakdowns in the tender or procurement process
Ineffective policies & processes	Ineffective monitoring of changes to legislation

Key Controls	Type	Last Reviewed	Rating
Governance Management Framework	Preventative	Ongoing	Adequate
Information Management System	Preventative	Unknown	Adequate
Human Resource Management Framework	Preventative	Ongoing	Adequate
Access to Accurate & Current Legislation & Regulations	Preventative	Ongoing	Adequate
Governance Calendar	Preventative	Ongoing	Adequate
Council & Staff Inductions	Preventative	Ongoing	Adequate
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Partial	Partial	Partial	Partial	No	
CEO; DCEO	Partial	Partial	Partial	Partial	No	
EGO	No	No	Yes	Yes	No	Documentation not required
EGO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Document Governance Framework	Dec-22	CEO & EGO
Continue Implementation of Training Program for Councillors and Staff	Ongoing	CEO, DCEO & EGO
Review Councillor Induction Manual - Every 2 Years	Sep-23	EGO
Review Human Resource Management Framework	Dec-22	CEO & DCEO
Review Information Management System	Dec-22	DCEO
End of Year Financial Audit - Prepare	Sep-22	DCEO
Interim Audit Finding 30 June 2022 - Response to Findings	Dec-22	DCEO
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Aug-22	CEO & DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Ongoing			Progressing
Completed			Completed September 2021; Next review due September 2023
Ongoing	Feb-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Dec-20	Feb-21	Dec-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
			Financials prepared and currently with Auditor
			Addressing findings in hand
Dec-20	Apr-21	Apr-22	AMP adopted September 2022; LTFP in draft

Key Performance Indicators	Tolerance	Latest Result	Trend
Financial and Performance Audit Qualifications	Unqualified Audit	Unqualified Audit	Improving
Compliance Audit Return	As per legislated	Compliant	Constant
Financial Management System Review (Every 3 Years)	As per legislated	Compliant	Improving
CEO Regulation 17 Review (Every 3 Years)	As per legislated	Compliant	Improving
Freedom of Information Statistical Return	As per legislated	Compliant	Improving
Annual Waste & Recycling Data Reporting	As per legislated	Compliant	Improving
Regulation 53 of Building Regulations 2021 (Pool Inspections)	As per legislated	Compliant	Worsening
Food Act 2008 & Public Health Act 2016 Reporting	As per legislated	Compliant	Improving

KPI / Action Data			
2020	2021	2022	Comments
<i>Unqualified Audit</i>	<i>Unqualified Audit</i>		Rated annually in December
<i>Compliant</i>	<i>Compliant</i>	<i>Compliant</i>	Completed February 2022; Rated annually in March
<i>Not Rated</i>	<i>Not Rated</i>		Last reviewed September 2019; Due September 2022 - scheduled for November 2022
<i>Compliant</i>	<i>Not Rated</i>		Last reviewed September 2019; Due December 2022
<i>Compliant</i>	<i>Compliant</i>	<i>Compliant</i>	Submitted July 2022; Rated annually in July
<i>Compliant</i>	<i>Compliant</i>	<i>Compliant</i>	Submitted October 2022; Rated annually in October
<i>Not Rated</i>	<i>Non-Compliant</i>		Due December 2021; Every 3 years; Inspections scheduled for November 2022
<i>Compliant</i>	<i>Compliant</i>		Rated annually in August; Next due August 2023

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Reputation / Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Additional / Final Comments
Reviewd by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

Document Management Processes

Sep-22

Risk Context

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

This includes:

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

Potential causes include;

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

Key Controls	Type	Last Reviewed	Rating
Information Management Framework	Preventative	Dec-20	Adequate
Governance Management Framework	Preventative	Ongoing	Adequate
Recordkeeping Plan	Preventative	Sep-22	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Completed	DCEO
Refurbishment of Archive Room to Improve Compliance	Completed	CEO
Review Sharepoint System	Dec-22	DCEO
Review Information Management Framework	Dec-22	DCEO
Information Management Staff Training	Ongoing	DCEO
Review Record Keeping Plan	Completed	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Information Management Framework	Reviewed Annually	Not Rated	Constant
Archives	As legislated	Compliant	Constant
Record Keeping Plan Completed	As legislated	Not Rated	Improving

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Reputation	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Objective:

Adequately capture, store, archive, retrieve, provide and ultimately dispose of Shire documentation

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Partial	Partial	Partial	Partial	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Partial	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			
Completed			
Jun-21	Dec-21	Apr-22	Progressing; Consultation engaged to implement stage 1
Jun-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Ongoing			Form part of Induction Process
Jun-21	Dec-21	Jun-22	Completed

KPI / Action Data			
2020	2021	2022	Comments
<i>Not Rated</i>	<i>Not Rated</i>		Rate annually in December
<i>Compliant</i>	<i>Compliant</i>		Recorded & destroyed as per R&D Schedule; Rate annually in December
<i>Not Rated</i>	<i>Non Compliant</i>	<i>Completed</i>	RKP Compliant

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Employment Practices

Sep-22

Risk Context
 Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).
 This includes:
 -Not having appropriately qualified or experienced people in the right roles
 -Insufficient staff numbers to achieve objectives
 -Breaching employee regulations
 -Discrimination, harassment & bullying in the workplace
 -Poor employee wellbeing (causing stress)
 -Key person dependencies without effective succession planning in place
 -Industrial activity

Potential causes include;

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

Key Controls	Type	Last Reviewed	Rating
Workforce Plan	Preventative	May-19	Effective
Human Resource Management Framework	Preventative	May-19	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Develop a Health and Wellbeing Program	Aug-22	CEO & DCEO
Review Workforce Plan	Dec-22	CEO & DCEO
Create Checklist for Human Resource Management Framework	Dec-22	CEO & DCEO
Update Training Register & Develop 2022/2023 Training Program	May-22	CEO & DCEO
Review Staff Induction Process	Mar-20	DCEO
Conduct Annual Drivers License Checks	Annually in Apr	DCEO
Conduct Annual Performance Reviews	Annually in Apr	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Training Program (% Completed)	90% per annum	Not rated	
Absenteeism (% of Personal)	> 10 days per FTE	32%	
Absenteeism (% Unpaid Leave)	> 0 days per FTE	41%	
Employee Turnover (% Turnover Rate of Permanent Staff)	10%	Not rated	
Performance Reviews (% Completed)	100% per annum	100%	Improving
Annual Drivers Licenses (% Completed Checks)	100% per annum	100%	Improving
Workers Compensation Claims	< 1 per annum	0	Improving

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Health / Reputational / Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Notes:

Australian Public Service Commission
 .id informed decisions
 CEMI (UWA)
 National turnover 8.5%

Objective:
 Effective management and leadership of human resources (full-time, part-time, casual, temporary and volunteer).

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Partial	Partial	Partial	Partial	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Mar-22	Draft program progressing
Apr-20	Mar-21	Jul-22	Carry out review once organisation restructure is finalised
Jun-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Mar-20	Sep-20	Jun-22	Review underway
			Conducted check during performance review process in April 22
			Performance reviews conducted during April/May 22

KPI / Action Data			
2020	2021	2022	Comments
	Not Rated		Rate annually in July 202 Control not in place to rate indicator
	Not Rated	32%	Commenced rating for 2021/22 year
	Not Rated		Commenced rating for 2021/22 year
	Not Rated		KPI to be reviewed to consider tolerance and measure
100%	100%	100%	Rate annually in June
100%	100%	100%	Rate annually in June
2	4	2	Rate annually in June; 2020 cases (x2) closed in 2020/2021; 1 current cases

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Engagement Practices

Sep-22

Risk Context

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

For example;

- Following up on any access & inclusion issues
- Infrastructure Projects
- Local planning initiatives
- Strategic planning initiatives

This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.

Objective:
 Effective working relationships (communication, feedback & consultation) with the Community, local Media, Stakeholders, key Private Sector Companies, Government Agencies and Elected Members.

Potential causes include;

Relationship breakdowns with community groups	Short lead times
Leadership inattention to current issues	Miscommunication / poor communication
Inadequate documentation or procedures	Inadequate Regional or District Committee attendance.
Budget / funding issues	Inadequate involvement with, or support of community groups

Key Controls	Type	Last Reviewed	Rating
Community & Engagement Framework	Preventative	Sep-21	Adequate
Communication & Engagement Policy	Preventative	Sep-21	Adequate
Complaint Handling Process	Preventative	Jun-21	Adequate
Community Satisfaction Survey	Detective	Sep-22	Adequate
Customer Service Charter	Preventative	Sep-22	Adequate
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant

Actions (Treatments)	Due Date	Responsibility
Review Community Complaints, Feedback & Request Handling Process	Dec-22	CEO & DCEO
Review Community Engagement Policy & Framework	Dec-22	CEO, DCEO & CDO
Conduct Community Satisfaction Survey	Sep-24	CEO & CDO
Review Process For Customer Response Requests	Dec-22	DCEO
Review Customer Service Charter (every two years)	Sep-24	EGO
Update Complaint Register (in accordance to Act)	As Required	DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Sep-19	Jun-20	Apr-22	Second review required to streamline processes; extended to Dec 2022
Jun-22			Review extended to Dec 2022
			Completed Septmeber 2022; next due Septemebr 2024
Jun-22			Conduct second review and align with complaints handling process
			Completed September 2022; Next due September 2024
			Register available on Shire website & update as required

Key Performance Indicators	Tolerance	Latest Result	Trend
Number Complaints from the Community Not Responded To	<3 per quarter	Not Rated	
Community Satisfaction Survey - Council Leadership within the Community	80% Satisfaction	70%	Worsening
Community Satisfaction Survey - How the community is consulted & informed about local issues	80% Satisfaction	56%	Worsening
Community Engagement Framework	Completed	Completed	Constant

KPI / Action Data			
2020	2021	2022	Comments
<i>Not Rated</i>	<i>Not Rated</i>		Rated annually in December; control to be identified to capture indicator
<i>75%</i>	<i>Not Rated</i>	<i>70%</i>	Rated biannually in December; Next due 2024
<i>75%</i>	<i>Not Rated</i>	<i>56%</i>	Rated biannually in December; Next due 2024
<i>Not Rated</i>	<i>Completed</i>		Rate in December

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation	Consequence:	<i>Minor (2)</i>
	Likelihood:	<i>Likely (4)</i>
	Overall Risk Ratings:	Moderate

Additional / Final Comments

Reviewed by Management Team - September 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Environment Management

Sep-22

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

Objective:
Effective management and protection of our environment

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

Key Controls	Type	Last Reviewed	Rating
Road Engineering & Subdivision Policy (4.4)	Preventative	May-19	Adequate
Waste Water Management Plan & Program	Preventative		Not Rated
Contaminated Sites Register	Preventative	Jun-22	Adequate
Waste Management Plan & Program	Preventative		Not Rated
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	No	
CEO	No	No	No	No	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	No	No	No	No	No	

Actions (Treatments)	Due Date	Responsibility
Develop Waste Water Management Plan & Program	Jun-23	CEO
Develop Waste Management Plan & Program	Jun-23	CEO
Complete Audit of Sewage System	Completed	CEO
Valuation of Sewage System	Jun-22	CEO
Address Compliance of Waste Management	Ongoing	CEO
Preparation of Refuse Site Closure Plan	Dec-22	CEO
Address Compliance of Waste Water Re-Use	Sep-22	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-22		Deferred; not considered a priority at present
Dec-20	Jun-21	Jun-22	Deferred; not considered a priority at present
Completed			
Completed			
Ongoing			CEO to determine & identify any gaps
			Contractor engaged
Jun-21	Jun-22	Sep-22	Recycled Water Quality Management Plan in draft

Key Performance Indicators	Tolerance	Latest Result	Trend
Annual Waste & Recycling Data Reporting	As per legislated	Completed	Constant
Satisfactory Water Sampling For Water Re-Use	100%	Completed	Constant
Asbestos Register	As per legislated	Maintained	Constant
Contaminated Site Register	As per legislated	Maintained	Constant

KPI / Action Data			
2020	2021	2022	Comments
<i>Submitted</i>	<i>Submitted</i>	<i>Submitted</i>	Completed as per statutory requirements; Next due October 2022
<i>100%</i>	<i>100%</i>		Water sampling conducted monthly during irrigation season
<i>Maintained</i>	<i>Maintained</i>	<i>Maintained</i>	Last reviewed June 2021; Review annually in June
<i>Maintained</i>	<i>Maintained</i>	<i>Maintained</i>	Maintained

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Environment / Reputation / Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Additional / Final Comments
Reviewed by Management Team - September 2022

Errors, Omissions & Delays

Sep-22

Risk Context

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

Examples include;

- Incorrect planning, development, building, community safety and Emergency Management advice
- Incorrect health or environmental advice
- Inconsistent messages or responses from Customer Service Staff
- Any advice that is not consistent with legislative requirements or local laws.
- Human error
- Inaccurate recording, maintenance, testing or reconciliation of data.
- Inaccurate data being used for management decision-making and reporting.
- Delays in service to customers

This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes"

Objective:

Minimal errors, omissions or delays in service delivery and advisory activities

Potential causes include;

Human error	Incorrect information
Inadequate formal procedures or training	Miscommunication
Lack of trained staff	Work pressure / stress
Unrealistic expectations from community, council or management	Health issues
Poor use of check sheets / FAQ's	Lack of understanding

Key Controls	Type	Date	Rating
Checklists and Documented Procedures	Preventative	Nov-19	Adequate
Complaints Register	Preventative	Nov-19	Adequate
Complaints Process	Recovery	Nov-19	Adequate
Councillor Information Bulletin	Preventative	Nov-19	Adequate
Customer Service Charter	Preventative	Nov-19	Adequate
Delegations & Register	Preventative	Nov-19	Adequate
Electronic Records - Sharepoint	Recovery	Nov-19	Adequate
External Communications (website, news articles)	Preventative	Nov-19	Adequate
External Consultants (ie. legal)	Preventative	Nov-19	Adequate
Customer Service Request Procedure	Preventative	Nov-19	Adequate
File Note/Documentation	Preventative	Nov-19	Adequate
Internal Communications (staff newsletter, regular meetings)	Preventative	Nov-19	Adequate
Performance Reviews	Preventative	Nov-19	Adequate
Qualified Building, Health & Planning Officers	Preventative	Nov-19	Adequate
Segregation of Duties (financial control)	Preventative	Nov-19	Adequate
Staff Inductions	Preventative	Nov-19	Adequate
Staff Training (formal & on-the-job)	Preventative	Nov-19	Effective
Council Motions Register	Preventative	Nov-19	Adequate

Control Assurance

Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; DCEO	Partial	Partial	Partial	Partial	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
All Staff	Yes	Yes	Yes	Yes	No	
CEO; CDO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
SMT	Yes	Yes	Yes	Yes	No	
CEO; CDO	Yes	Yes	Yes	Yes	No	
SMT	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
SMT	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
EGO	Yes	Yes	Yes	Yes	No	

Workforce Plan	Preventative	Nov-19	Adequate
Overall Control Ratings:			Adequate
Actions (Treatments)			
		Due Date	Responsibility
Review Employee Code of Conduct		Jul-22	CEO & EGO
Review and Document Organisations Controls and Systems		Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures		Dec-22	CEO & DCEO
Review Customer Service Complaints & Request Process to include Snap Send Solve		Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Legal Claims	0	0	Constant
Number of Complaints Regarding Errors, Omissions or Delays (minor)	0	0	Constant
Number of Complaints Regarding Errors, Omissions or Delays (major)	0	0	Constant
Referral to SAT/Ombudsman/Public Sector Commission	0	0	Constant
Number of Complaints to Local Government Standards Panel	0	0	Constant
External Audit Qualification	Unqualified Audits	Unqualified Audit	Constant
Staff Training Target Met	90%	Not Rated	Constant

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation / Compliance	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

CEO; DCEO	Yes	Yes	Yes	Yes	No	
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Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			July 2022 presented to all staff
Ongoing			Continuous improvement
Dec-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Jun-22			Second review required to streamline processes; Extended to Dec 22

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
Unqualified Audit	Unqualified Audit		Rate annually in December
Not Rated	Unable to Rate	Unable to Rate	Rate annually in June; Control to be identified to rate indicator

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

External Theft & Fraud (Including Cyber)

Sep-22

Risk Context

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

For the purposes of;

-Fraud: benefit or gain by deceit

-Malicious Damage: hacking, deleting, breaking or reducing the integrity or performance of systems

-Theft: stealing of data, assets or information

Potential causes include;

Inadequate security of equipment / supplies / cash	Inadequate provision for patrons belongings
Robbery	Lack of Supervision
Scam Invoices	Collusion with internal staff
Cyber crime	

Key Controls	Type	Last Reviewed	Rating
Building Security Access Controls (Keys and Keypad Access)	Preventative	Unknown	Adequate
Equipment Storage and Access Controls	Preventative	Unknown	Adequate
IT Security Framework (Passwords and Security Protocols)	Preventative	Sep-19	Adequate
Financial Management System	Preventative	Sep-19	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Review Access Controls to Include Key Register	No Date	CEO & DCEO
Photographic Record of Minor Assets & Align With Minor Assets Register	Dec-22	DCEO
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO
Review Security and Storage of Records	Aug-22	DCEO
Document Financial Management System	Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Cyber Breaches	0	0	Constant
Number of Incidents of Theft or Fraud	0	0	Constant
Passwords Changed Quarterly	100%	100%	Constant

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Financial / Property	Consequence:	Minor (2)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Objective:

To prevent a loss of funds, assets, data or unauthorised access by external parties

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Partial	Partial	Partial	No	Partial	
CEO	Partial	Partial	Partial	No	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Dec-21	Progress stalled, no due date set
Jun-20			Progressing
Ongoing			Secure password policy in place; reset passwords every 90 days
			Last reviewed August 2021
Oct-21			Progressing; anticipate completion December 2022

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
0	0	0	Rate annually in June
100%	100%	100%	Rate annually in June

Additional / Final Comments

Reviewed by Management Team - September 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Management of Facilities / Venues / Events

Sep-22

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

Objective:
Effective management of the day to day operations of facilities, venues and events.

Potential causes include;	
Double bookings	Traffic congestion or vehicles blocking entry or exit
Illegal / excessive alcohol consumption	Insufficient time between bookings for cleaning or maintenance
Bond payments poorly managed	Difficulty accessing facilities / venues.
Falsifying hiring agreements (alcohol on site / lower deposit)	Failed safety / chemical / health requirements
Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)	Poor service from contractors (such as catering or cleaning)

Key Controls	Type	Last Reviewed	Rating
Event Management Framework	Preventative	May-19	Adequate
Building Maintenance Program	Preventative	May-19	Adequate
Facility / Venue Booking System	Preventative	May-19	Adequate
Reserves Management System	Preventative	May-19	Adequate
Asset Management Plan	Preventative	May-19	Adequate
Statutory Public Building Compliance Program	Preventative	Nov-21	Adequate
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Partial	Yes	No	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	No	No	No	
CEO; DCEO	Partial	Partial	Partial	No	No	

Actions (Treatments)	Due Date	Responsibility
Develop Event Management Framework	Dec-22	CDO
Develop Reserves Management Register	Completed	DCEO
Create Inspection and Maintenance Schedules for Event Equipment	Dec-22	CDO
Undertake Community Facilities Review	Aug-22	CEO & CDO
Public Buildings Inspected Annually for Compliance	Oct-22	CEO
Develop Wheatbelt Heritage Rail Management Plan	Jun-23	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Mar-20	Jun-20	Jun-22	Event Management Plan in place, yet to complete framework; Extend to Dec 22
Dec-20	Dec-21		Completed
Dec-19	Mar-20	Jun-22	Extend to Dec 22
Jun-20	Feb-21	Jun-22	Near completion
Dec-20	Nov-21	Apr-22	Inspections scheduled for November 2022
			Not commenced

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Injuries / Incidents at Events	0	0	Constant
Number of Injuries / Incidents at Facilities	0	0	Constant
Customer Satisfaction Survey - Facilities	<65%	83%	Improving
Compliance of Events and Facilities	>90%	90%	Constant
Reserves Management Register	Maintained	Not Rated	

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
0	0	0	Rate annually in June
81%	Not Rated	83%	Rated every 2 years; Due Setpember 2024
90%	Not Rated	Compliant	Rated every 2 years; Due Setpember 2024
Not Rated	Maintained	Maintained	New indicator; Rate in December 2022

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation	Consequence:	Minor (2)
	Likelihood:	Unlikely (2)
	Overall Risk Ratings:	Low

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

IT or Communication Systems and Infrastructure

Sep-22

Risk Context

Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.

Examples include failures or disruptions caused by:

- Hardware or software
- Networks
- Failures of IT Vendors

This also includes where poor governance results in the breakdown of IT maintenance such as;

- Configuration management
- Performance monitoring

This does not include new system implementations - refer "Inadequate Project / Change Management".

Potential causes include;

Weather impacts	Non-renewal of licences
Power outage on site or at service provider	Inadequate IT incident, problem management & Disaster Recovery Processes
Out-dated, inefficient or unsupported hardware or software	Lack of process and training
Software vulnerability	Equipment purchases without input from IT department
Incompatibility between operating systems	Vulnerability to user error

Key Controls	Type	Last Reviewed	Rating
IT Infrastructure Replacement Program	Preventative	Jul-20	Adequate
IT Management Service Level Agreement	Detective	Early 2018	Adequate
IT Managed Service Agreement Monthly Report	Detective	Monthly	Adequate
IT Disaster Recovery Plan	Recovery		Not Rated
IT System Access Framework	Preventative		Adequate
Secure Password Procedure	Preventative		Adequate
Advanced Email Protection	Preventative	Aug-20	Effective
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Dec-22	DCEO
Review IT Management Service Level Agreement	Jan-24	DCEO
Document IT Infrastructure Replacement Program	Dec-22	DCEO
Develop Secure Password Procedure	Completed	DCEO
Replacement of Phone System	Completed	DCEO
Document IT System Access Framework	Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Cyber Breaches	0	0	Constant
IT Replacement Program	Developed	Not rated	Constant
IT Disaster Recovery Plan	Developed	Not rated	Constant
Advanced Email Protection	Installed	Installed	Constant
IT System Access Framework	Developed	Not rated	Constant
Document Secure Password Procedure	Developed	Not rated	Constant
Replacement of Phone System	Installed	Not rated	Constant

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Service Disruption / Financial	Consequence:	Major (4)
	Likelihood:	Likely (4)
	Overall Risk Ratings:	Moderate

Objective:

Stability and performance of information technology and communication systems

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; DCEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; DCEO	Yes	Yes	Yes	Yes		Due June 2021
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
DCEO	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-21	Dec-22	
			Provision of Managed Information Services expires in 2024
Mar-20	Dec-20	Jun-22	Extend to Dec 22
Completed			Procedure implemented
Sep-21	Completed		VOIP system installed
Mar-21	Jun-21	Dec-22	Date to be confirmed

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
Not rated	Completed		Rating based on completion
Not rated	Not rated		Rating based on completion
Installed	Maintained		System remains in place
Not rated	Not rated		Rating based on completion
Not rated	Completed	NA	Rating based on completion
Not rated	Completed	NA	VOIP system installed

Additional / Final Comments

Reviewed by Management Team - September 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Misconduct

Sep-22

Risk Context

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

This would include instances of:

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

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

Objective:

Compliance with our Code of Conduct

Potential causes include;

Inadequate training of code of conduct \ induction	Greed, gambling or sense of entitlement
Changing of job roles and functions/authorities	Collusion between internal & external parties
Delegated authority process inadequately implemented	Password sharing
Lack of internal checks	Low level of Supervisor or Management oversight
Covering up poor work performance	Believe they'll get away with it
Poor enforcement of policies and procedures	Undue influence from Manager / Councillor
Information leaked to Tenderers during the Tender process	Poor work culture
Insubordination	By-passing established administrative procedures
Disgruntled employees	Sharing of confidential information

Key Controls	Type	Last Reviewed	Rating
Delegations Register	Preventative	May-20	Adequate
Staff Recruitment Process (includes Police Clearance)	Preventative	Feb-19	Adequate
Staff Inductions	Preventative	Aug-20	Adequate
External Audits	Preventative	May-20	Adequate
Annual Drivers Licence Checks	Preventative	Feb-20	Adequate
Social Media Policy	Preventative	Apr-20	Adequate
Segregation of Duties (Financial)	Preventative	Jul-20	Adequate
Financial Management Policy	Preventative	May-20	Adequate
Financial Authorisation Policy	Preventative	May-20	Adequate
Delegation Control - Synergy	Preventative	Jul-20	Adequate
Financial Interests Returns Declarations	Preventative	Ongoing	Adequate
Primary and Annual Returns Process	Preventative	Aug-20	Adequate
Procurement Delegation Control - Synergy	Preventative	Ongoing	Adequate
Petty Cash Policy	Preventative	May-20	Adequate
Corporate Credit Card Policy	Preventative	Apr-21	Adequate
Delegated Authority for Procurement	Preventative	May-20	Adequate
Elected Member Training Plan	Preventative	Ongoing	Adequate
Audit & Risk Committee Terms of Reference	Preventative	Nov-19	Adequate
IT Security Access Register (Profiles & Passwords)	Preventative	90 Days	Adequate
Purchasing Policy & Procurement Process	Preventative	Jul-20	Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	Partial	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	

Tender Procurement Process	Preventative	Unknown	Adequate
Financial Management Systems Review	Preventative	Sep-19	Adequate
Regulation 17 Review	Preventative	Dec-19	Adequate
Related Parties Disclosures Policy	Preventative	Jan-19	Adequate
Council Member Communication & Use of Social Media Policy	Preventative	Introduced	Adequate
Code of Conduct	Preventative	Feb-21	Adequate
Overall Control Ratings:			Adequate

CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures	Jun-21	CEO & DCEO
Review Fuel Stock Control and Process	Dec-22	DCEO
Present Regulation 17 Review to Audit & Risk Committee - Every 3 Years	Dec-22	CEO
Review Purchasing Policy & Procurement Process	Dec-22	DCEO
Review Social Media Policy 3.11	Dec-22	EGO
Review Code of Conduct (Councillor)	Feb-23	CEO & EGO
Prepare Credit Card Procedure	Completed	DCEO
Conduct Drivers Licence Check Annually	April Annually	CEO & DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Ongoing		Progressing
Dec-20	Jun-21	Jun-22	Progressing
May-20	Apr-21		Process to be documented
			Scheduled for December 2022
Mar-20	Completed		Next review scheduled for December 2023
Oct-19	Completed		Social Media Policy 3.11; reviewed April 2020; introduced Council Member Communication & Use of Social Media Policy December 2019
Completed			Biennial review to be presented to Council February 2023
Sep-21	Completed		Credit Card authorisation forms and agreements in place
			Last checked April 22; Next check April 2023

Key Performance Indicators	Tolerance	Latest Result	Trend
Unqualified External Audits (# of Significant Findings)	0	Unqualified	Constant
Disregarding or Manipulating Procurement Process	Nil	Not rated	Constant
Breaches of Code of Conduct	Nil	1	Constant
Internal & External Complaints (Minor)	< 1 per quarter	0	Constant
Internal & External Complaints (Major)	0	0	Constant
Adherence to Internal Controls	Nil	Not rated	Constant

KPI / Action Data			
2020	2021	2022	Comments
<i>Unqualified</i>	<i>Unqualified</i>		Rate annually in December
<i>Not rated</i>	35		Rate annually in December; 35 non-conforming
0	4		Rate annually in December
0	0		Rate annually in December
0	0		Rate annually in December
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Control to rate indicator yet to be identified

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation / Finance	Consequence:	<i>Moderate (3)</i>
	Likelihood:	<i>Possible (3)</i>
	Overall Risk Ratings:	Moderate

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Project / Change Management

Sep-22

Risk Context

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.

This includes:

- Inadequate change management framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.
- Failure to implement new systems
- Inadequate handover process

This does not include new plant & equipment purchases. Refer "Inadequate Asset Sustainability Practices"

Potential causes include;

Lack of communication and consultation	Excessive growth (too many projects)
Lack of investment	Inadequate monitoring and review
Failures of project Vendors/Contractors	Geographic or transport difficulties sourcing equipment / materials
External consultants underquoting on costs	Lack of project methodology knowledge and reporting requirements
Ineffective management of expectations (scope creep)	Project risks not managed effectively
Inadequate project planning (resources/budget)	

Key Controls	Type	Last Reviewed	Rating
Project Management Methodology and Framework	Preventative		Not Rated
Communication and Engagement Framework	Preventative		Adequate
Risk Management Framework	Detective	Oct-19	Adequate
Financial Management Framework	Preventative	Mar-17	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Develop Project Management Methodology and Framework	Dec-22	DCEO
Review Communication and Engagement Framework	Dec-22	CEO & CDO

Key Performance Indicators	Tolerance	Latest Result	Trend
Minimisation of Project Variations	<90%	Not rated	
Achievement of Project Deadlines / Milestones	<90%	Not rated	
Community Engagement Framework	Completed	Not rated	

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Financial / Reputational / Health	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Objective:
Adequate analysis, design, delivery and reporting of projects

Control Assurance

Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	No	No	No	No	Partial	
CEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Oct-19	Dec-20	Dec-21	Project management templates in place; process yet to be documented
Mar-22			Due to review in March 2023

KPI / Action Data

2020	2021	2022	Comments
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Completed</i>		Rate upon completion

Additional / Final Comments

Reviewed by Management Team - September 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Safety and Security Practices

Sep-22

Risk Context

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. Other considerations are negligence or carelessness.

Objective:

Compliance with the Occupation Safety & Health Act, associated regulations and standards, and the ability to ensure the physical security requirements of staff, contractors and visitors.

Potential causes include;

Lack of appropriate PPE / equipment	Inadequate signage, barriers or other exclusion techniques
Inadequate first aid supplies or trained first aiders	Poor storage and use of dangerous goods
Inadequate security protection measures in place for buildings, depots and other places of work	Ineffective / inadequate testing, sampling or other health-related requirements
Inadequate or unsafe modifications to plant & equipment	Lack of mandate and commitment from senior management
Inadequate policy, frameworks, systems and structure to prevent the injury of visitors, staff, contractors and/or tenants.	Inadequate organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc.).
Inadequate supervision, training or mentoring of staff	Slow or inadequate response to notifications from public

Key Controls	Type	Last Reviewed	Rating
Building Security Access Controls (Keys & Keypad Access)	Preventative	Sep-19	Adequate
OSH Management Framework	Preventative	May-17	Adequate
Human Resource Management Framework	Preventative	May-19	Adequate
Governance Management Framework	Preventative	Ongoing	Adequate
Managing Emergencies In Shire Facilities	Preventative	Dec-16	Adequate
Overall Control Ratings:			Adequate

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	No	No	Partial	
CEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Partial	Partial	Partial	Partial	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Review Hazard Register	Annually	CEO & DCEO
Update Staff Training Register	Ongoing	CEO & DCEO
Conduct Quarterly Workplace Inspections	Quarterly	CEO
Safe Work Method Statements (SWMS) Library	May-22	CEO
Assess Shire Building and Facility Safety and Security	Oct-22	CEO
Develop Isolated Worker Management Procedure	Oct-22	CEO
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	CEO
Review Managing Emergencies In Shire Facilities	Mar-23	CEO & DCEO
Conduct Annual BCP and LEMC Drills	Dec-22	CEO
Review Contractor Inductions and Register	Jun-22	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec Annually			
			Register updated as required
			Inspections schedule prepared
			SMWS in place for all plant; review of SWMS commenced
Dec-19	Dec-20	Jun-22	Scheduled for November 2022
Dec-19	Jun-20	Apr-22	Policy signed off; yet to prepare procedure
			Monthly meetings conducted
Dec-21	Jun-22	Mar-23	Waiting for LGIS to confirm a date to conduct the review
Jun-20	Dec-21	Apr-22	LEMC drill completed, next due 2023; BCP drill due Dec 22
Jun-20	Jun-20	Jun-22	Review completed; contractor inductions conducted as required

Key Performance Indicators	Tolerance	Latest Result	Trend
Reporting and Management of Incidents	100%	100%	Improving
Failed Safety Inspections	Nil	Nil	Constant
Lost Time Injuries Per Quarter	Nil	Nil	Constant
Near Misses Per Quarter	Nil	Nil	Improving
Workers Compensation Claims Per Quarter	Nil	0	Improving
Safety Audit Result % (Every Three Years)	95%	74%	Constant

KPI / Action Data			
2020	2021	2022	Comments
100%	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
Nil	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
30 Hours	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
Nil	4		Rated annually in December
2	2		2 overall for 2021/22 (nil for quarter); Rated annually in December
Not rated	74%		Safety Audit completed May 2021

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Health	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Nil

Supplier / Contract Management

Sep-22

Risk Context
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.
This also includes:
<ul style="list-style-type: none"> • Concentration issues (contracts awarded to one supplier) • Vendor sustainability

Potential causes include;	
Insufficient funding	Inadequate contract management practices
Complexity and quantity of work	Ineffective monitoring of deliverables
Suppliers not willing to provide quotes	Limited availability of suppliers
Inadequate tendering process	Lack of planning and clarity of requirements
Contracts not renewed on time	Historical contracts remaining

Key Controls	Type	Last Reviewed	Rating
Annual Budget	Preventative	Mar-21	Adequate
Financial Management Framework	Preventative	Progressing	Adequate
Access to Independent Advice (WALGA/Lawyers) & Peer Review	Preventative	Ongoing	Adequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Review Purchasing Policy	Completed	CEO & DCEO
Develop Standardised Contracts	Ongoing	CEO & DCEO
Document Financial Controls	Ongoing	DCEO
Develop Appropriate Financial Reporting Tools	Ongoing	DCEO
Develop Centralised Contract Management System	Ongoing	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Contracts Reviewed And Maintained	>90%	90%	Constant
Number of Expired Contracts Not Yet Renewed	<1 per quarter	1	Constant

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Service Interruption / Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Moderate

Objective:
Adequate management (including contractual arrangements) of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations.

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; DCEO	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			Presented to Audit & Risk Committee September 2021
Completed			Standardised MOUs; Service Level Agreements; Tenancy Agreements
Ongoing			Progressing
Ongoing			Continuous refining
Ongoing			Investigating options, currently utilising SharePoint

KPI / Action Data			
2020	2021	2022	Comments
90%	90%		Rate annually in December
1	1		Rate annually in December

Additional / Final Comments
Reviewed by Management Team - September 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Measures of Consequence [V.2 - May 2019 - DRAFT FOR COUNCIL CONSIDERATION]

RATING	PEOPLE	INTERRUPTION TO SERVICE	REPUTATION (Social / Community)	COMPLIANCE	PROPERTY (Plant, Equip, Buildings)	NATURAL ENVIRONMENT	FINANCIAL IMPACT	PROJECT	
								Time	Budget
Insignificant (1)	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact	Less than \$5,000	Exceeds deadline by 5% of project	Exceeds project budget by 5%
Minor (2)	First Aid Treatment	Short term temporary interruption	Substantiated, localised impact on community trust or	Some temporary non-compliance	Localised damage rectified by	Contained, reversible impact	\$5,001 - \$50,000	Exceeds deadline by 10% of project	Exceeds project budget by 10%
Moderate (3)	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption	Substantiated, public embarrassment	Short term non-compliance but with significant	Localised damage rectified by	Contained, reversible impact	\$50,001 - \$200,000	Exceeds deadline by 15% of project	Exceeds project budget by 15%
Major (4)	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional	Substantiated, public embarrassment	Non-compliance results in termination of	Significant damage rectified by	Uncontained, reversible impact	\$200,001 - \$500,000	Exceeds deadline by 20% of project	Exceeds project budget by 20%
Extreme (5)	Fatality, permanent disability	Indeterminate prolonged interruption of	Substantiated, public embarrassment	Non-compliance results in litigation, criminal charges or	Extensive damage rectified by	Uncontained, irreversible impact	More than \$500,000	Exceeds deadline by 25% of project	Exceeds project budget by 25%

Measures of Likelihood

Rating	Description	Frequency
Almost Certain (5)	The event is expected to occur in most circumstances	More than once per year
Likely (4)	The event will probably occur in most circumstances	At least once per year
Possible (3)	The event should occur at some time	At least once in 3 years
Unlikely (2)	The event could occur at some time	At least once in 10 years
Rare (1)	The event may only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix

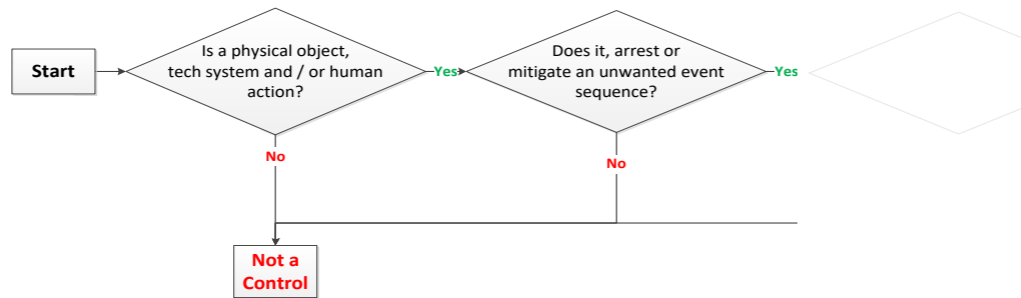
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (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 excellent controls, managed by senior management / executive and subject to monthly monitoring	DCEO / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Existing Controls Ratings

Rating	Foreseeable	Description
Effective	There is little scope for improvement.	Processes (Controls) operating as intended and aligned to Policies / Procedures. Subject to ongoing monitoring. Reviewed and tested regularly.
Adequate	There is some scope for improvement.	Processes (Controls) generally operating as intended, however inadequacies exist. Nil or limited monitoring. Reviewed and tested, but not regularly.
Inadequate	There is a need for improvement or action.	Processes (Controls) not operating as intended. Processes (Controls) do not exist, or are not being complied with. Have not been reviewed or tested for some time.



Lagging Indicator

Indicators relating to a result or outcome. Lag means the indicator will change after something happens. The indicator measures the results of an action. Looks back as to whether the intended result was achieved)

Leading Indicator

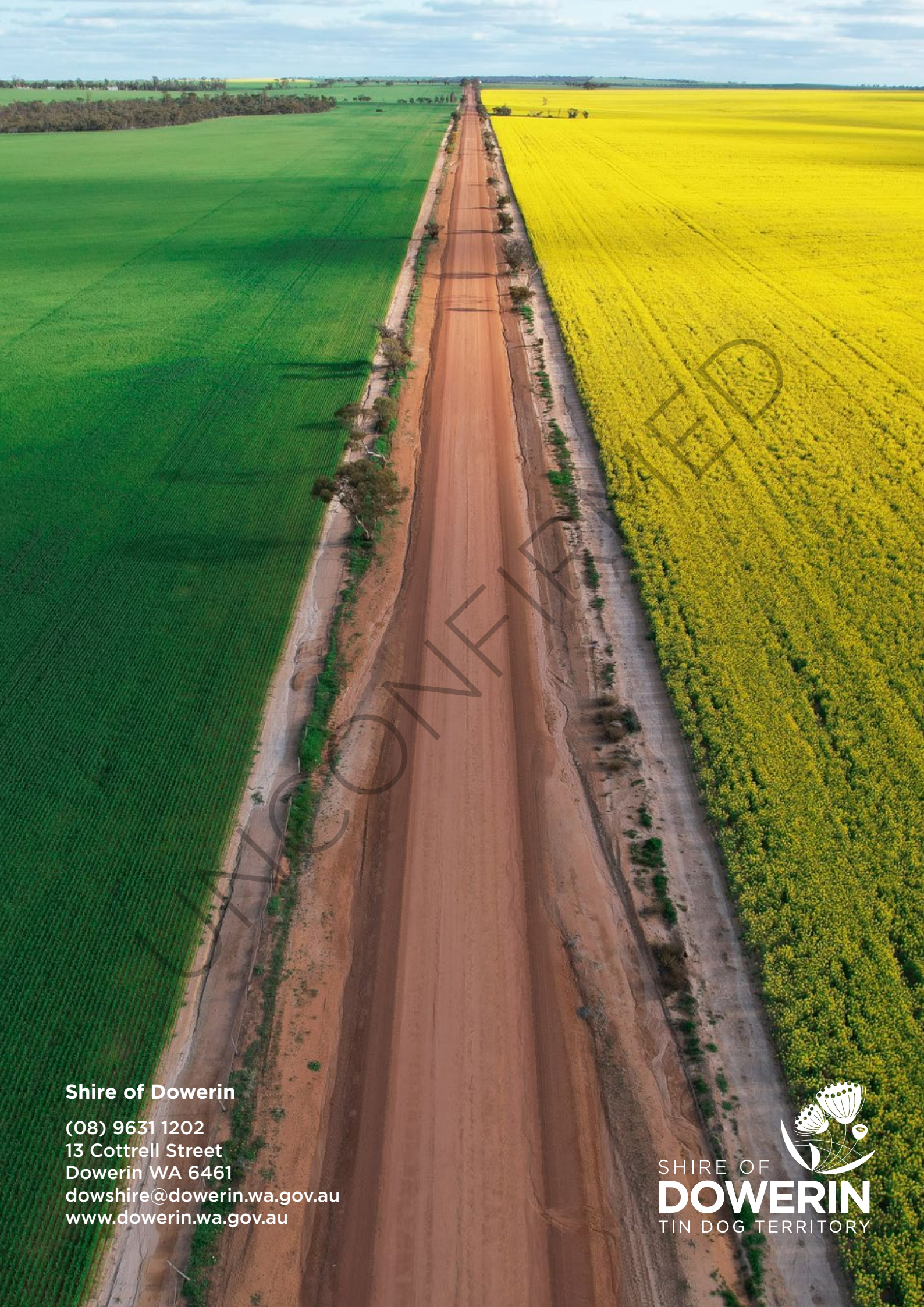
Indicators measures an input that leads to a result. Often related to something you can influence. How to produce desired results. Looks forward at future outcomes.

Risk Register

Theme	Key Control	Rating
Asset Management Practices	Recreation Facilities Maintenance Program	Not Rated
Asset Management Practices	Asset Management Plan	Inadequate
Asset Management Practices	Stock Controls Systems (Fuel)	Inadequate
Business & Community Disruption	Facility Risk Management Plan	Not Rated
Engagement Practices	Community Engagement Framework	Not Rated
Environment Management	Sewer Management Plan	Not Rated
Environment Management	Waste Management Plan	Not Rated
Errors, Omissions & Delays	Checklists & Documented Procedures	Inadequate
Management of Facilities/Venues/Events	Event Management Framework	Not Rated
Management of Facilities/Venues/Events	Reserves Management System	Not Rated
Management of Facilities/Venues/Events	Statutory Public Building Compliance Program	Not Rated
IT or Communication Systems & Infrastructure	IT Disaster Recovery Plan	Not Rated
IT or Communication Systems & Infrastructure	IT System Access Framework	Not Rated
Project/Change Management	Project Management Methodology & Framework	Not Rated
Project/Change Management	Community Engagement Framework	Not Rated
Safety & Security Practices	Facility Risk Management Plan	Not Rated



Annual Report 2021/22



Shire of Dowerin

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SHIRE OF
DOWERIN
TIN DOG TERRITORY

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Vision Statement

“A thriving and supportive rural community which offers lifestyle choices and opportunities for all”

OUR MISSION - COMMUNITY VISION AND VALUES

Identified during the public engagement process for the development of the Integrated Strategic Plan, the Dowerin community adopted the following Vision Statement:

“A thriving and supportive rural community which offers lifestyle choices and opportunities for all”

In delivering this Vision for the community the Shire of Dowerin recognises our commitment to the community by:



We will be open, fair and impartial in what we do



We will consult and engage with our community



We will encourage, welcome and value feedback



We will encourage and support the volunteers in our community



We will spend local as often as we can



We will treat people with respect



We will value our natural environment and treat it with importance

The Shire's priorities are described by five key result areas below:

SHIRE PRIORITIES				
Our Community We live in a diverse, healthy, safe and connected community	Our Economy We are an attractive location to invest, live, play, visit and work	Our Infrastructure We have functional infrastructure that meets the needs of the community	Our Natural Environment We manage our natural environment appropriately to ensure a sustainable future for our community	Our Organisation We are recognised as a transparent, well governed, and effectively managed Local Government





PRESIDENT'S MESSAGE

“Building resilience within family, friends, businesses in our country community.”

COVID-19 PANDEMIC

With the last two years throwing our lives into disarray, the pandemic has lost virulence and become endemic. We in Dowerin have fared well as Western Australia has now a stronger protection against serious illness from COVID-19 due to very high vaccination levels, previous infection, access to antivirals, and enhanced medical and public understanding about how to manage COVID-19 transmission risks. We must, however, continue to remain vigilant.

2021 LOCAL GOVERNMENT ELECTIONS

October 2021 saw the local government elections conducted across the state. Dowerin had five positions vacant and at the close of nominations, six nominations had been received.

Consequently, Councillors Hudson, Ward and Hagboom were re-elected, with Nadine McMorran and Wayne Allsopp being newly elected.

In choosing not to re-nominate for Council, I would like to thank Len Holberton for his time and commitment to Council during his term and I would like to welcome the two new councillors, Councillor McMorran and Councillor Allsopp and look forward to

working cohesively together to hold Dowerin in good stead for the future.

Additionally, I would like to thank Councillor Hudson who whilst choosing not to re-nominate for the position of President this year, continues to contribute to the Shire and the community serving as a councillor and regularly providing advice! I would also like to congratulate Councillor Ward who was re-elected unopposed as Deputy President.

NEWROC MEMBERSHIP

Our partnership with NEWROC has borne fruit, with the collaborative efforts of the 'Dowerin This Together Town Team' and artist Paul DeeJ creating an impressive mural to transform the facade of the Tin Dog General Store where future community fundraising and social activities will be held, as well as the new Dowerin Field Days photomontage.

We look forward to continuing our partnership with NEWROC and the ventures that this will bring to our community. Watch this space!

ROADS/TOWN IMPROVEMENTS

This last year saw the completion of significant flood damage repairs to our road network from the storms of February 2020. A special shout out to Holberton Contracting for

their efforts. Stage 1 of the Dowerin Water Management project was also completed with an underground reticulation network and associated storage tank and chlorination facilities, allowing compliant use of reclaimed wastewater on the town's sporting surfaces.

THANK YOU & ACKNOWLEDGEMENTS

This year has also seen a restructuring of staff, reverting to a flatter management structure to be implemented July 2022. I would like to welcome all the new employees to Dowerin, with a particular welcome to our new Deputy CEO, Aaron Wooldridge.

As President of Council, I take this opportunity to thank my fellow Councillors for their support and dedication to Council and our community.

Our CEO, Rebecca McCall, has renewed for another 5 year term. On behalf of Council, I express sincere appreciation and gratitude for all her commitment and hard work for the Shire and community. Your dedication is recognised and valued.

CONCLUSION

As I write this, we live in an ever more challenging world, with ongoing war in Europe, rampant inflation with associated rising food and energy costs. In times of trouble, let us not forget that by working together we can overcome all obstacles.

Robert Trepp
Shire President





CEO'S MESSAGE

“Despite the ongoing challenges of the COVID-19 pandemic, the Shire has achieved some solid results.”

COMMUNITY ENGAGEMENT

Community engagement is a key part of our commitment to be a transparent and responsive organisation. By bringing the voices of communities and stakeholders into the topics that are important to them, we lead a culture which respects and welcomes community input.

The Shire adopted the Community Engagement Framework, this is centred on the International Association for Public Participation (IAP2) framework which promotes five context dependant levels of engagement:

Inform, Consult, Involve, Collaborate and Empower.

INTEGRATED PLANNING

The Integrated Strategic Planning Framework provides the basis for improving the practice of strategic decision-making.

The Integrated Strategic Plan is supported by informing strategies. Throughout 2021/22, considerable work was undertaken to strengthen our framework with the adoption of the Road Strategy and Public Health Plan. The comprehensive reviews of the Asset Management Plan and Long-Term Financial Plan to ensure the alignment of resources and priorities was also initiated.

GOVERNANCE AND COMPLIANCE

We have responded to the major local government reforms released for public consultation in November 2021. The reforms are based on the findings and recommendations of a number of reports and consultation undertaken in the past five years and represent the most significant package of reforms to local government in WA, since the *Local Government Act WA* introduced in 1995. The reform package is based on six major themes.

The Shire completed the review process for five of its local laws. The review process included community comment on prospective changes.

LOCAL ROAD & COMMUNITY INFRASTRUCTURE PROGRAM

LRCIP funded by the Australian Government, supports local councils to deliver priority local road and community infrastructure projects across Australia. Commencing in 2020/21, funding was provided in 3 phases. Throughout 2021/22 the following projects were successfully completed:

- Automated Irrigation System
- Shire Administration Re-Roofing
- Shire Administration Refurbishment
- Recreation Centre Refurbishment

On behalf of the community, I acknowledge Dowerin Events Managements financial contribution of \$70,000 towards the irrigation and recreation centre refurbishment.

REGIONAL COLLABORATION

Increased collaboration amongst stakeholders, surrounding local governments and the North Eastern Wheatbelt Organisation of Councils (NEWROC), identified opportunities that improved local and regional service delivery. Services have included development and ranger services as well as town team building.

CLOSING ACKNOWLEDGEMENTS

I extend my appreciation and recognition of all Shire staff for their invaluable contribution. Without the support and dedication of a professional, passionate and community focused workforce we would not have been able to achieve all we have over the past year.

I would like to acknowledge the support of Elected Members and the community in helping to progress towards our Vision - 'A thriving and supportive rural community which offers lifestyle choices and opportunities for all'.

Rebecca McCall
Chief Executive Officer



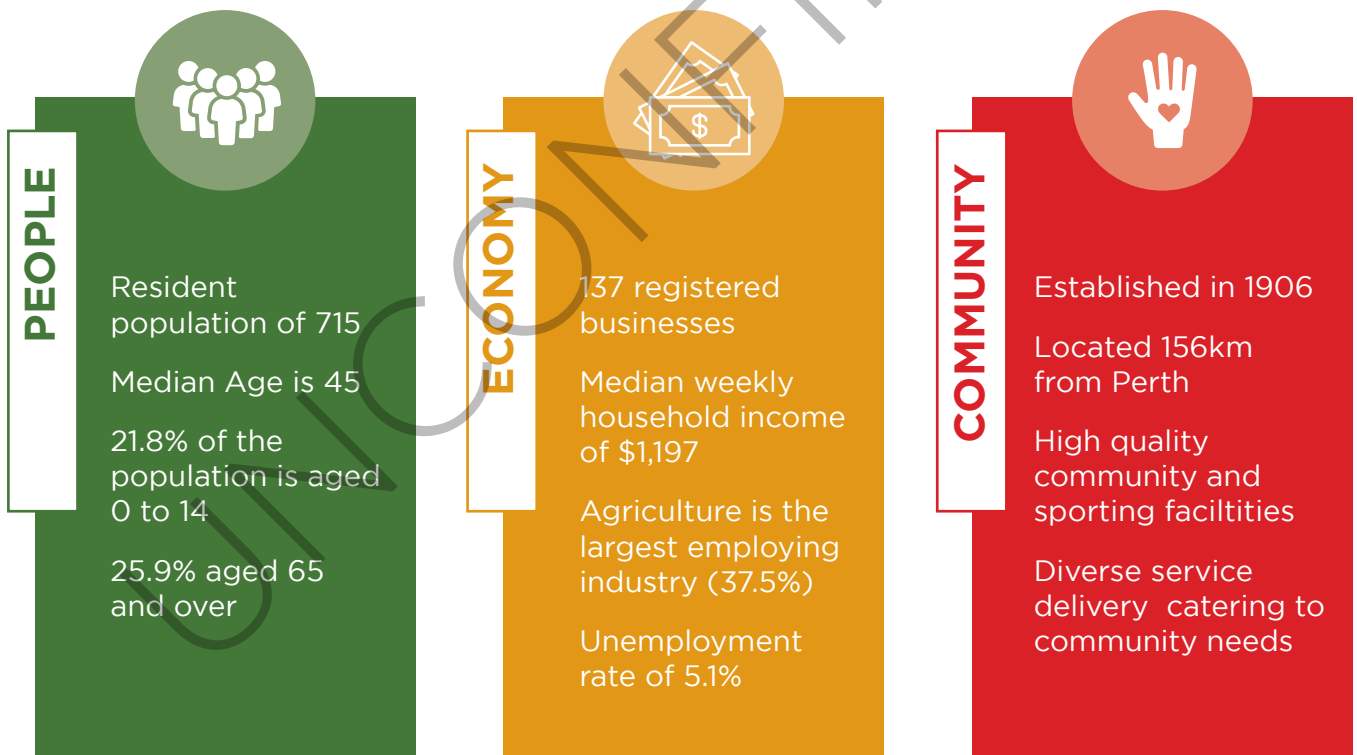
ABOUT DOWERIN

Green in winter, golden in summer, Dowerin is a small Wheatbelt community boasting a vast array of high quality community services and facilities for a town of its size. The annual GWN7 Dowerin Machinery Field Days has cemented Dowerin on the map, attracting over 24,000 people to the town to enjoy one of the largest Machinery Field Days in the Southern Hemisphere over 2 days every August.

Dowerin caters for the needs of its varying demographics with a range of activities, facilities and services. For our seniors this includes Dowerin Home Care (DHC), and a range of independent living units. For families and children, Dowerin is home to Regional Early Education and Development (REED), which has proven to be a vital service to families and local

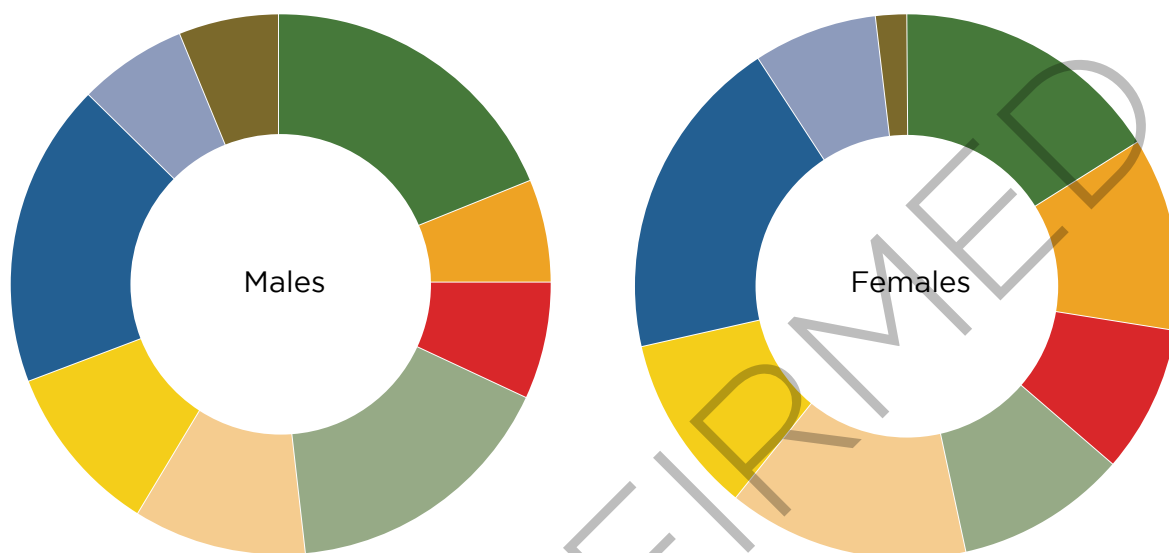
businesses, as well as the highly successful District High School. With the inclusion of the 24/7 gym, Memorial Swimming Pool and Dowerin Community Club, these combine to ensure that Dowerin is a family friendly place to live, play and work.

The district of Dowerin comprises of the town of Dowerin and a number of smaller localities covering a combined area of 1,867sq km. The district consists mostly of agricultural land used primarily for the production of sheep and grain. Other predominant industries in the region include cattle production, agricultural machinery & goods supply, heavy transport, Cooperative Bulk Handling (CBH), retail, accounting and farm advisory services.



Demographics

A significant proportion of the population of Dowerin is aged 0-14 years (154 persons). On the opposite end of the spectrum, Dowerin also has a significant portion of people aged 60 to 74 (164 persons). Young people are underrepresented in Dowerin with just 23 people aged 15-19 and 36 people aged 20-24.



- 0-9 years
- 10-19 years
- 20-29 years
- 30-39 years
- 40-49 years
- 50-59 years
- 60-69 years
- 70-79 years
- 80+ years



YOUR COUNCIL

We would like to thank retiring Councillor Len Holberton for his service and dedication to the community of Dowerin. His wealth of local knowledge will be sorely missed. Enjoy retirement Len.



Cr Rob Trepp
SHIRE PRESIDENT
Term ends 2023



Cr Bev Ward
DEPUTY PRESIDENT
Term ends 2025



Cr Wayne Allsopp
COUNCILLOR
Term ends 2025



Cr Lindsay Hagboom
COUNCILLOR
Term ends 2023



Cr Darrel Hudson
COUNCILLOR
Term ends 2025



Cr Nadine McMorran
COUNCILLOR
Term ends 2025



Cr Adam Metcalf
COUNCILLOR
Term ends 2023



Cr Jason Sewell
COUNCILLOR
Term ends 2023

COUNCILLOR TRAINING & CONTINUED PROFESSIONAL DEVELOPMENT

In accordance with Section 5.127 of the *Local Government Act 1995*, local governments are to report on the training undertaken by Councillors during the financial year. In addition to being provided on the [Shire's website](#) the information is to be included in the Annual Report for that financial year.

Council Member Essentials	Cr Hudson	Cr Metcalf	Cr Hagboom	Cr Allsop	Cr Sewell	Cr Trepp	Cr Ward	Cr McMorran
Elected to Council:	2021	2019	2021	2021	2019	2019	2021	2021
Cost:	<i>Online Subscription \$4,000 per annum for unlimited users</i>							
Understanding Local Government Provider: WALGA via e-learning	✓	✓	X	✓	✓	✓	✓	✓
Serving on Council Provider: WALGA via e-learning	✓	N/A	X	✓	✓	✓	✓	✓
Meeting Procedures Provider: WALGA via e-learning	✓	✓	X	✓	✓	✓	✓	✓
Conflicts of Interest Provider: WALGA via e-learning	✓	✓	X	✓	✓	✓	✓	✓
Understanding Financial Reports & Budgets. WALGA via e-learning	✓	N/A	X	✓	✓	✓	✓	✓

Legend:

N/A - Not applicable

In accordance with Section 5.126(1) of the *Local Government Act 1995* and Regulation 10 of the *Local Government (Administration) Regulations 1996*, newly elected or re-elected Councillors must complete the above five courses within twelve months of their election. Councillors who have completed any of the above courses within the period of five years ending immediately before the day on which they were elected/re-elected are exempt from the training course and need only to complete the online assessment.

Other professional development undertaken by Councillors during the 2021/22 financial year is detailed below:

Other Professional Development	Cr Hudson	Cr Metcalf	Cr Hagboom	Cr Allsop	Cr Sewell	Cr Trepp	Cr Ward	Cr McMorran
WALGA Annual Conference Cost: \$1295 each When: October 22	✓	N/A	N/A	N/A	N/A	✓	✓	N/A
Councillor Induction (in-house)	N/A	N/A	N/A	✓	N/A	N/A	N/A	✓
CEO Performance Appraisals Cost: \$400 each When: 26 July 21	✓	N/A	N/A	N/A	N/A	N/A	✓	N/A

Legend:

N/A - Not applicable

ATTENDANCE AT COUNCIL MEETINGS

ATTENDANCE AT ORDINARY MEETINGS OF COUNCIL 2021/22												
COUNCILLOR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Cr DP Hudson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr AJ Metcalf	✓	✓	✓	✓	✓	✓	✓	✓	A	✓	✓	✓
Cr LG Hagboom	✓	A	✓	✓	✓	✓	✓	✓	✓	A	✓	✓
Cr LH Holberton	✓	A	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cr JC Sewell	✓	✓	✓	✓	✓	✓	✓	✓	A	✓	✓	✓
Cr RI Trepp	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr BA Ward	A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr WG Allsopp	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr NP McMorran	N/A	N/A	N/A	✓	✓	✓	LoA	✓	✓	✓	✓	✓

Legend:

A - Apology submitted

N/A - Not applicable, not a Councillor at that time or not a Committee Member

LoA - Leave of Absence granted by Council

ATTENDANCE AT COMMITTEE MEETINGS

COUNCILLOR	Audit & Risk		Local Emergency Management		Bush Fire Advisory Committee		Australia Day Honours		Road Verge Advisory Committee	
	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended	Meeting Held	Meetings Attended
Cr DP Hudson	1	1	1	1	N/A	N/A	N/A	N/A	1	1
Cr RI Trepp	2	2	1	1	N/A	N/A	N/A	N/A	N/A	N/A
Cr BA Ward	3	3	N/A	N/A	N/A	N/A	1	1	N/A	N/A
Cr NP McMorrان	2	1	N/A	N/A	N/A	N/A	1	1	N/A	N/A
Cr AJ Metcalf	N/A	N/A	N/A	N/A	1	1	N/A	N/A	N/A	N/A
Cr WG Allsopp	N/A	N/A	N/A	N/A	N/A	N/A	1	1	N/A	N/A
Cr LG Hagboom	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Cr LH Holberton	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Cr JC Sewell	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Legend:

N/A - Not applicable, not a Councillor at that time or not a Committee Member



YEAR IN REVIEW

In 2021/2022, for every \$100 the Shire of Dowerin spent:



Works & Assets


During 2021/2022 the Shire:



Replaced/refurbished from the Plant Replacement Program
\$75,871




Road construction and maintenance
\$6,914,227



Completed townsite footpath and road maintenance
\$38,173



Completed **8.17km** reseal of roads



Maintenance Buildings & Infrastructure
\$194,303



Maintenance/minor improvements to Parks & Gardens
\$202,895

Development Services


During 2021/2022 the Shire:



Issued **6 building Approvals**



Completed **3 Subdivisions/ Amalgamations**



Completed **0 Demolition Permit**



Reached Registration of **214 Dogs**



Issued **4 Planning Approvals**



Reached Registration of **53 Cats**

Media & Communication Services

During 2021/2022 the Shire:



Published **650 posts** on the **Shire's Facebook** Page



Publication of **25 Council Connect / CEO Connect** Newsletter in the Despatch



Published **38 posts** on the Dowerin Short Stay Accommodation **Facebook** Page

Shire of Dowerin Facebook

Page likes have grown from 938 to 1000 during FY 21/22, an increase of 6.6%

Dowerin Short Stay Accommodation

Facebook page likes have grown from 470 to 530 during FY 21/22

Instagram follows have grown from 279 to 344 during FY 21/22

Community Services

During 2021/2022 the Shire:



Received **2,977 Visitors** to the Short Stay



Reached **77 gym Memberships**



Delivered **286 Meals on Wheels**



Submitted **7 grant Applications**



Organised and held **7 Community events**



Delivered **13 Home Care Packages**



INTEGRATED PLANNING & REPORTING

Integrated Strategic Plan

The Integrated Strategic Plan (ISP) reinforces the commitment to the people who live, work and visit our Shire and to regional co-operation and prosperity. The ISP integrates the Strategic Community Plan and Corporate Business Plan elements of the WA Local Government Integrated Planning and Reporting Framework and is supported by informing and issue specific plans and strategies.

Our Community
Aspiration: We live in a diverse, healthy, and connected community
Our Economy
Aspiration: We are an attractive location to invest, live, play, visit and work
Our Infrastructure
Aspiration: We have functional assets and infrastructure that supports the community
Our Natural Environment
Aspiration: We manage our natural environment appropriately to ensure a sustainable future for our community
Our Organisation
Aspiration: We are recognised as a transparent, well governed, and effectively managed local government

Strategies are outlined in the Integrated Strategic Plan. Actions to achieve the outlined Strategies are identified within this plan. The following tables report on the key directions of the Integrated Strategic Plan.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Community

"We live in a diverse, healthy, and connected community"

No	Community Priority	No	Actions	21 22	Status	Annual Update
1.1	Provide access to programs and services that connect residents and meet the needs of our community	1.1.1	Continue to advocate, support and value service delivery to our community	✓	●	No change to current levels of service delivery.
		1.1.2	Source funding and co-ordinate delivery on initiatives that support arts, culture, and learning	✓	●	Lotterywest grant application received for 2021/22 community event program; Implementation of Tin Dog Hub project and event program completed.
		1.1.3	Actively work with our community to strengthen relations to enhance safety, wellbeing, and a sense of belonging	✓	●	Community stakeholder relations continue.
1.2	Support and maintain facilities that connect people, and promote an active and healthy community	1.2.1	Review and action the Shire Disability Access and Inclusion Plan (DAIP)	✓	●	Reported footpath trip hazards repaired; Installation of pedestrian ramps in Stewart Street.
		1.2.2	Establish service levels in line with community expectations, budget, and workforce capacity	✓	●	Preliminary works progressing.
1.3	Encourage and support volunteers and community groups to strengthen an active volunteer base	1.3.1	Partner with community groups to develop and implement viable volunteer models	✓	●	Working group established to lead review of community structure in consultation with community groups.
		1.3.2	Advocate and support volunteer networks to expand the volunteer base across the region with a focus on continuous improvement	✓	●	Advocacy and support ongoing.
		1.3.3	Continue to share and provide resources to community groups to encourage the capability and capacity of volunteers	✓	●	Support and assistance provided upon request.
1.4	Boost and continue to support the youth of Dowerin through projects, workshops, funding opportunities and promotion of youth leadership	1.4.1	Implement actions from the Youth Plan	✓	●	Planning underway to implement action 3.1.1
		1.4.2	Maintain a strong supportive relationship with the Dowerin District High School to encourage youth development	✓	●	Supportive relationship in place.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Economy

"We are an attractive location to invest, live, play, visit and work"

No	Community Priority	No	Actions	21 22	Status	Annual Update
1.1	Attract investment, create jobs, and support small business growth	2.1.1	Proactively support the Dowerin Business Association and in partnership deliver identified initiatives	✓	●	Continue as silent Administration of DBA and supported the delivery of identified Town Team project.
		2.1.2	Identify opportunities and strategies for attracting new businesses and expanding existing businesses	✓	●	Investment opportunities advertised on Shire website.
		2.1.3	Identify and implement initiatives to attract and retain population	✓	●	Campaigns to date broadly promotes Dowerin, no population attraction specific promotions have occurred to date.
		2.1.4	Implement a Marketing Plan that promotes the lifestyle and opportunities within Dowerin	✓	●	Shire website promotes Dowerin's lifestyle opportunities; No lifestyle specific promotions have occurred to date.
1.2	Encourage, promote, and deliver activities and events that promote our region	2.2.1	Promote and develop tourism and maintain local attractions	✓	●	Refurbishment of Tin Dog Walk & Bird Hide progressing; Worked with CRC to develop Dowerin brand for merchandise and future marketing campaigns; Completed planning of Visitor Servicing refurbishment.
		2.2.2	Investigate and implement opportunities to further develop Dowerin Short Stay Accommodation	✓	●	Implementation of SSA marketing plan completed.
		2.2.3	Partner with NEWTravel and Pioneer's Pathway to promote the region as a great place to visit	✓	●	Continued liaison & product development with Wheatbelt Way and Pioneers' Pathway to promote region.

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Infrastructure

"We have functional assets and infrastructure that supports the community"

No	Community Priority	No	Actions	21 22	Status	Annual Update
3.1	Work with regional partners to advocate for improved services, energy reliability and telecommunications coverage	3.1.1	Advocate for solutions to mobile blackspots and expansion of the NEWROC telecommunications network	✓	●	Solutions and priority blackspot area identified; funding secured.
		3.1.2	Advocate and seek funding for renewable power, emergency back up and a micro-grid that will complement current and sustainable power supplies within the region	✓	●	Priority project progressing through NEWROC
3.2	Sustainably manage assets and infrastructure	3.2.1	Review and implement the Shire Strategic Resource Plan	✓	●	Review near completion
		3.2.2	Review Shire facilities and develop a Community Facilities and Property Plan	✓	●	Draft in place
		3.2.3	Develop and implement a Masterplan for the upgrade of public spaces		●	Not due to commence until 22/23
3.3	Housing meets existing and future community need for families and workers	3.3.1	Investigate and implement opportunities for appropriate housing investment models for Dowerin		●	Not due to commence until 22/23

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Natural Environment:

“We manage our natural environment appropriately to ensure a sustainable future for our community”

No	Community Priority	No	Actions	21 22	Status	Annual Update
4.1	Deliver a sustainable and progressive approach to natural resource and waste management	4.1.1	Develop and implement a Waste Management Strategy	✓	●	Due diligence progressing
		4.1.2	Develop and implement a Shire Water Management Plan	✓	●	Scheduled to complete by June 2023
		4.1.3	Prepare management plans for Shire reserves		●	Not due to commence until 22/23
		4.1.4	Develop and implement a Sewage Management Plan		●	Not due to commence until 22/23

UNCOMPLETED

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Organisation:
"We are recognised as a transparent, well governed, and effectively managed Local Government"

No	Community Priority	No	Actions	21 22	Status	Annual Update
5.1	Engage proactively with our community and provide quality community service	5.1.1	Review and improve processes and systems to be more responsive to community needs and customer relations	✓	●	Ongoing reviews in place and identified improvements actioned
		5.1.2	Continue to uphold our Customer Service Charter	✓	●	Charter upheld.
		5.1.3	Undertake a community satisfaction survey every two years			Next survey due September 2022
5.2	Operate ethically professionally and in a transparent manner to our community and stakeholders	5.2.1	Continue to review and develop policy and frameworks that reflects our values and decision-making outcomes	✓	●	Ongoing
		5.2.2	Improve communication to inform our community of decision-making criteria	✓	●	Continue to implement Engagement Policy and Framework
5.3	Ensure planning, reporting, and resourcing is in accordance with compliance and statutory requirements	5.3.1	Continue to implement and monitor the Integrated Planning and Reporting milestones	✓	●	Monitoring continues through quarterly reports
		5.3.2	Continue to improve compliance with statutory and regulatory requirements	✓	●	Ongoing
		5.3.3	Continue to foster a respectful, strong and supportive organisational culture	✓	●	Ongoing

Status Legend

Not Commenced ●

In Progress ●

Completed ●

Our Organisation:

"We are recognised as a transparent, well governed, and effectively managed Local Government"

5.4	Advocate and lobby effectively on behalf of our community	5.4.1	Maximise the ability to advocate with members of Great Eastern Country Zone, North Eastern Wheatbelt Regional Organisation of Councils (NEWROC), and the WA Local Government Association	✓	●	Ongoing
		5.4.2	Increase collaboration amongst stakeholders and surrounding local governments to identify opportunities that will improve local and regional service delivery	✓	●	Ongoing

UNCOMPLETED

STATUTORY REPORTING

Access & Inclusion Plan

The Shire of Dowerin's Access and Inclusion Plan (AIP) 2018-2023 was formally endorsed by Council in July 2018. The AIP is a key strategic document which outlines the Shire's approach to working towards a more accessible and inclusive community.

The Shire is required by the *Disability Services Act 1993* to:

- Maintain an AIP; and
- Report on its AIP achievements within its Annual Report as well as to the Disability Services Commission.

Activities and actions undertaken during the 2021/22 year include:

- Refurbishment of the Shire Administration Building ablutions to include disability access;
- Emergency access lighting at Dowerin Recreation Centre was replaced; and
- Two pedestrian ramps were installed in Stewart Street (main street) to enable community members and visitors to safely walk from the road onto the pathway

Record Keeping Statement

The Shire of Dowerin is committed to the reliable and systematic management of its records, in accordance with legislative requirements and best practice standards. This report has been published in accordance with the *State Records Act 2000*.

Recordkeeping Plan

The Shire undertook a Recordkeeping Plan Review in early 2019 with the Review Report submitted to the State Records Office on 22 March 2019. The Review Report identified quite substantial changes to the Shire's Recordkeeping Plan. The State Records Office of WA have granted a 2-year timeframe, commencing 1 June 2019, in which to complete the necessary changes to the Recordkeeping Plan and supporting documentation. The submission date for the reviewed Recordkeeping Plan is 1 June 2021. The Shire of Dowerin was granted an extension to complete this plan by 20 April 2022.

With the turnover of staff and the implementation of other priorities, work on implementing the necessary changes to the Recordkeeping Plan and supporting documentation did not commence. Another extension in time until 30 September 2022 was granted by the State Records Office.

Information Management Systems

The Shire continues to use Sharepoint Online, along with other Microsoft Office 365 applications to improve business efficiencies. Aiming for continuous improvement to streamline efficiencies, further development of current systems and supporting applications is progressing.

Training and Awareness

Inductions are held for all new employees upon commencement. This includes their responsibilities and desktop training using Sharepoint. Online employee and contractor inductions are utilised at the Shire of Dowerin. This induction program is implemented in several local governments as a standard minimum requirement. This enables efficiencies with the onboarding of contractors.



Public Interest Disclosure

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information and provides protection for those making such disclosure and those who are the subject of the disclosures. The Act also provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

No disclosures were made during 2021/22 and the Shire declares that all obligations under the *Public Interest Disclosure Act 2003* have been complied with.

Employees Remuneration

In accordance with Regulation 19B of the *Local Government (Administration) Regulations 1996*, the number of Shire employees entitled to an annual salary of \$130,000 or more are:

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	1
\$180,000 to \$189,999	0
\$190,000 to \$199,999	0
\$200,000 to \$209,999	0
\$210,000 to \$219,999	0
\$220,000 to \$229,999	1

Official Conduct - Complaints Register

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action under Section 5.110(6)(b) or (c). In accordance with Sections 5.53(2) and 5.121 of the *Local Government Act 1995*, the Annual Report is required to disclose the number of complaints of minor breaches received each year.

Zero complaints were received during 2021/22.

Freedom of Information Statement

The *Freedom of Information Act 1992* gives the public a right to apply for access to documents held by the Shire of Dowerin. The Shire aims to make information available whenever possible, outside the freedom of information process.

The Shire received zero valid freedom of information applications in 2021/22.

The Shire of Dowerin's Information Statement, adopted at Council's October 2021 meeting, is available on its website at www.dowerin.wa.gov.au.



COMMUNITY SERVICES & ECONOMIC DEVELOPMENT

Support for Community Events and Organisations

The Shire provided financial support towards several community events and organisations including:

Community Group	Purpose	Value
Dowerin District High School	Provision of jumps for athletic carnival	\$795
VacSwim	Access to swimming pool outside of normal hours for the purpose of swimming lessons	\$1400
Companion Club	Hire of the Lesser Hall	\$40
Dowerin District High School	In Term swimming lessons	\$440
Curtin University	5 x 1 night studio room accommodation at Dowerin SSA - Awards (Deferred due to illness)	\$625
Wheatbelt Workcamp	Provide 5m ³ of yellow sand	\$240
Wheatbelt Workcamp	Provide 5m ³ of 10mm aggregate	\$220
Wheatbelt Workcamp	Provide 2m ³ of yellow sand	\$178
Wheatbelt Workcamp	Provide 3m ³ of 10mm aggregate	\$132
Walk for the Boys	2 nights' accommodation for Miguel Hulme	\$250
Walk for the Boys	1 night accommodation for Mark Longman	\$125
Walk for the Boys	2 x 1 night accommodation for band members for event	\$125
TOTAL		\$4,570

Grants and Funding

The Shire was successful in obtaining a range of grant funds over 2021/22 including:

Funding Body	Project	Amount	Total Project Value
DFES - STAND Program	Installation of NBN satellite-connection device at DCC to provide internet and phone access during an emergency	Unknown	Unknown
Lotterywest	Dowerin Festivals 2021/2022	\$10,450	\$42,100
WALGA	Installation of 3 new sharp containers and signage	Unknown	Unknown
DITRD	Dowerin-Meckering & Hindmarsh Back Road Realignment	\$534,615	\$801,922
Dept of Health	Improved Payment Administration Transitional Support for Home Care Providers	\$65,000	\$65,000



Patsy Metcalf, Citizen of the Year and Dale Metcalf, Senior Citizen of the Year

Community Services

Community Services continues to work with residents, community-based organisations and service providers to co-ordinate several community events and activities that provide social opportunities, the sharing of skills and knowledge, and the opportunity to participate as families in community events.

Citizen of the Year Award

Patsy Metcalf was awarded Citizen of the Year at the annual Australia Day celebrations, for her tireless and selfless contribution towards the Dowerin community.

Dale Metcalf was awarded Senior Citizen of the Year for his ongoing support and contribution to the Dowerin Community.

Event	Date
Dowerin Community Christmas Festival	17 December 2021
Australia Day Celebrations	26 January 2022
Welcome to Dowerin	6 February 2022
Dowerin Triathlon	26 March 2022
Tin Dog Hub Launch / Faces of the Field Days	2 April 2022
Bring the Rain	8 April 2022
ANZAC Day	25 April 2022

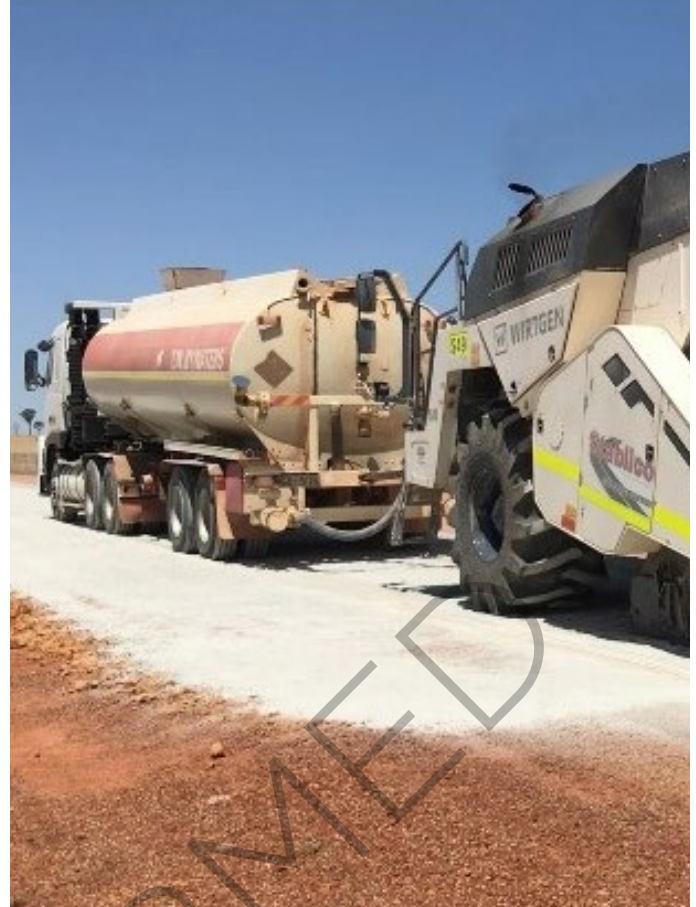


ANZAC Day 2022

Economic Development

The Shire of Dowerin continues to be involved in regional tourism and participates in regional marketing campaigns. Council is an active member of Pioneers' Pathway and Wheatbelt Way. Examples of campaigns include:

- Australia's Golden Outback Holiday Planner
- Caravan & Camping Trade Show
- Eastern Wheatbelt Holiday Planner
- Pioneers' Pathway Trail
- Western Australia Weekend Features
- Wheatbelt Way App & Instagram
- Wheatbelt Way Drive Trail
- Wheatbelt Way Storytowns Podcast
- Explore the Eastern Wheatbelt - A Visitors Guide



LRCIP Funding Projects

Local Road and Community Infrastructure Program (LRCIP), funded by the Australian Government, supported local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies to help communities bounce back from the COVID-19 pandemic.

The Shire of Dowerin received two allocations and utilised the funding to improve functionality or upgrade identified facilities, enhance the aesthetics of the township and renew recognised assets.

Phase 1 \$383,746

- Administration Roof - renewed
- Amery Acres Waste Facility Fence - extended
- Archive Room - refurbished
- Dowerin Community Club - constructed an entrance statement
- Dowerin Oval Perimeter Fence - renewed
- Lessor Hall - installed air-conditioning
- Pioneer's Pathway - installed interpretative signage
- Short Stay Accommodation - installed RV friendly caravan bays
- Short Stay Accommodation - constructed an entrance statement

- Stewart Street - enhanced main street
- Stewart Street LED Lighting Upgrade Stage 1
- Tin Dog Walk & Bird Hide Stage 1 - refurbished

Phase 2 \$273,469

- Administration Office - refurbishment
- Recreation Centre - refurbishment (to be completed in 2022)
- Irrigation Project - installation (to be completed in 2022)

Community Resource Centre - Visitor Centre Refurbishment

The Shire of Dowerin, in collaboration with the Community Resource Centre, has worked to rejuvenate the Dowerin Visitor Centre Space. The remodel involved the installation of new cabinetry, brochure racking and a wall-mounted TV system to display tourism and promotional material. Wall graphics have been installed highlighting the Wheatbelt Way trail and Pioneers' Pathway, along with a map of the Dowerin townsite depicting local attractions and businesses. The improvements to the Visitors Centre will provide a better experience to people visiting Dowerin by creating a welcoming and engaging space.

EXCITING COMMUNITY ACTIVITIES

Tin Dog Hub Launch & Faces of the Field Days Pictorial

In April 2022, the 'Dowerin This Together Town Team' Movement revealed their Tin Dog Hub project, an impressive update to the front façade of the Tin Dog General Store. In the weeks prior to the launch, members of the 'Dowerin This Together Town Team' worked to paint the pillars and prepare the space for the addition of an incredible mural painted by Paul Deej Art. 'The Dowerin This Together Town Team' group designed the mural, aiming to reflect elements that make up Dowerin's unique DNA.

The Tin Dog Hub Launch also marked the unveiling of the Faces of the Field Days Pictorial, a collaboration project between the Shire of

Dowerin and Dowerin Events Management. The pictorial, located under the arbor at the trough on Stewart Street, displays images of past and present community volunteers that have contributed to making the Dowerin Field Days the monumental event it has become today.

The launch day was a success, activating the new Tin Dog Hub space and Main Street with live entertainment, children's activities, and a sausage sizzle. Community members were invited to watch artist Paul Deej at work and watch the mural come to life.



ASSET & WORKS

Building Maintenance

Community Amenities	\$8,533
Economic Services	\$38,318
Education & Welfare	\$25,870
Halls	\$10,705
Housing	\$73,428
Other Property & Services	\$20,114
Recreation Facilities	\$17,335
Total Cost - Building Maintenance	\$194,303

Road Construction & Maintenance

Road Maintenance	\$858,761
Roads to Recovery - Dowerin-Koorda Intersection	\$50,081
Roads to Recovery - Hindmarsh Road	\$156,774
Roads to Recovery - Sanders Road	\$142,150
Regional Roads Group - Dowerin-Meckering Road SLK 11.36 to 13.44	\$91,851
Regional Roads Group - Dowerin-Meckering Road SLK 13.82 to 16.13	\$377,795
Wheatbelt Secondary Freight Network - Dowerin-Kalannie Road Year 1	\$1,077,503
Disaster Recovery Funding Arrangements - Multiple Projects	\$4,159,312
Total Cost - Road Construction & Maintenance	\$6,914,227

Town Maintenance	
Community Amenities	\$19,306
Economic Services	\$10,742
Hockey Field & Town Oval	\$52,821
Parks & Gardens	\$120,026
Road & Footpath Maintenance	\$38,173
Total Cost - Town Maintenance	\$241,068

Plant Replacement	Purchase	Trade/Disposal
Light Plant - Toyota Prado	\$62,383	\$60,909
Total Cost - Plant Replacement	\$62,383	\$60,909

Plant Replacement	Refurbished
Light Fleet - Diesel Fuel Bowser (Stage 2)	\$2,710
Light Plant - Mower Digga	\$6,770
Light Plant - Fuel Tank Trailer	\$4,008
Total Cost - Plant Replacement	\$13,488

Capital Projects	
Administration Office Refurbishment	\$51,753
Dowerin Waste Facility - New Cell Fencing	\$17,611
Recreation Centre Refurbishment	\$72,123
Town Oval Reticulation Project (remaining expenditure in 2023/24)	\$196,604
Total Cost - Capital Projects	\$338,091



DOWERIN HOME CARE

The Commonwealth Home Support Programme (CHSP) services are provided through Dowerin Home Care (DHC), jointly funded by the Australian Government's Department of Health and client contributions.

Our Home Care Service provides an invaluable service that assists people to stay in their own home. The service is provided with funding from the Federal Department of Health, CHSP-Commonwealth Home Support Program (low level care) and HCP-Home Care Packages (low to high level care, levels 1-4).

The assistance which can be provided is assessed as required and may include:

- Personal care - showering/grooming/dressing,
- Domestic assistance - household cleaning/grocery shopping/laundry,
- Garden home maintenance,
- Medication support & administration,
- Social support for individuals,
- Group Gentle Gym,
- Respite,
- Transport to local businesses/medical appointments,
- Meals on wheels and meal preparation for approximately 45 clients and carers.

Under the HCP program clients can choose to use their funding for home modifications, equipment, contractor services and for Lite N Easy meals. These are not options under the CHSP program.

COVID-19 has meant staff have had to adapt their delivery methods for these services. Staff still social distance when interacting with clients as far as practicable for tasks such as the signing of documents and ensuring all parties have been vaccinated. All services have resumed as they were prior to the first COVID-19 lockdown but are modified to ensure everyone's safety.

We received numerous client referrals for Commonwealth Home Support Program services in this period as well as for Home Care Packages either from the My Aged Care Portal, RAS (Regional Assessment Service) or from ACAT (Aged Care Assessment Team). These referrals and acceptances took the place of some clients who transitioned to full time care. The majority of HCP acceptances were from the client contacting us directly to see if we could assist them. There are still very few providers in regional areas providing a quality service, we are currently assisting people in Dowerin, Wyalkatchem, Koorda and surrounds on a daily and weekly basis.

Active seniors enjoy the Gentle Gym sessions offered on Mondays and Thursdays, These classes are open to both DHC clients and community members for a small contribution.

The Christmas Party this year was held at the Dowerin Hotel, a fantastic 3 course meal was put on by Sheree which was enjoyed by all. A number of the clients travelled from Koorda & Wyalkatchem to attend. It was a great afternoon, and all went home with a full belly.

The staff would like to thank all their clients and carers for their patience and support with the many changes that have occurred, the change in location again back to the Shire building, changes in staff and all the other changes associated with Covid. Thank you to Carolyn Metcalf for her assistance this year, it was a blessing to have and work with her.

If you have any questions regarding accessing assistance, please don't hesitate to call the Shire and leave your details if a staff member is not available. The navigation of the Aged Care System can look very daunting and complex however we are here to assist where we can.



Financial Reports 2021/22



SHIRE OF DOWERIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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The Shire of Dowerin conducts the operations of a local government with the following community vision:

Dowerin will be a thriving and growing rural community which offers lifestyle choice for all generations, is progressive in environmental management and is a preferred location for business development.

Principal place of business:
13 Cottrell Street
DOWERIN WA 6461

**SHIRE OF DOWERIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Dowerin for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Shire of Dowerin at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 5th day of December 2022



Chief Executive Officer

Rebecca McCall

UNCONFINED

SHIRE OF DOWERIN
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Rates	25(a),2(a)	1,452,239	1,447,970	1,409,586
Operating grants, subsidies and contributions	2(a)	6,802,965	6,078,134	3,232,273
Fees and charges	2(a)	632,335	653,628	629,022
Interest earnings	2(a)	17,340	36,078	25,745
Other revenue	2(a)	105,558	99,000	186,200
		9,010,437	8,314,810	5,482,826
Expenses				
Employee costs		(1,749,048)	(1,586,612)	(1,683,886)
Materials and contracts		(5,743,873)	(7,219,361)	(2,122,633)
Utility charges		(262,201)	(152,050)	(162,226)
Depreciation	9(a)	(2,098,682)	(1,516,549)	(1,993,364)
Finance costs	2(b)	(36,122)	(39,613)	(40,194)
Insurance		(167,876)	(129,540)	(129,417)
Other expenditure	2(b)	(100,555)	(299,150)	(164,043)
		(10,158,357)	(10,942,875)	(6,295,763)
		(1,147,920)	(2,628,065)	(812,937)
Capital grants, subsidies and contributions	2(a)	1,795,075	1,815,757	1,237,358
Profit on asset disposals	9(b)	27,442	12,381	88,072
Loss on asset disposals	9(b)	0	(19,746)	(8,776)
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	2,804
		1,825,515	1,808,392	1,319,458
Net result for the period	24(b)	677,595	(819,673)	506,521
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	3,476,154	0	0
Total other comprehensive income for the period		3,476,154	0	0
Total comprehensive income for the period		4,153,749	(819,673)	506,521

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

SHIRE OF DOWERIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	2022	2021
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	1,518,378	1,960,401
Trade and other receivables	5	932,194	490,896
Other financial assets	4(a)	2,000,000	2,280,139
Inventories	6	5,266	14,603
TOTAL CURRENT ASSETS		4,455,838	4,746,039
NON-CURRENT ASSETS			
Trade and other receivables	5	22,865	20,477
Other financial assets	4(b)	58,353	55,355
Property, plant and equipment	7	18,910,412	19,524,985
Infrastructure	8	63,408,457	58,749,854
TOTAL NON-CURRENT ASSETS		82,400,087	78,350,671
TOTAL ASSETS		86,855,925	83,096,710
CURRENT LIABILITIES			
Trade and other payables	11	427,756	392,393
Other liabilities	12	433,769	704,013
Borrowings	13	113,970	187,197
Employee related provisions	14	202,298	171,845
TOTAL CURRENT LIABILITIES		1,177,793	1,455,448
NON-CURRENT LIABILITIES			
Borrowings	13	1,186,004	1,300,570
Employee related provisions	14	27,319	29,632
TOTAL NON-CURRENT LIABILITIES		1,213,323	1,330,202
TOTAL LIABILITIES		2,391,116	2,785,650
NET ASSETS		84,464,809	80,311,060
EQUITY			
Retained surplus		32,174,843	31,693,071
Reserve accounts	28	2,475,964	2,280,141
Revaluation surplus	15	49,814,002	46,337,848
TOTAL EQUITY		84,464,809	80,311,060

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

**SHIRE OF DOWERIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		31,615,618	1,851,073	46,337,848	79,804,539
Comprehensive income for the period					
Net result for the period		506,521	0	0	506,521
Transfers to reserves	28	(429,068)	429,068	0	0
Balance as at 30 June 2021		31,693,071	2,280,141	46,337,848	80,311,060
Comprehensive income for the period					
Net result for the period		677,595	0	0	677,595
Revaluation movement	15	0	0	3,476,154	3,476,154
Total comprehensive income for the period		677,595	0	3,476,154	4,153,749
Transfers from reserves	28	253,605	(253,605)	0	0
Transfers to reserves	28	(449,428)	449,428	0	0
Balance as at 30 June 2022		32,174,843	2,475,964	49,814,002	84,464,809

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

SHIRE OF DOWERIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,469,503	1,447,970	1,409,419
Operating grants, subsidies and contributions		5,930,287	6,178,134	3,718,215
Fees and charges		632,335	653,628	590,578
Interest received		17,340	36,078	25,745
Goods and services tax received		422,742	500,000	307,773
Other revenue		105,558	99,000	186,200
		8,577,765	8,914,810	6,237,930
Payments				
Employee costs		(1,737,205)	(1,586,612)	(1,709,474)
Materials and contracts		(5,697,983)	(7,119,361)	(2,162,800)
Utility charges		(262,201)	(152,050)	(162,226)
Finance costs		(36,712)	(39,613)	(40,365)
Insurance paid		(167,876)	(129,540)	(129,417)
Goods and services tax paid		(265,561)	(500,000)	(386,219)
Other expenditure		(100,555)	(299,150)	(164,043)
		(8,268,093)	(9,826,326)	(4,754,544)
Net cash provided by (used in) operating activities	16(b)	309,672	(911,516)	1,483,386
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost		0	0	(429,066)
Payments for purchase of property, plant & equipment	7(a)	(258,013)	(663,500)	(651,290)
Payments for construction of infrastructure	8(a)	(2,442,012)	(2,345,412)	(1,378,657)
Non-operating grants, subsidies and contributions		1,795,075	1,815,757	1,237,358
Proceeds from financial assets at amortised cost		280,139	46,000	0
Proceeds from sale of property, plant & equipment	9(b)	60,909	161,000	324,688
Net cash provided by (used in) investing activities		(563,902)	(986,155)	(896,967)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	27	(187,793)	(187,187)	(158,425)
Proceeds from new borrowings	27	0	0	320,000
Net cash provided by (used in) financing activities		(187,793)	(187,187)	161,575
Net increase (decrease) in cash held		(442,023)	(2,084,858)	747,994
Cash at beginning of year		1,960,401	4,229,066	1,212,407
Cash and cash equivalents at the end of the year	16(a)	1,518,378	2,144,208	1,960,401

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

**SHIRE OF DOWERIN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)	26(b)	1,275,414	2,063,716	801,648
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Rates (excluding general rate)	25(a)	47,623	45,000	46,600
Operating grants, subsidies and contributions		6,802,965	6,078,134	3,232,273
Fees and charges		632,335	653,628	629,022
Interest earnings		17,340	36,078	25,745
Other revenue		105,558	99,000	186,200
Profit on asset disposals	9(b)	27,442	12,381	88,072
Fair value adjustments to financial assets at fair value through profit or loss		2,998	0	2,804
		7,636,261	6,924,221	4,210,716
Expenditure from operating activities				
Employee costs		(1,749,048)	(1,586,612)	(1,683,886)
Materials and contracts		(5,743,873)	(7,219,361)	(2,122,633)
Utility charges		(262,201)	(152,050)	(162,226)
Depreciation	9(a)	(2,098,682)	(1,516,549)	(1,993,364)
Finance costs		(36,122)	(39,613)	(40,194)
Insurance		(167,876)	(129,540)	(129,417)
Other expenditure		(100,555)	(299,150)	(164,043)
Loss on asset disposals	9(b)	0	(19,746)	(8,776)
		(10,158,357)	(10,962,621)	(6,304,539)
Non-cash amounts excluded from operating activities	26(a)	2,083,657	1,544,497	1,939,997
Amount attributable to operating activities		(438,439)	(2,493,903)	(153,826)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,795,075	1,815,757	1,237,358
Proceeds from disposal of assets	9(b)	60,909	161,000	324,688
Purchase of property, plant and equipment	7(a)	(258,013)	(663,500)	(651,290)
Purchase and construction of infrastructure	8(a)	(2,442,012)	(2,345,412)	(1,378,657)
Amount attributable to investing activities		(844,041)	(1,032,155)	(467,901)
FINANCING ACTIVITIES				
Repayment of borrowings	27	(187,793)	(187,187)	(158,425)
Proceeds from borrowings	27	0	0	320,000
Transfers to reserves (restricted assets)	28	(449,428)	(212,962)	(429,068)
Transfers from reserves (restricted assets)	28	253,605	459,521	0
Amount attributable to financing activities		(383,616)	59,372	(267,493)
Surplus/(deficit) before imposition of general rates		(390,682)	(1,402,970)	(87,572)
Total amount raised from general rates	25(a)	1,404,616	1,402,970	1,362,986
Surplus/(deficit) after imposition of general rates	26(b)	1,013,934	0	1,275,414

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

SHIRE OF DOWERIN
FOR THE YEAR ENDED 30 JUNE 2022
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SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

1. BASIS OF PREPARATION

The financial report 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 Act, 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 where no inconsistencies exist.

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

The local government reporting entity

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

Judgements and estimates

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

UNCONFIRMED

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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 dates adopted by Council during the year	None	When rates notice is issued
Operating Grants with commitments	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 as inputs are shared
Operating Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	When assets are controlled
Non- Operating Grants	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 as inputs are shared
Fees & Charges	Sale of general goods & services	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Other Revenue	Reimbursements, Donations, Insurance claims and Other revenue	Single point in time	Payment in arrears for claimable event	None	When assets are controlled

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

SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature or types of goods or services is provided in the table below:

For the year ended 30 June 2022

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,452,239	0	1,452,239
Operating grants, subsidies and contributions	6,802,965	0	0	0	6,802,965
Fees and charges	632,335	0	0	0	632,335
Interest earnings	0	0	0	17,340	17,340
Other revenue	105,558	0	0	0	105,558
Non-operating grants, subsidies and contributions	0	1,795,075	0	0	1,795,075
Total	7,540,858	1,795,075	1,452,239	17,340	10,805,512

For the year ended 30 June 2021

Nature or type	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,409,586	0	1,409,586
Operating grants, subsidies and contributions	3,232,273	0	0	0	3,232,273
Fees and charges	629,022	0	0	0	629,022
Interest earnings	0	0	0	25,745	25,745
Other revenue	186,200	0	0	0	186,200
Non-operating grants, subsidies and contributions	0	1,237,358	0	0	1,237,358
Total	4,047,495	1,237,358	1,409,586	25,745	6,720,184

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

2. REVENUE AND EXPENSES (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
Interest earnings				
Interest on reserve funds		3,427	17,078	11,425
Rates instalment and penalty interest (refer Note 25(e))		12,790	14,000	13,237
Other interest earnings		1,123	5,000	1,083
		17,340	36,078	25,745
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		30,800	36,000	27,500
		30,800	36,000	27,500
Finance costs				
Borrowings	27	36,122	38,675	40,194
		36,122	38,675	40,194
Other expenditure				
Impairment losses on receivables from contracts with customers		0	5,000	(7,076)
Sundry expenses		100,555	294,150	171,119
		100,555	299,150	164,043

UNCONFORMED

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Total cash and cash equivalents

Held as
 - Unrestricted cash and cash equivalents
 - Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
16(a)	1,518,378	1,960,401
	1,042,414	1,960,401
16(a)	475,964	0
	1,518,378	1,960,401

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

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 reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

Details of restrictions on financial assets can be found at Note 16.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Financial assets at amortised cost

Term deposits

Held as
 - Restricted other financial assets at amortised cost

	2022	2021
	\$	\$
	2,000,000	2,280,139
	2,000,000	2,280,139
16(a)	2,000,000	2,280,139
	58,353	55,355

(b) Non-current assets

Financial assets at fair values through other comprehensive income - Units in Local Government House Trust

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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 23 (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 and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 21.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

5. TRADE AND OTHER RECEIVABLES

Current

	Note	2022 \$	2021 \$
Rates receivable		119,592	133,185
Trade and other receivables		847,930	245,496
GST receivable		0	140,767
Allowance for credit losses of trade and other receivables	21(b)	(138)	(138)
Allowance for credit losses of rates receivables	21(b)	(59,782)	(59,782)
Accrued Income		24,592	31,368
		932,194	490,896
Non-current			
Pensioner's rates and ESL deferred		22,865	20,477
		22,865	20,477

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 21.

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 value is considered immaterial.

6. INVENTORIES

Current

	Note	2022 \$	2021 \$
Fuel and materials		5,266	14,603
		5,266	14,603

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year	14,603	3,051
Additions to inventory	(97,226)	(90,968)
Balance at end of year	87,889	102,520
	5,266	14,603

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. 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.

Note	Land	Buildings - non specialised	Total land and buildings	Furniture and equipment	Plant and Equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	1,125,000	16,252,968	17,377,968	96,902	2,405,811	19,880,681
Additions	0	175,820	175,820	0	475,470	651,290
Disposals	0	(114,142)	(114,142)	0	(131,250)	(245,392)
Depreciation		(493,155)	(493,155)	(17,793)	(250,646)	(761,594)
Balance at 30 June 2021	1,125,000	15,821,491	16,946,491	79,109	2,499,385	19,524,985
Comprises:						
Gross balance amount at 30 June 2021	1,125,000	17,276,573	18,401,573	151,133	2,978,650	21,531,356
Accumulated depreciation at 30 June 2021	0	(1,455,082)	(1,455,082)	(72,024)	(479,265)	(2,006,371)
Balance at 30 June 2021	1,125,000	15,821,491	16,946,491	79,109	2,499,385	19,524,985
Additions	0	186,150	186,150	0	71,863	258,013
Disposals	0	0	0	0	(33,467)	(33,467)
Depreciation		(501,360)	(501,360)	(15,120)	(308,120)	(824,600)
Transfers	0	(14,519)	(14,519)	0	0	(14,519)
Balance at 30 June 2022	1,125,000	15,491,762	16,616,762	63,989	2,229,661	18,910,412
Comprises:						
Gross balance amount at 30 June 2022	1,125,000	17,443,365	18,568,365	151,132	2,991,558	21,711,055
Accumulated depreciation at 30 June 2022	0	(1,951,603)	(1,951,603)	(87,143)	(761,897)	(2,800,643)
Balance at 30 June 2022	1,125,000	15,491,762	16,616,762	63,989	2,229,661	18,910,412

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent or estimated observable market data for similar items (Net revaluation method)	Independent Valuation	2018	Price per hectare/market borrowing rate
	3	Cost approach using recent or estimated observable market data for similar properties with adjustments to reflect the existing use or zoning of the land	Independent Valuation	2018	Price per hectare/market borrowing rate
Buildings - non-specialised	2	Market approach using recent or estimated observable market data for similar items	Independent Valuation	2018	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
	3	Cost approach using current replacement cost (Net Revaluation Method)	Independent Valuation	2018	Improvements to buildings using construction costs and current condition, residual values and remaining useful life assessments 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.					
(ii) Cost					
Furniture and equipment	N/A	Cost	Not Applicable		N/A
Plant and equipment	N/A	Cost	Not Applicable		N/A

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. 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.

Note	Infrastructure - roads	Other infrastructure - drainage	Other infrastructure - footpaths	Other infrastructure - parks and ovals	Other infrastructure - sewerage	Other infrastructure - other	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	51,157,045	4,044,845	726,412	1,116,456	946,369	611,841	58,602,968
Additions	1,056,909	0	53,629	0	0	268,118	1,378,656
Depreciation	(913,272)	(80,447)	(28,769)	(78,395)	(55,669)	(75,218)	(1,231,770)
Balance at 30 June 2021	51,300,682	3,964,398	751,272	1,038,061	890,700	804,741	58,749,854
Comprises:							
Gross balance at 30 June 2021	78,208,118	7,933,610	1,427,520	1,351,642	1,113,375	1,084,606	91,118,871
Accumulated depreciation at 30 June 2021	(26,907,436)	(3,969,212)	(676,248)	(313,581)	(222,675)	(279,865)	(32,369,017)
Balance at 30 June 2021	51,300,682	3,964,398	751,272	1,038,061	890,700	804,741	58,749,854
Additions	1,943,873	0	0	0	229,330	268,809	2,442,012
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	343,034	1,349,803	1,783,317	3,476,154
Depreciation	(939,187)	(80,447)	(29,892)	(78,395)	(55,668)	(90,493)	(1,274,082)
Transfers	0	0	0	0	0	14,519	14,519
Balance at 30 June 2022	52,305,368	3,883,951	721,380	1,302,700	2,414,165	2,780,893	63,408,457
Comprises:							
Gross balance at 30 June 2022	80,151,991	7,933,609	1,427,520	1,853,000	3,259,019	4,892,593	99,517,732
Accumulated depreciation at 30 June 2022	(27,846,623)	(4,049,658)	(706,140)	(550,300)	(844,854)	(2,111,700)	(36,109,275)
Balance at 30 June 2022	52,305,368	3,883,951	721,380	1,302,700	2,414,165	2,780,893	63,408,457

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

8. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
	Infrastructure - roads	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
	Other infrastructure - drainage	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
	Other infrastructure - footpaths	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2020	Construction costs and current condition, residual values and remaining useful life assessments inputs.
	Other infrastructure - parks and ovals	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
	Other infrastructure - sewerage	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
	Other infrastructure - other	3	Cost approach using current replacement cost (Gross revaluation method)	Independent Valuation	2022	Construction costs and current condition, residual values and remaining useful life assessments 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 to determine the fair value of infrastructure using level 3 inputs.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

9. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Buildings - non specialised	7(a)	501,360	483,660	493,155
Furniture and equipment	7(a)	15,120	16,350	17,793
Plant and Equipment	7(a)	308,120	211,145	250,646
Infrastructure - roads	8(a)	939,187	629,475	913,272
Other infrastructure - drainage	8(a)	80,447	47,417	80,447
Other infrastructure - bridges	8(a)	0	10,000	0
Other infrastructure - footpaths	8(a)	29,892	66,678	28,769
Other infrastructure - parks and ovals	8(a)	78,395	10,977	78,395
Other infrastructure - sewerage	8(a)	55,668	38,047	55,669
Other infrastructure - other	8(a)	90,493	2,800	75,218
		2,098,682	1,516,549	1,993,364

Depreciation rates

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

Asset Class	Useful life
Buildings	15 to 61 years
Furniture and equipment	4 to 10 years
Tools	10 to 20 years
Plant and equipment	10 to 27 years
Roads and streets	
- Formation	not depreciated
- Pavement	17 years
- Bridges	50 years
- Kerbing	25 years
Footpaths	25 years
Other Infrastructure	8 - 40 years
Parks & Ovals Infrastructure	17 years
Drainage Infrastructure	50 years
Wastewater infrastructure	20 years

SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

9. FIXED ASSETS (Continued)

(b) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - non specialised	0	0	0	0	0	0	0	0	114,142	190,500	76,358	0
Plant and Equipment	33,467	60,909	27,442	0	168,365	161,000	12,381	(19,746)	131,250	134,188	11,714	(8,776)
	33,467	60,909	27,442	0	168,365	161,000	12,381	(19,746)	245,392	324,688	88,072	(8,776)

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Other property and services				
Passenger vehicle	33,467	60,909	27,442	0
	33,467	60,909	27,442	0

9. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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

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

Revaluation

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

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

Revaluation (continued)

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

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.

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

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

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

10. LEASES

(a) Right-of-Use Assets

The Shire has no reportable lease or right of use assets

UNCONFIRMED

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

11. TRADE AND OTHER PAYABLES

Current

	2022	2021
	\$	\$
Sundry creditors	319,614	78,380
Prepaid rates	3,593	4,310
Accrued payroll liabilities	39,590	36,396
PAYG Liabilities	26,682	49,298
Other creditors	0	198,864
Bonds and deposits held	11,369	0
Licensing	0	5,165
Payroll creditors	0	7,075
Accrued Interest on loans	7,141	7,731
FBT Liabilities	3,353	5,174
GST Payable	16,414	0
	427,756	392,393

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

The amounts are unsecured, are recognised as a current liability and are 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 revenue for the prepaid rates that have not been refunded.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

12. OTHER LIABILITIES

Current

Contract liabilities
 Capital grant/contributions liabilities

Reconciliation of changes in contract liabilities

Opening balance
 Additions
 Revenue from contracts with customers included as a contract liability at the start of the period

The Shire expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period to be satisfied 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

Expected satisfaction of capital grant/contribution liabilities

Less than 1 year

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.

	2022	2021
	\$	\$
Contract liabilities	14,600	542,502
Capital grant/contributions liabilities	419,169	161,511
	433,769	704,013
Opening balance	542,502	0
Additions	14,600	542,502
Revenue from contracts with customers included as a contract liability at the start of the period	(542,502)	0
	14,600	542,502
Opening balance	161,511	0
Additions	419,169	161,511
Revenue from capital grant/contributions held as a liability at the start of the period	(161,511)	0
	419,169	161,511
Less than 1 year	419,169	161,511

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

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 the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as revenue when the obligations in the contract are satisfied.

Non-current capital grant/contribution liabilities fair values 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 23(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

13. BORROWINGS

	Note	2022			2021		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		113,970	1,186,004	1,299,974	187,197	1,300,570	1,487,767
Total secured borrowings	27	113,970	1,186,004	1,299,974	187,197	1,300,570	1,487,767

The Shire of Dowerin has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

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 23(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 21.

Details of individual borrowings required by regulations are provided at Note 27.



SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Current provisions

Employee benefit provisions

Annual Leave

Long Service Leave

Non-current provisions

Long Service Leave

	2022	2021
	\$	\$
Annual Leave	135,872	124,616
Long Service Leave	66,426	47,229
	<u>202,298</u>	<u>171,845</u>
Long Service Leave	27,319	29,632
	<u>27,319</u>	<u>29,632</u>
	<u>229,617</u>	<u>201,477</u>

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

Expected reimbursements from other WA local government

Note	2022	2021
	\$	\$
Less than 12 months after the reporting date	118,033	66,007
More than 12 months from reporting date	98,549	104,890
Expected reimbursements from other WA local government	13,035	30,580
	<u>229,617</u>	<u>201,477</u>

SIGNIFICANT 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 DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

15. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation Increment	2022 Revaluation (Decrement)	Total Movement on Revaluation	2022 Closing Balance	2021 Opening Balance	2021 Closing Balance
	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	871,768	0	0	0	871,768	871,768	871,768
Revaluation surplus - Buildings - non specialised	9,061,374	0	0	0	9,061,374	9,061,374	9,061,374
Revaluation surplus - Plant and Equipment	197,973	0	0	0	197,973	197,973	197,973
Revaluation surplus - Infrastructure - roads	30,179,485	0	0	0	30,179,485	30,179,485	30,179,485
Revaluation surplus - Other infrastructure - drainage	4,103,641	0	0	0	4,103,641	4,103,641	4,103,641
Revaluation surplus - Other infrastructure - footpaths	497,095	0	0	0	497,095	497,095	497,095
Revaluation surplus - Other infrastructure - parks and ovals	539,161	343,034	0	343,034	882,195	539,161	539,161
Revaluation surplus - Other infrastructure - sewerage	853,802	1,349,803	0	1,349,803	2,203,605	853,802	853,802
Revaluation surplus - Other infrastructure - other	33,549	1,783,317	0	1,783,317	1,816,866	33,549	33,549
	46,337,848	3,476,154	0	3,476,154	49,814,002	46,337,848	46,337,848

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

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Cash and cash equivalents	3	1,518,378	2,144,208	1,960,401

Restrictions

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	475,964	0	0
- Financial assets at amortised cost	4(a)	2,000,000	2,033,581	2,280,139
		<u>2,475,964</u>	<u>2,033,581</u>	<u>2,280,139</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	28	2,475,964	2,033,581	2,280,139
Total restricted financial assets		<u>2,475,964</u>	<u>2,033,581</u>	<u>2,280,139</u>

(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities

Net result		677,595	(819,673)	506,521
Non-cash items:				
Adjustments to fair value of financial assets at fair value through profit and loss		(2,998)	0	(2,804)
Depreciation/amortisation		2,098,682	1,516,549	1,993,364
(Profit)/loss on sale of asset		(27,442)	7,365	(79,296)
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables		(443,686)	290,000	(208,487)
(Increase)/decrease in inventories		9,337	0	(11,552)
Increase/(decrease) in trade and other payables		35,363	0	(28,786)
Increase/(decrease) in employee related provisions		28,140	0	(25,588)
Increase/(decrease) in other liabilities		(270,244)	(90,000)	577,372
Non-operating grants, subsidies and contributions		(1,795,075)	(1,815,757)	(1,237,358)
Net cash provided by/(used in) operating activities		<u>309,672</u>	<u>(911,516)</u>	<u>1,483,386</u>

(c) Undrawn Borrowing Facilities
Credit Standby Arrangements

Bank overdraft limit		60,000	60,000	60,000
Bank overdraft at balance date		0	0	0
Credit card limit		18,000	16,000	18,000
Credit card balance at balance date		(2,242)	(5,000)	(5,463)
Total amount of credit unused		<u>75,758</u>	<u>71,000</u>	<u>72,537</u>

Loan facilities

Loan facilities - current		113,970		187,197
Loan facilities - non-current		1,186,004		1,300,570
Total facilities in use at balance date		<u>1,299,974</u>		<u>1,487,767</u>

Unused loan facilities at balance date

	0		0
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SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

17. CONTINGENT LIABILITIES

The Shire of Dowerin has identified the following sites, in relation to land owned, vested or leased that is known to be, or suspected of being contaminated.

1. Lot 98 Cottrell Street, Dowerin - Shire Depot - hydrocarbon.

The Shire is aware that contamination exists in the form of vehicle fuel, however the extent of the value and timing of remediation has not been ascertained as at the date of this report.

2. Amery Refuse Site – Pt4 – 13758, Cnr Dowerin/Kalannie Rds., Dowerin - Asbestos

Operated by the Shire as a single landfill which receives kerbside and general waste generated by the community.

This refuse site was registered with the Department of Environmental Protection on 10th November 2003 as a Schedule 2 Putrescible landfill.

The landfill site covers a total area of 8.8472 hectares and is currently at 80% capacity. At the current rate of waste disposal, the site has an estimated remaining life of 5 years.

The Shire is aware that contamination exists in the form of asbestos, however the extent of the contamination has not yet been ascertained. As at the reporting date, the contamination had been reported to the Department of Water and Environmental Regulation in February 2022 as required by the Contaminated Sites Act 2003. The Shire has complied with this reporting requirement for 2021-22.

The Shire will review in the 2022/23 year the scale of the Council's rehabilitation liability and annual allocation to its Waste Management Reserve to fund the liability for a close out plan. The Waste Management Reserve (Note 28) currently has a balance of \$20,015 with a further \$20,000 budgeted to be transferred into this reserve in the financial year ending 30th June 2023.

18. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

- not later than one year

	2022	2021
	\$	\$
	13,189	39,752
	61,187	0
	74,376	39,752
	74,376	39,752

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Councillor Hudson			
President's annual allowance	2,500	2,500	3,200
Meeting attendance fees	3,625	3,750	3,240
Other expenses	0	138	0
Communications allowance	0	125	0
	6,125	6,513	6,440
Councillor Ward			
Deputy President's annual allowance	1,875	1,650	667
Meeting attendance fees	2,900	3,750	2,200
Other expenses	54	138	0
Communications allowance	154	125	0
	4,983	5,663	2,867
Councillor J Sewell			
Meeting attendance fees	2,600	3,750	1,800
Other expenses	54	138	0
Communications allowance	136	125	0
	2,790	4,013	1,800
Councillor A Metcalf			
Deputy President's annual allowance	0	0	133
Meeting attendance fees	2,350	3,750	1,875
Other expenses	0	138	0
Communications allowance	0	125	0
	2,350	4,013	2,008
Councillor L Holberton			
Meeting attendance fees	475	3,750	2,200
Other expenses	0	138	0
Communications allowance	0	125	0
	475	4,013	2,200
Councillor Hagboom			
Meeting attendance fees	2,075	2,075	1,400
Other expenses	0	125	0
Communications allowance	0	125	0
	2,075	2,325	1,400
Councillor Trepp			
President's annual allowance	5,000	5,000	0
Meeting attendance fees	4,900	4,750	2,400
Other expenses	0	138	0
Communications allowance	150	125	0
	10,050	10,013	2,400
Councillor Aillsopp			
Meeting attendance fees	2,275	2,275	0
Other expenses	54	138	0
Communications allowance	136	125	0
	2,465	2,538	0
Councillor McMorran			
Meeting attendance fees	2,150	2,150	0
Other expenses	54	138	0
Communications allowance	136	125	0
	2,340	2,413	0
	33,653	41,504	19,115

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration (Continued)

Fees, expenses and allowances to be paid or reimbursed to elected council members.

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
President's annual allowance	7,500	7,500	3,200
Deputy President's annual allowance	1,875	1,650	800
Meeting attendance fees	23,350	30,000	15,115
Other expenses	216	1,229	0
Communications allowance	712	1,125	0
19(b)	33,653	41,504	19,115

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

	2022 Actual	2021 Actual
	\$	\$
Short-term employee benefits	437,726	389,345
Post-employment benefits	48,328	48,098
Employee - other long-term benefits	9,871	15,486
Employee - termination benefits	38,859	0
Council member costs	33,653	19,115
19(a)	568,437	472,044

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 DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

19. RELATED PARTY TRANSACTIONS

(c) 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:

Purchase of goods and services
 Short term employee benefits - other related parties
 Post employee benefits - other related parties

	2022 Actual	2021 Actual
	\$	\$
	164,464	787,031
	63,686	57,707
	9,747	5,345
Amounts outstanding from related parties:		
Trade and other receivables	2,449	24,684

Amounts outstanding from related parties:

Trade and other receivables

(d) Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel.

ii. Other Related Parties

An associate person of KMP was employed by the Shire under normal employment terms and conditions.

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

iii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

20. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Dowerin entered into joint arrangements with the State Housing Commission - Homeswest for construction of:

- 4 x 2 Bedroom Units for small families (Memorial Street Units) in 1996

The Shire has a 19% interest in the joint arrangement.

- 4 x Independent Living Units for Seniors (Lot 27 Goldfields Road - Hilda Street Units) in 2006

The Shire has a 21% interest in the joint arrangement.

Assets associated with the joint venture agreements are included in Council's Property, Plant & Equipment Register.

Statement of Financial Position

Land and Buildings
Less: accumulated depreciation

Total assets

Statement of Comprehensive Income

Other revenue
Other expenditure
Profit/(loss) for the period

	2022 Actual	2021 Actual
	\$	\$
	1,155,947	1,155,947
	(111,595)	(83,696)
	1,044,352	1,072,251
	17,304	17,836
	(56,538)	(56,553)
	(39,234)	(38,717)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with another party to the joint arrangement. All parties to joint arrangements 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.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.05%	1,518,378	0	1,518,378	0
Financial assets at amortised cost - term deposits	1.56%	2,000,000	2,000,000	0	0
2021					
Cash and cash equivalents	0.05%	1,960,401	0	1,960,401	0
Financial assets at amortised cost - term deposits	0.25%	2,280,139	2,280,139	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	15,184	19,604

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 27.

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2021 or 1 July 2022 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2022 and 30 June 2021 for rates receivable was determined as follows:

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total	Note
30 June 2022						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	85.04%		
Gross carrying amount	156	55,438	16,564	70,299	142,457	
Loss allowance	0	0	0	59,782	59,782	5
30 June 2021						
Rates receivable						
Expected credit loss	0.00%	0.00%	0.00%	62.11%		
Gross carrying amount	5,495	28,925	22,987	96,255	153,662	
Loss allowance	0	0	0	59,782	59,782	5

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total	
30 June 2022						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	4.50%		
Gross carrying amount	842,263	2,090	510	3,067	847,930	
Loss allowance	0	0	0	138	138	5
30 June 2021						
Trade and other receivables						
Expected credit loss	0.04%	0.00%	0.00%	0.44%		
Gross carrying amount	233,544	0	984	10,968	245,496	
Loss allowance	90	0	0	48	138	5

SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Rates receivable		Trade and other receivables		Contract Assets	
	2022 Actual	2021 Actual	2022 Actual	2021 Actual	2022 Actual	2021 Actual
Opening loss allowance as at 1 July	\$ 59,782	\$ 66,858	\$ 138	\$ 138	\$ 0	\$ 0
Unused amount reversed	0	(7,076)	0	0	0	0
Closing loss allowance at 30 June	59,782	59,782	138	138	0	0

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

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SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

21. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 16(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2022					
Trade and other payables *	407,749	0	0	407,749	407,749
Borrowings	146,254	570,015	837,789	1,554,058	1,299,974
	<u>554,003</u>	<u>570,015</u>	<u>837,789</u>	<u>1,961,807</u>	<u>1,707,723</u>
2021					
Trade and other payables *	388,083	0	0	388,083	388,083
Borrowings	225,067	566,026	950,753	1,741,846	1,487,767
	<u>613,150</u>	<u>566,026</u>	<u>950,753</u>	<u>2,129,929</u>	<u>1,875,850</u>

* excludes Prepaid rates and GST payable

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30th June 2022 or which would require a separate disclosure.

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23. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest earnings

Interest income 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 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 cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

It is not expected these standards will have an impact on the financial report.

**SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

24. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE</p> <p>To provide a decision making process for the efficient allocation of scarce resources.</p>	<p>Includes the activities of members of Council and the administrative support available to the Council for the provision of governance to the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.</p>
<p>GENERAL PURPOSE FUNDING</p> <p>To collect revenue to allow for the provision of services.</p>	<p>Rates, general purpose government grants and interest revenue.</p>
<p>LAW, ORDER, PUBLIC SAFETY</p> <p>To provide services to help ensure a safer and environmentally conscious community.</p>	<p>Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.</p>
<p>HEALTH</p> <p>To provide an operational framework for environmental and community health.</p>	<p>Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.</p>
<p>EDUCATION AND WELFARE</p> <p>To provide services to disadvantaged persons, the elderly, children and youth.</p>	<p>Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.</p>
<p>HOUSING</p> <p>To provide housing to staff.</p>	<p>Staff housing, provision of general rental accomodation when buildings not required by staff.</p>
<p>COMMUNITY AMENITIES</p> <p>To provide services required by the community.</p>	<p>Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.</p>
<p>RECREATION AND CULTURE</p> <p>To establish and effectively manage infrastructure and resources which help the social well being of the community.</p>	<p>Maintenance of public halls, civic centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.</p>
<p>TRANSPORT</p> <p>To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, streets, footpaths, depots, cycleways and parking facilities.</p>
<p>ECONOMIC SERVICES</p> <p>To help promote the Shire and its economic wellbeing.</p>	<p>Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building control.</p>
<p>OTHER PROPERTY AND SERVICES</p> <p>To monitor and control Council's overhead operating accounts.</p>	<p>Private works operation, plant repair and operation costs, housing and engineering operation costs.</p>

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2022	2022	2021
	Actual	Budget	Actual
	\$	\$	\$
Income excluding grants, subsidies and contributions			
Governance	0	0	27
General purpose funding	1,509,666	1,519,248	1,415,841
Law, order, public safety	3,056	5,500	4,517
Health	3,593	1,600	1,217
Education and welfare	12,190	9,876	53,571
Housing	110,945	145,000	236,832
Community amenities	267,108	287,152	263,825
Recreation and culture	29,418	22,500	51,279
Transport	20,239	26,049	26,521
Economic services	217,190	177,300	173,730
Other property and services	64,507	54,832	114,069
	2,237,912	2,249,057	2,341,429
Grants, subsidies and contributions			
Governance	427	8,000	0
General purpose funding	2,092,492	884,978	1,910,193
Law, order, public safety	28,883	35,200	33,252
Education and welfare	557,397	536,782	464,619
Housing	53,057	5,000	558
Community amenities	1,500	0	273
Recreation and culture	83,115	98,450	34,710
Transport	5,737,252	6,320,481	1,945,585
Economic services	6,141	5,000	48,678
Other property and services	37,776	0	31,763
	8,598,040	7,893,891	4,469,631
Total Income	10,835,952	10,142,948	6,811,060
Expenses			
Governance	(435,358)	(436,496)	(383,266)
General purpose funding	(217,538)	(221,485)	(178,249)
Law, order, public safety	(157,824)	(131,300)	(137,062)
Health	(27,326)	(49,572)	(35,597)
Education and welfare	(489,202)	(602,795)	(580,531)
Housing	(295,638)	(265,816)	(289,752)
Community amenities	(474,251)	(471,723)	(398,139)
Recreation and culture	(996,390)	(948,054)	(995,536)
Transport	(6,414,069)	(7,312,861)	(2,536,928)
Economic services	(551,225)	(514,251)	(483,861)
Other property and services	(99,536)	(8,268)	(285,618)
Total expenses	(10,158,357)	(10,962,621)	(6,304,539)
Net result for the period	677,595	(819,673)	506,521

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

24. FUNCTION AND ACTIVITY (Continued)

	2022 Actual	2022 Budget	2021 Actual
(c) Fees and Charges (including Service Charges)	\$	\$	\$
General purpose funding	3,721	2,200	2,453
Law, order, public safety	2,913	5,500	4,108
Health	3,593	1,600	1,143
Education and welfare	9,708	8,876	8,663
Housing	110,065	145,000	149,020
Community amenities	257,608	287,152	256,999
Recreation and culture	19,098	22,500	24,339
Transport	409	0	136
Economic services	215,687	175,300	172,337
Other property and services	9,533	5,500	9,824
	632,335	653,628	629,022
(d) Total Assets	\$	\$	
Governance	39,651	39,307	
General purpose funding	2,153,709	2,604,896	
Law, order, public safety	561,693	627,437	
Education and welfare	483,442	504,212	
Housing	4,025,048	4,146,880	
Community amenities	3,796,632	2,379,164	
Recreation and culture	12,187,968	10,746,112	
Transport	57,992,106	56,611,795	
Economic services	3,044,881	2,696,958	
Other property and services	2,552,285	2,739,949	
	86,855,925	83,096,710	

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

25. RATING INFORMATION

(a) General Rates

RATE TYPE		2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2020/21	
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value *	Actual Rate Revenue	Actual Interim Rates	Actual Back Rates	Actual Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue
		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Residential	Gross rental valuation	0.10300	44	1,292,747	133,153	0	0	133,153	133,153	0	0	133,153	133,988
Commercial	Gross rental valuation	0.10300	17	256,474	26,417	0	0	26,417	26,417	0	0	26,417	25,850
Town Rural	Gross rental valuation	0.10300	15	138,892	14,306	793	0	15,099	14,305	0	0	14,305	13,999
Other Town	Gross rental valuation	0.10300	19	33,549	3,439	0	0	3,439	3,439	0	0	3,439	3,365
Rural Farmland	Unimproved valuation	0.00780	95	141,076,000	1,100,393	0	0	1,100,393	1,099,969	0	0	1,099,969	1,069,409
Sub-Total			190	142,797,662	1,277,708	793	0	1,278,501	1,277,283	0	0	1,277,283	1,246,611
Minimum payment		\$											
Residential	Gross rental valuation	793	44	0	34,892	0	0	34,892	34,896	0	0	34,896	30,030
Commercial	Gross rental valuation	793	17	0	13,481	0	0	13,481	13,483	0	0	13,483	13,090
Town Rural	Gross rental valuation	793	15	0	11,895	0	0	11,895	11,897	0	0	11,897	11,550
Other Town	Gross rental valuation	232	19	0	4,408	0	0	4,408	4,404	0	0	4,404	4,275
Rural Farmland	Unimproved valuation	793	66	0	52,338	(161)	0	52,177	52,345	0	0	52,345	50,820
Commercial	Unimproved valuation	793	4	400	3,172	0	0	3,172	3,172	0	0	3,172	3,080
Town Rural	Unimproved valuation	793	4	92,000	3,172	0	0	3,172	3,172	0	0	3,172	3,080
Mining	Unimproved valuation	232	10	57,675	2,320	598	0	2,918	2,318	0	0	2,318	450
Sub-Total			179	150,075	125,678	437	0	126,115	125,687	0	0	125,687	116,375
			369	142,947,737	1,403,386	1,230	0	1,404,616	1,402,970	0	0	1,402,970	1,362,986
Total amount raised from general rates								1,404,616				1,402,970	1,362,986
* Rateable value is based on the value of properties at the time the rate is raised.													
Rates (excluding general rates)													
Ex-gratia Rates													
Ex-gratia Rates								47,623				45,000	46,600
Sub-Total			0	0	0	0	0	47,623	0	0	0	45,000	46,600
Total amount raised from rates (excluding general rates)								47,623				45,000	46,600
Total Rates								1,452,239				1,447,970	1,409,586

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 *Income for not-for-profit entities*.

25. RATING INFORMATION (Continued)

(b) Specified Area Rate

The Shire did not levy a specified are rate during the current reporting period

(c) Service Charges

In prior years, sewerage charges have been separately disclosed. An assessment has been made of the nature of these revenue items and are now included in Fees and Charges.

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SHIRE OF DOWERIN
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

25. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	23/09/2021	0.0	0.00%	7.00%
Option Two				
First instalment	23/09/2021	5.0	5.50%	7.00%
Second instalment	24/01/2022	5.0	5.50%	7.00%
Option Three				
First instalment	23/09/2021	5.0	5.50%	7.00%
Second instalment	24/11/2021	5.0	5.50%	7.00%
Third instalment	24/01/2022	5.0	5.50%	7.00%
Fourth instalment	24/03/2022	5.0	5.50%	7.00%

	2022 Actual \$	2022 Budget \$	2021 Actual \$
Charges on installment plan	1,005	1,500	1,820
Interest on installment plan	3,538	4,000	4,032
Interest on unpaid rates	9,252	10,000	8,813
Pensioner deferred interest	242	0	392
	14,037	15,500	15,057

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

26. RATE SETTING STATEMENT INFORMATION

		2021/22 Budget	2020/21
	2021/22 (30 June 2022 Carried Forward)	(30 June 2022 Carried Forward)	(30 June 2021 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 Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
	Less: Profit on asset disposals	(12,381)	(88,072)
9(b)	(27,442)		
	Less: Movement in employee leave reserve	20,583	20,260
	Less: Fair value adjustments to financial assets at fair value through profit and loss	0	(2,804)
	(2,998)		
	Movement in pensioner deferred rates (non-current)	0	13,805
	(2,388)		
	Movement in employee benefit provisions (non-current)	0	(5,332)
	(2,313)		
	Add: Loss on disposal of assets	19,746	8,776
9(b)	0		
	Add: Depreciation	1,516,549	1,993,364
9(a)	2,098,682		
	Non-cash amounts excluded from operating activities	1,544,497	1,939,997
	2,083,657		
(b) Surplus/(deficit) after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
	Less: Reserve accounts	(2,033,581)	(2,280,141)
28	(2,475,964)		
	Add: Current liabilities not expected to be cleared at end of year	0	187,197
	- Current portion of borrowings	98,350	77,767
13	113,970		
	- Liabilities supported by a reserve		
	97,883		
	Total adjustments to net current assets	(1,935,231)	(2,015,177)
	(2,264,111)		
Net current assets used in the Rate Setting Statement			
	Total current assets	2,311,578	4,746,039
	4,455,838		
	Less: Total current liabilities	(376,347)	(1,455,448)
	(1,177,793)		
	Less: Total adjustments to net current assets	(1,935,231)	(2,015,177)
	(2,264,111)		
	Net current assets used in the Rate Setting Statement	0	1,275,414
	1,013,934		

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

27. BORROWING AND LEASE LIABILITIES

Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2020	New Loans During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Dowerin Community Club	97	148,819	0	(72,904)	75,915	0	(75,915)	0	75,905	0	(75,916)	(11)
Multi Tyre Roller	103	0	170,000	(10,297)	159,703	0	(20,722)	138,981	150,618	0	(20,723)	129,895
Smooth Drum Tyre Roller	104	0	150,000	(9,085)	140,915	0	(18,289)	122,625	150,000	0	(18,284)	131,716
Swimming Pool	101	181,574	0	(18,759)	162,815	0	(19,099)	143,716	162,815	0	(18,497)	144,318
Short Term Accommodation Project 2017	99	680,627	0	(32,048)	648,579	0	(33,063)	615,516	648,580	0	(33,063)	615,517
GROH house	100	265,172	0	(10,332)	254,840	0	(10,704)	244,136	254,839	0	(10,704)	244,135
Swimming Pool	DEM	50,000	0	(5,000)	45,000	0	(10,000)	35,000	45,000	0	(10,000)	35,000
Total		1,326,192	320,000	(158,425)	1,487,767	0	(187,793)	1,299,974	1,487,757	0	(187,187)	1,300,570

Borrowing Interest Repayments

Purpose	Note	Function and activity	Loan Number	Institution	Interest Rate	Actual for year ending	Budget for year ending	Actual for year ending
						30 June 2022	30 June 2022	30 June 2021
						\$	\$	\$
Dowerin Community Club		Recreation and culture	97	WATC *	4.09%	(2,136)	(2,337)	(5,161)
Multi Tyre Roller		Transport	103	WATC *	1.09%	(1,264)	(1,289)	(897)
Smooth Drum Tyre Roller		Transport	104	WATC *	1.09%	(1,116)	(1,137)	(792)
Swimming Pool		Recreation and culture	101	WATC *	1.91%	(2,839)	(4,801)	(3,179)
Short Term Accommodation Project 2017		Economic services	99	WATC *	3.25%	(19,858)	(20,108)	(20,880)
GROH house		Housing	100	WATC *	3.75%	(8,909)	(9,003)	(9,285)
Swimming Pool		Recreation and culture	DEM	DEM**	0.00%	0	0	0
Total						(36,122)	(38,675)	(40,194)
Total Interest Repayments	2(b)					(36,122)	(38,675)	(40,194)

* WA Treasury Corporation

**DEM - Interest Free Loan from Dowerin Events Management

SHIRE OF DOWERIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

28. RESERVE ACCOUNTS

	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance	2022 Budget Opening Balance	2022 Budget Transfer to	2022 Budget Transfer (from)	2022 Budget Closing Balance	2021 Actual Opening Balance	2021 Actual Transfer to	2021 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council											
(a) Employee Entitlement Reserve	77,767	20,116	0	97,883	77,767	20,583	0	98,350	57,507	20,260	77,767
(b) Plant Replacement Reserve	195,176	292,301	0	487,477	195,176	51,206	(120,000)	126,382	141,172	54,004	195,176
(c) Sewerage Asset Preservation Reserve	1,069,075	86,618	(243,605)	912,088	1,069,074	88,235	(47,000)	1,110,309	1,011,234	57,841	1,069,075
(d) Information Technology Reserve	39,307	344	0	39,651	39,307	295	0	39,602	29,175	10,132	39,307
(e) Land & Building Reserve	346,803	3,013	0	349,816	346,803	2,578	(150,000)	199,381	146,075	200,728	346,803
(f) Emergency Reserve	10,000	0	(10,000)	0	10,000	0	(10,000)	0	0	10,000	10,000
(g) Swimming Pool Reserve	30,294	10,267	0	40,561	30,294	10,227	(40,521)	0	20,203	10,091	30,294
(h) Recreation Reserve	205,800	309	0	206,109	205,800	1,544	(92,000)	115,344	194,920	10,880	205,800
(i) Community Housing Reserve	59,915	90	0	60,005	59,915	449	0	60,364	49,691	10,224	59,915
(j) Economic Reserve	66,870	101	0	66,971	66,870	502	0	67,372	56,614	10,256	66,870
(k) Bowling Green Reserve	107,084	10,161	0	117,245	107,084	10,803	0	117,887	98,639	8,445	107,084
(l) Tennis Court Reserve	52,050	6,078	0	58,128	52,050	6,390	0	58,440	45,843	6,207	52,050
(m) Depot Reserve	10,000	10,015	0	20,015	10,000	10,075	0	20,075	0	10,000	10,000
(n) Waste Reserve	10,000	10,015	0	20,015	10,000	10,075	0	20,075	0	10,000	10,000
	2,280,141	449,428	(253,605)	2,475,964	2,280,140	212,962	(459,521)	2,033,581	1,851,073	429,068	2,280,141

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

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

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Employee Entitlement Reserve	Ongoing	-To cash back the cost of Long Service, Annual and Sick Leave where the leave cannot be absorbed within the annual budget.
(b) Plant Replacement Reserve	Ongoing	-To ensure the cost of additional new plant and refurbishment or replacement can be met as per the Plant Replacement Program
(c) Sewerage Asset Preservation Reserve	Ongoing	-To provide for the replacement and development of sewerage and stormwater infrastructure throughout the Shire.
(d) Information Technology Reserve	Ongoing	-To be used for the renewal & upgrade of Shire of Dowerin Information Technology
(e) Land & Building Reserve	Ongoing	-To assist with funding the development and purchase of land and building assets.
(f) Emergency Reserve	Ongoing	-To be used to reduce immediate cash flow pressure during a declared emergency
(g) Swimming Pool Reserve	Ongoing	-To be used for the renewal and/or upgrade and development of the swimming pool.
(h) Recreation Reserve	Ongoing	-To fund future maintenance, upgrades and developments of recreation facilities, including the swimming pool.
(i) Community Housing Reserve	Ongoing	-To enable participation in community housing projects such as independent living units for seniors
(j) Economic Reserve	Ongoing	-To maintain a reserve to fund economic development initiatives
(k) Bowling Green Reserve	Ongoing	-To be used for the replacement of the bowling greens.
(l) Tennis Court Reserve	Ongoing	-To be used for the replacement of the Tennis Courts
(m) Depot Reserve	Ongoing	-To be used for the purpose of construction of a new Shire of Dowerin Works Depot facility
(n) Waste Reserve	Ongoing	-To be used for the renewal & development of the Shire of Dowerin Waste Facility



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Shire of Dowerin

To the Councillors of the Shire of Dowerin

Opinion

I have audited the financial report of the Shire of Dowerin (Shire) which comprises:

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to

the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer of the Shire is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. 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 my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality control relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance 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.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Dowerin for the year ended 30 June 2022 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 December 2022

UNCONFIRMED