



SHIRE OF
DOWERIN
TIN DOG TERRITORY

MINUTES

Ordinary Council Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 21 March 2023



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Table of Contents



1.	Official Opening / Obituaries
2.	Record of Attendance / Apologies / Leave of Absence
3.	Public Question Time
4.	Disclosure of Interest
5.	Applications for Leave of Absence
6.	Petitions and Presentations
7.	Confirmation of Minutes of the Previous Meetings
7.1	Ordinary Council Meeting held on 21 February 2023
8.	Minutes of Committee Meetings to be Received
8.1	NEWROC Council Meeting held on 20 February 2023
8.2	LEMC Meeting held on 27 February 2023
8.3	Audit & Risk Committee Meeting held on 13 March 2023
9.	Recommendations from Committee Meetings for Council Consideration
9.1	Risk Dashboard Quarterly Report - December 2022
9.2	2022 Financial Management Review
9.3	CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework - Regulation 17
9.4	2022 Compliance Audit Return
10.	Announcements by the President Without Discussion
11.	Officer's Reports - Corporate and Community Services
11.1	Financial Activity Statements
11.2	List of Accounts Paid
11.3	Community Sporting and Recreational Facilities Fund - Renewal of Hockey Shed
12.	Officer's Reports - Governance and Compliance
12.1	Policy Manual Review - Proposed Workshop Procedures Policy
12.2	Harbour Software
13.	Officer's Reports - Works and Assets
14.	Urgent Business Approved by the Person Presiding or by Decision
15.	Elected Members' Motions
16.	Matters Behind Closed Doors
17.	Closure

Shire of Dowerin
Ordinary Council Meeting
Tuesday 21 March 2023



1. Official Opening / Obituaries

The President welcomes those in attendance and declares the Meeting open at 4.01pm.
In opening the meeting, the CEO, Management and Councillors acknowledged the passing of Dowerin Residents Pauline Anderson and Barbara Coen with a minute silence.

2. Record of Attendance / Apologies / Leave of Absence

Councillors:

Cr RI Trepp	President
Cr BA Ward	Deputy President
Cr W Allsopp	
Cr LG Hagboom	
Cr DP Hudson	
Cr NP McMorran	
Cr AJ Metcalf	
Cr JC Sewell	

Staff:

Ms R McCall	Chief Executive Officer
Ms L Dreghorn	Executive and Governance Officer

Members of the Public: Nil

Apologies: Mr A Wooldridge, Deputy Chief Executive Officer

Approved Leave of Absence: Nil

3. Public Question Time

Nil

4. Disclosure of Interest

Cr McMorran - Impartiality Interest - Item 11.3 Community Sporting and Recreational Facilities Fund - Renewal of Hockey Shed

5. Applications for Leave of Absence

- 5.1 Cr Metcalf - May
Cr Hagboom - April

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution

Moved: Cr Hudson

Seconded: Cr Ward

0746 That, by Simple Majority pursuant to Section 2.25(1) of the *Local Government Act 1995*, Councillor Metcalf be granted Leave of Absence for May and Councillor Hagboom be granted Leave of Absence for April.

CARRIED 8/0

6.	Petitions and Presentations
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Nil

7.	Confirmation of Minutes of the Previous Meeting(s)
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7.1 Ordinary Council Meeting held on 21 February 2023.

[Attachment 7.1A](#)

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/ Resolution – 7.1

Moved: Cr Ward

Seconded: Cr Allsopp

0747 That, by Simple Majority pursuant to Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the Ordinary Council Meeting held 21 February 2023, as presented in Attachment 7.1A, be confirmed as a true and correct record of proceedings.

CARRIED 8/0

8.	Minutes of Committee Meeting(s) to be Received
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8.1 NEWROC Council Meeting held on 20 February 2023

[Attachment 8.1A](#)

8.2 LEMC Meeting held on 27 February 2023

[Attachment 8.2A](#)

8.3 Audit & Risk Committee Meeting held on 13 March 2023

[Attachment 8.3A](#)

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution - 8

Moved: Cr Hudson

Seconded: Cr McMorran

0748 That, by Simple Majority pursuant to Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the NEWROC Council Meeting held on 20 February 2023, as presented in Attachment 8.1A, and the Minutes of the LEMC Meeting held on 27 February 2023, as presented in Attachment 8.2A, and the Audit & Risk Committee Meeting held on 13 March 2023, as presented in Attachment 8.3A, be received by Council.

CARRIED 8/0

9.	Recommendations from Committee Meetings for Council Consideration
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9.1 Audit & Risk Committee Recommendation(s)

9.1	Asset & Works Committee Meeting held on 6 February 2023
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9.1.1	Risk Dashboard Quarterly Report – December 2022
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Refer Audit & Risk Committee Meeting Minutes dated 13 March 2023

Attachment 9.1.1

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution – 9.1.1

Moved: Cr Hudson

Seconded: Cr Allsopp

0749 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 – December 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.

CARRIED 8/0

9.1.2 2022 Financial Management Review

Refer Audit & Risk Committee Meeting Minutes dated 13 March 2023

Attachment 9.1.2A

Attachment 9.1.2B

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution – 9.1.2

Moved: Cr Ward

Seconded: Cr McMorran

0750 That, by Simple Majority, in accordance with Regulation 5(2) of the Local Government (Financial Management) Regulations 1996, the Audit & Risk Committee receives the 2022 Financial Management Review and the table of Summary Findings of the Financial Management Review, as presented in Attachments 7.2A & Attachment 7.2B, noting the inclusion of management comments and expected action completion dates in Attachment 7.2B will also be reported to future Audit & Risk Committee and Council meetings on the progress and achieved milestones.

CARRIED 8/0

9.1.3 CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework – Regulation 17

Refer Audit & Risk Committee Meeting Minutes dated 13 March 2023

Attachment 9.1.3

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution – 9.1.3

Moved: Cr Allsopp

Seconded: Cr McMorran

0751 That, by Simple Majority, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:

1. Receives the Chief Executive Officer's review of the Regulation 17 Report consisting of Shire of Dowerin's Risk Management, Internal Controls and Legislative Compliance report as presented in Attachment 7.3A;

2. **Recommends adoption of the Chief Executive Officer's review of the Regulation 17 Report consisting of Shire of Dowerin's Risk Management, Internal Controls and Legislative Compliance report and the Shire of Dowerin Risk Dashboard Report by Council.**

CARRIED 8/0

9.1.4 2022 Compliance Audit Return

Refer Audit & Risk Committee Meeting Minutes dated 13 March 2023

Attachment 9.1.4

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution - 9.1.4

Moved: Cr Ward

Seconded: Cr Hudson

0752 **That, by Simple Majority, in accordance with Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:**

1. **Receives the 2022 Compliance Audit Return, as presented in Attachment 7.4A, noting the remedial action taken to address the five areas of partial non-compliance; and**
2. **Recommends to Council that it adopts the 2022 Compliance Audit Return and submits it to the Department of Local Government, Sport & Cultural Industries prior to 31 March 2023.**

CARRIED 8/0


10. Announcements by the President Without Discussion

Pastoralist and Graziers Briefing Note – New Aboriginal Cultural Heritage Act 2021 comes into effect in July 2023. President provided a copy of this to all Elected Members.

There is currently a Toodyay resident before the courts in relation to an alleged breach of this Act.

11. OFFICER'S REPORTS - CORPORATE AND COMMUNITY SERVICES

11.1 Financial Activity Statements

Corporate and Community Services		
Date:	14 March 2023	
Location:	Not Applicable	
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer	
Author:	As above	
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>	
SharePoint Reference:	Organisation / Financial Management / Reporting / Financial Statements / 2022-2023 Monthly Financial Statements	
Disclosure of Interest:	Nil	
Attachments:	Attachment 11.1A - February 2023 Financial Activity Statement	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This item presents the Statement of Financial Activity to Council for the period ending February 2023.

Background

Section 6.4 of the *Local Government Act 1995* requires a local government to prepare financial reports.

Regulations 34 and 35 of the *Local Government (Financial Management) Regulations 1996* set out the form and content of the financial reports, which have been prepared and are presented to Council.

Comment

In order to fulfil statutory reporting requirements and provide Council with a synopsis of the Shire of Dowerin's overall financial performance on a year-to-date basis, the following financial information is included in the Attachment.

Statements of Financial Activity - Statutory Reports by Program and Nature or Type

The Statements of Financial Activity provide details of the Shire's operating revenues and expenditures on a year-to-date basis. The reports further include details of non-cash adjustments and capital revenues and expenditures, to identify the Shire's net current position.

Note 1 - Statement of Financial Activity

Notes supporting the Statement of Financial Activity by Program and by Nature and Type.

Note 2 - Cash and Financial Assets

This note provides Council with the details of the actual amounts in the Shire's bank accounts and/or investment accounts as at the reporting date.

Note 3 - Receivables

This note provides Council with both Rates Receivables and General Receivables outstanding as at the reporting date. This report has been expanded to further break down the detail of General Receivables.

Note 4 – Other Current Assets

This note provides details of other current assets that the Shire may hold.

Note 5 – Payables

This note provides details of Shire payables unpaid as at the reporting date. This Note is new to the financial statements.

Note 6– Rate Revenue

This note provides details of rates levied during the year.

Note 7 – Disposal of Assets

This note gives details of the capital asset disposals during the year.

Note 8– Capital Acquisitions

This note details the capital expenditure program for the year.

Note 9 –Borrowings

This note shows the Shire's current debt position and lists all borrowings.

Note 10 – Cash Backed Reserves

This note provides summary details of transfers to and from reserve funds, and associated interest earnings on reserve funds, on a year-to-date basis.

Note 11 – Other Current Liabilities

This note outlines any provisions the Shire has on hand relative to other current liabilities.

Note 12 – Operating Grants and Contributions Received

This note provides information on operating grants received.

Note 13 – Non-Operating Grants and Contributions Received

This note provides information on non-operating grants received.

Note 14 – Explanation of Material Variances

Council adopted (in conjunction with the Annual Budget) a material reporting variance threshold of 10% or \$10,000, whichever is the greater. This note explains the reasons for any material variances identified in the Statements of Financial Activity at the end of the reporting period.

Consultation

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Megan Shirt, Consultant

Policy Implications

The Shire of Dowerin has a comprehensive suite of financial management policies. Finances have been managed in accordance with these policies.

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

Council is required to adopt monthly statements of financial activity to comply with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

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 Calendar, Financial Management Framework and Legislation
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Timely preparation of the monthly financial statements within statutory guidelines is vital to good financial management. Failure to submit compliant reports within statutory time limits will lead to non-compliance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.1


Moved: Cr Allsopp

Seconded: Cr McMorran

0753 That Council, by Simple Majority pursuant to Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, receives the statutory Financial Activity Statement report for the period February 2023, as presented in Attachment 11.1A.

CARRIED 8/0

11.2 List of Accounts Paid

<div>Corporate & Community Services</div> <div>  SHIRE OF DOWERIN TIN DOG TERRITORY </div>	
Date:	14 March 2023
Location:	Not Applicable
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer
Author:	Aaron Wooldridge, Deputy Chief Executive Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
SharePoint Reference:	Organisation/Financial Management/Reporting/Financial Statements and Credit Cards
Disclosure of Interest:	Nil
Attachments:	Attachment 11.2A – List of Accounts Paid – February 2023

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the List of Accounts Paid, paid under delegated authority, for February 2023.

Background

Nil

Comment

The List of Accounts Paid as presented has been reviewed by the Deputy Chief Executive Officer.

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Cheryl Murray, Finance Officer

Policy Implications

The Shire of Dowerin has a comprehensive suite of financial management policies. Finances have been managed in accordance with these policies. Payments have been made under delegated authority.

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 12 and 13 of the *Local Government (Financial Management) Regulations 1996* requires that a separate list be prepared each month for adoption by Council showing creditors paid under delegated authority.

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 Calendar
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Financial Implications

Funds expended are in accordance with Council's adopted 2022/23 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.2

Moved: Cr Ward

Seconded: Cr Hudson

0754

That Council, by Simple Majority pursuant to Section 6.8(1)(a) of the *Local Government Act 1995* and Regulation 12 & 13 of the *Local Government (Financial Management) Regulations 1996*, receives the report from the Chief Executive Officer on the exercise of delegated authority in relation to creditor payments from the Shire of Dowerin Municipal Fund, as presented in Attachment 11.2A, and as detailed below:


List of Accounts Paid – February 2023	
EFT 10633 to EFT 10714	\$470,643.36
Direct Debit: Synergy	\$11,714.52
Direct Debit: Bank Fees	\$281.25

Direct Debit: Water Corporation	\$1,433.35
Direct Debit: Puma Energy	\$187.94
Direct Debit: Telstra	\$591.91
Direct Debit: Western Australian Treasury Corporation	\$4,405.24
Direct Debit: Xenex VoIP System	\$458.87
PPE Feb 2023 - Wages	\$37,174.06
PPE Feb 2023 - Wages	\$43,981.09
Superannuation	\$11,008.27
TOTAL	\$581,879.86

** January Credit Card Statement was processed in March payments.

CARRIED 8/0

11.3 Community Sporting and Recreational Facilities Fund – Renewal of Hockey Shed

Corporate & Community Services		
Date:	13 March 2023	
Location:	Reserve 10614	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	As above	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Organisation / Grants & Subsidies / Grant Applications / CRSFF – Hockey Shed Replacement	
Disclosure of Interest:	Impartiality Interest – Cr McMorran	
Attachments:	<p>Attachment 11.3A - Project Plan – Renewal of Hockey Shed</p> <p>Attachment 11.3B - Cost Benefit Analysis – Renewal of Hockey Shed</p> <p>Attachment 11.3C - Hockey Shed Renewal Project – Supporting Information</p>	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

The item presents that the Shire of Dowerin applies for Community Sporting and Recreation Facilities Fund (CSRFF) to enable the renewal of the hockey shed located in Reserve 10614 within the Dowerin recreation precinct to Council for consideration and, if satisfactory, adoption.

Background

The CSRFF exemplifies the Western Australian Government's commitment to the development of sustainable infrastructure for sport and recreation across the State.

The purpose of the program is to provide Western Australian Government financial assistance to community groups and local government authorities to develop basic infrastructure for sport and recreation.

The program aims to increase participation in sport and recreation, with an emphasis on physical activity, through rational development of sustainable, good quality, well-designed and well-utilised facilities.

The CSRFF is administered by the Department of Local Government, Sport and Cultural Industries (DLGSCI). Priority considerations for CSRFF include:

- Projects that will directly lead to an increase in physical activity or participation.
- Projects that lead to facility sharing between clubs, or rationalisation of existing facilities to increase sustainability.
- Projects to upgrade facilities to make them more accessible for female participants.
- Projects in a location with a significant Aboriginal population that will increase participation or physical activity.

Local Authorities are required to assess and prioritise support for applications prior to submission to the DLGSCI.

Comment

The hockey shed was built in 2002 and is predominantly utilised for the purpose of hockey club activities. Dowerin Events Management utilise the facility as a food outlet during the annual field days.

In 2019 the Dowerin Hockey Club identified that the hockey shed was no longer fit for purpose to meet the needs of the Club to carry out hockey activity. In addition, due to the condition of the shed and the maintenance required the shed is becoming unsafe.

It has been identified that even if the project does not proceed with the Shire support, then immediate repairs will need to be undertaken. These repairs were costed at \$21,400 by the Shire's Building Maintenance Officer in 2021. This costing will need to be revised due to the price increases for materials in today's volatile market.

The proposal is to build a new shed that will provide secure and safe storage of equipment as well as a meeting place to facilitate trainings and games and provide protection to players and supporters. The design that the Club have chosen will allow for an area that the club and visiting teams can utilise undercover in poor weather and provide a safe, enclosed area that our club can use for team meetings and strategic game discussions. The facility will be able to be used by the wider community by fostering and promoting exercise and healthy living as a Healthways Club. This will not only benefit those in the club at present but those coming through into the future.

It is proposed that the Shire of Dowerin applies for CSRFF to enable the renewal of the hockey shed located in Reserve 10614 within the Dowerin recreation precinct.

Consultation

Council Workshop – December 2022
Dowerin Events Management
Dowerin Hockey Club
Rebecca McCall, Chief Executive Officer

Policy Implications

Policy 4.7 – Asset Management

To ensure adequate provision is made for the optimised lifecycle management of assets by:

1. Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
2. Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
3. Creating an environment where all employees play an integral part in the overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation through training and development.
4. Meeting legislative requirements for asset management.
5. Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
6. Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

Statutory Implications

Local Government Act 1995

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure

Objective: We have functional assets and infrastructure that supports the community

Outcome: 3.2

Reference: N/A

Asset Management Plan

The Asset Management Plan would need to be amended to accommodate the renewal of the hockey shed.

Long Term Financial Plan

The Long-Term Financial Plan would need to be amended to accommodate the renewal of the hockey shed.

Risk Implications

Risk Profiling Theme	Asset Management Practices
Risk Category	Property (Plant, Equipment, Buildings)
Risk Description	Substantiated, localised impact on community trust or low media item
Consequence Rating	Extreme (5)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (9)
Key Controls (in place)	Risk acceptable with adequate controls, managed by specific procedures and subject to monitoring and review.
Action (Treatment)	Project variations.
Risk Rating (after treatment)	Adequate

Risk Profiling Theme	Project/Change Management
Risk Category	Financial Impact
Risk Description	\$5,001 - \$50,000
Consequence Rating	Extreme (5)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (9)
Key Controls (in place)	Risk acceptable with adequate controls, managed by specific procedures and subject to monitoring and review.
Action (Treatment)	Alternative options to fill the funding gap will need to be identified to enable the project to proceed. The club considers modifying the scope of the project.
Risk Rating (after treatment)	Adequate

Financial Implications

The financial implications regarding the renewal of the hockey shed includes a total cost of \$156,114. Upon the success of the CSRFF application the financial breakdown includes:

Funding Body	Cash Contribution (EX GST)	In-Kind Contribution
CBH	\$10,000	
CSRFF	\$47,963	

Dowerin Events Management	\$60,751	
Dowerin Hockey Club	\$30,000	
Shire of Dowerin		\$7,400

Upon an unsuccessful CSRFF application the financial breakdown, if Council decides to resolve to support the project, includes:

Funding Body	Cash Contribution (EX GST)	In-Kind Contribution
CBH	\$10,000	
Dowerin Events Management	\$60,751	
Dowerin Hockey Club	\$41,000	
Shire of Dowerin	\$36,963	\$7,400

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.3

Moved: Cr Hudson

Seconded: Cr Ward

0755


That, by Absolute Majority in accordance with Section 6.2 of the *Local Government Act 1995*, Council:

1. Supports an application for the Community Sporting and Recreation Facilities Fund seeking financial support of \$47,963 for the renewal of the hockey shed located within the Dowerin recreation precinct, and
2. Allocates \$7,400 in the 2023/24 budget contributing towards the renewal of the hockey shed located within the Dowerin recreation precinct.

CARRIED BY ABSOLUTE MAJORITY 8/0

12. OFFICER'S REPORTS – GOVERNANCE AND COMPLIANCE

12.1 Policy Manual Review – Proposed Workshop Procedures Policy

<h1 style="color: red;">Governance & Compliance</h1>		 SHIRE OF DOWERIN <small>TIN DOG TERRITORY</small>
Date:	14 March 2023	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Linley Dreghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Rules of Conduct) Regulations 1996</i>	
SharePoint Reference:	Organisation/Governance/Council Policies	
Disclosure of Interest:	Nil	
Attachments:	Attachment 12.1A – DLGSC Guideline Attachment 12.1B – Proposed Workshop Procedures Policy	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the proposed Workshop Procedures Policy to Council for consideration and, if satisfactory, adoption.

Background

Back in 2004 the Department of Local Government, Sport & Cultural Industries (DLGSC) published a Local Government Operational Guideline (No. 5 – Council Forums) which encourages Councils to adopt rules and processes that are in line with those Guidelines relating to the conduct of briefing sessions, forums or workshops (herein called workshops). A copy of the Guideline is included as an Attachment.

The Guideline is intended to assist with openness and accountability, minimise public criticism and lead to a more effective and efficient local government by listing appropriate procedural and behavioural controls to be observed during the conduct of workshops. The adoption of such controls is designed to reassure the community that the decision-making mechanisms are accountable, open and transparent.

The Guideline addresses the following matters:

1. accountability;
2. openness and transparency;
3. probity and integrity;
4. authority for the presiding person;
5. participation by Councillors and staff;
6. proposals under Town Planning Schemes; and
7. formulating management documents.

The DLGSC recommends that local governments who conduct workshops should adopt meeting rules and processes to ensure that proper standards of probity and public accountability are adhered to. Similarly, WALGA recommends that Council's agree and document their protocols that

govern their informal workshops. Such rules and processes can be addressed by way of a policy hence staff have developed a proposed policy for consideration by Council.

The proposed policy is designed to outline the process for conducting a Workshop, how they will be managed and the behaviours and protocols to be adhered to.

Council was presented with the proposed policy at its November 2020 Workshop where the discussion suggested changes to the policy were required to remove the obligation on Councillors to disclose interests and, if it is a Financial or Proximity Interest, to leave the room and not participate in the discussion. The reasons suggested were that the policy was too prescriptive and it was not appreciated that Councils were being told how to run their affairs. It was also suggested that Councillors with a financial or proximity interest in a matter may be a valuable source of advice to Council due to their involvement in, or knowledge of, the matter.

To address the latter comment, it should be noted that in accordance with Section 5.41(a) of the *Local Government Act 1995* (the Act), it is the role of the CEO to provide advice to Council in relation to the function of the local government. Therefore, it is not appropriate that Council should seek advice from other Councillors.

To address the other comments, the Guideline provides some valuable advice:

“Probity and Integrity

The legislation provides that in ordinary meetings and committee meetings elected members must disclose conflicts of interest and exclude themselves from proceedings where they have a financial interest. Disclosure in forums is a matter of ethics. The disclosure requirements only apply to meetings that are convened under the provisions of the Act. Elected members can legally participate at forums without being in breach of the legislation even where they have a clear financial interest or conflict of interest. Such participation is ethically unacceptable and is clearly at odds with the probity and accountability principles of the Act and codes of conduct. It is essential that councils adopt standards for forums that stipulate that disclosure rules applying to meetings constituted under the Act also apply at all forums. Disclosure should lead to an individual departing the forum.”

The policy was presented to Council for consideration in December 2020. The purpose of the policy was to provide guidance with respect to the way Council Workshops are conducted. The proposed policy was rejected by Council (CMRef 0333).

Comment

Council was re-presented with the proposed policy at its February 2023 Workshop after questions were raised surrounding Councillor participation and conduct within Council Workshop's and the disclosure of interests.

It is important to recognise that, while no decisions are made at Council Workshops, discussion at those Workshops assists Council in forming consensus that has a consequential impact on the direction that a decision may take. Hence, the principle of requiring Councillors to disclose interests when participating in any part of a process that will contribute to a local government decision is based on the fact that the Councillor's participation will cause influence on the outcome. Therefore, transparency and integrity of the entire process is served by the appropriate disclosure of interest being made and, where required, exclusion of a Councillor with an interest from the process. As suggested in the Guideline, it is a matter of ethics and probity as well as reducing the cultural or reputational risk for Council to not be seen to be providing sound and good governance for the future of its district.

By adopting the policy, and adhering to its requirements at future Workshops, Council will demonstrate its commitment to best practice and show that it takes the matters of accountability, transparency and integrity seriously.

Council does have the option to resolve to reject or amend the proposed policy (and must provide a reason for doing so), due to recent discussions surrounding the conduct of which Workshops are held, Management felt it necessary to re-present the Workshop Procedures policy for consideration.

Consultation

Council Workshop 7 March 2023

WALGA Governance Team

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Linley Dreghorn, Executive & Governance Officer

Policy Implications

The Policy Manual will be updated accordingly, should Council resolve to adopt the Officer's Recommendation.

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

Part 5 of the Act sets out the framework whereby Councillors meet as the governing body for the purpose of decision-making on behalf of the local government. It is an intention of the Act that Councils conduct business and make decisions:

1. openly and transparently;
2. with a high level of accountability to their community;
3. efficiently and effectively;
4. with due probity and integrity;
5. acknowledging relevant community input;
6. with all available information and professional advice; and
7. with the fullest possible participation of elected members.

Section 2.7(2)(b) of the Act is also applicable and states:

"2.7. Role of council

(1) The council –

- (a) governs the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*

(2) Without limiting subsection (1), the council is to –

- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies."*

In addition, Division 2 and Division 3 of Schedule 1 – Model Code of Conduct of the *Local Government (Model Code of Conduct) Regulations 2021* is applicable.

"4. Personal integrity

(1) A council member, committee member or candidate should –

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

(2) A council member or committee member should –

- (a) act in accordance with the trust placed in council members and committee members; and*
- (b) participate in decision-making in an honest, fair, impartial and timely manner; and*

- (c) *actively seek out and engage in training and development opportunities to improve the performance of their role; and*
- (d) *attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.*

10. **Council or committee meetings**

When attending a council or committee meeting, a council member, committee member or candidate –

- (a) *must not act in an abusive or threatening manner towards another person; and*
- (b) *must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and*
- (c) *must not repeatedly disrupt the meeting; and*
- (d) *must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and*
- (e) *must comply with any direction given by the person presiding at the meeting; and*
- (f) *must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.*

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Reputation (Social/Community)
Risk Description	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile
Consequence Rating	Moderate (3)
Likelihood Rating	Likely (4)
Risk Matrix Rating	High (12)
Key Controls (in place)	Governance Management Framework
Action (Treatment)	Document Governance Framework
Risk Rating (after treatment)	Adequate

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation/Resolution – 12.1

Moved: Cr Ward

Seconded: Cr Metcalf

0756 That, in accordance with Section 2.7(2)(b) and Part 5 of the *Local Government Act 1995*, Council:

- 1. Notes the Department of Local Government, Sport and Cultural Industries' Operational Guideline (No. 5 – Council Forums); and**
- 2. Adopts the Workshop Procedures Policy, as presented in Attachment 12.1B.**

CARRIED 8/0

12.2 Harbour Software

Governance & Compliance



Date:	14 March 2023
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, CEO
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	
SharePoint Reference:	Organisation/Information Management/ IT Software
Disclosure of Interest:	Nil
Attachments:	Attachment 12.2A - Reviewed Cost Analysis

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This item is presented to Council to ratify the expenditure to implement Harbour Software.

Background

Harbour Software Doc Assembler is a cloud-based agendas and minutes solution designed to support enterprises across multiple sectors, including businesses, not-for-profit organisations, education, health, and government agencies. The meeting management software enables accessibility and collaboration between meeting organisers, empowering meeting documents compilation in minutes. Doc Assembler is an intuitive, easy to use governance agenda software that can be run on any device.

Providing a holistic agendas and minutes solution, Doc Assembler is fully integrated with Docs On Tap and other leading software applications to ensure efficiency and seamless user experience. The web-based meeting management software enables users to work collaboratively and distribute the finalised document via a one-step process straight to your end users. Doc Assembler is an automated agenda and meeting management platform built to enable meeting administrators to create, collaborate and collate documents in a seamless and modern approach.

Docs On Tap is a flexible app that enables the management and distribution of documents and content in the correct formats to the right people. The end-to-end document management system stores documents and files via the cloud and provides a simple interface with the functionality to create structured folders and configure user permissions.

Working cohesively with Doc Assembler, Councillors can gain instant access to formalised agendas, reports, and documents immediately after they are published. Docs On Tap allows for live voting, making the decision making and minutes taking process easy and efficient. This enables meeting participants to cast their vote electronically via the app, and automatically update the minutes within Doc Assembler.

Comment

The implementation of Harbour Software would enable for more strategic governance and compliance matters to be dealt with in a timelier manner. An allocation was included in the amended budget to purchase the Harbour Software. Council have requested a demonstration, upon the provision of the cost benefit and access to the demonstration, staff are asking to proceed with the purchase and implementation of the program.

It was determined from the cost analysis of the Harbour Software compared to the current processes undertaken, have shown a time saving of 527 hours equating to 62 days per year. Currently our Governance & Compliance area is delayed approximately six months. This additional time saving of 62 days will allow staff resources to focus on the governance and compliance areas endeavoring to bring this area back to an acceptable service level.

The Executive & Governance Officer sought multiple quotes from industry acknowledged systems to assistance with the development of Council agendas and minutes. The product demonstration and service presented by Harbour Software is by far the best out of other service providers. The consultants have experience working in the local government sector which means they are well versed in Local Government requirements.

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Linley Dregghorn, Executive & Governance Officer
Martin Donaldson, Harbour Software
Council Workshop – 7 February 2023
Ordinary Council Meeting – 21 February 2023
Council Workshop – 7 March 2023

Policy Implications

Nil

Statutory Implications

Nil

Strategic Implications

Strategic Community Plan

Community Priority:	Our Organisation
Objective:	<i>We are recognised as a transparent, well governed, and effectively managed Local Government</i>
Outcome:	5.3
Reference:	5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire / Officers
Consequence Rating	Minor (2)
Likelihood Rating	Unlikely (2)

Risk Matrix Rating	Low (4)
Key Controls (in place)	Governance Framework
Action (Treatment)	Document Governance Framework
Risk Rating (after treatment)	Adequate

Financial Implications

The amount of \$23,980 (ex GST) was included in the 2022/23 budget review. Councillors requested we reapproach Harbour Software to seek a discount. Harbour have responded with the table below:

Stage	Item	Payment (ex GST)	Notes
1	Acceptance of Proposal – Doc Assembler	\$7,000	Annual Subscription Fees payable upon acceptance of this proposal.
2	Acceptance of Proposal – Doc Assembler	\$3,000	Discount Of \$1,000 - Annual Subscription Fees payable upon acceptance of this proposal.
3	Remote Training – Implementation Services <i>Allowance for 7 days at a rate of \$1,640 per day. Estimate of time includes 1-day offsite configuration/preparation, 6 days training, including Administrator (includes build & deliver model if required) & End User Training & Post Implementation Support (Go-Live).</i>	\$11,480	On completion of Administrator training.
4	Docs on Tap – Implementation and remote training	\$0	Discount of \$1,500 - Provision of remote training based on train the trainer approach
5	Go Live	-	
	New Total Payment	\$21,480	
	Original Quote	\$23,980	
	Less Discount	\$2,500	
	New Total Payment	\$21,480	

Officer Recommendation

That, by Absolute Majority in accordance with Section 6.2 of the *Local Government Act 1995*, Council supports the purchase of the Harbour Software.

Resolution – 12.2

Moved: Cr Metcalf

Seconded: Cr Allsopp

0757 That, by Absolute Majority Council requests the CEO to explore cost sharing options of the Harbour Software with other Councils to alleviate ongoing operational costs.

CARRIED BY ABSOLUTE MAJORITY 8/0

Reason

Council expressed that they wished to explore the option of sharing the software solution with other Councils to identify cost savings and re-present.

13.	OFFICER'S REPORTS – WORKS AND ASSETS
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Nil

14.	Urgent Business Approved by the Person Presiding or by Decision
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Nil

15.	Elected Members' Motions
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Nil

16.	Matters Behind Closed Doors
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Nil

17.	Closure
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The President thanked those in attendance and declared the meeting closed at 5.07pm.



MINUTES

Ordinary Council Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 21 February 2023

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

Table of Contents



1.	Official Opening / Obituaries
2.	Record of Attendance / Apologies / Leave of Absence
3.	Public Question Time
4.	Disclosure of Interest
5.	Applications for Leave of Absence
6.	Petitions and Presentations
7.	Confirmation of Minutes of the Previous Meetings
7.1	<u>Ordinary Council Meeting held on 20 December 2022</u>
8.	Minutes of Committee Meetings to be Received
8.1	<u>Annual Electors Meeting held on 20 December 2022</u>
8.2	<u>RRG Committee Meeting held on 1 February 2023</u>
8.3	<u>Asset & Works Committee Meeting held on 6 February 2023</u>
9.	Recommendations from Committee Meetings for Council Consideration
9.1	<u>Regional Road Group (RRG) 5 Year Plan - Proposed Amendments</u>
10.	Announcements by the President Without Discussion
11.	Officer's Reports - Corporate and Community Services
11.1	<u>Financial Activity Statements</u>
11.2	<u>List of Accounts Paid</u>
11.3	<u>Recalcitrant Rates Debtors - December 2022</u>
11.4	<u>3/13 Stacy Street, Dowerin - Application for the Keeping of Three Dogs</u>
11.5	<u>Dowerin Wylie Football Club - Project Support Proposal</u>
11.6	<u>Fee Amendment for Dry Hire of 12M Grader</u>
11.7	<u>Acquisition of Trucks</u>
11.8	<u>2022/2023 Budget Review</u>
12.	Officer's Reports - Governance and Compliance
12.1	<u>Policy Manual Review - Council Related Policies</u>
12.2	<u>Local Government Ordinary Election 2023</u>
12.3	<u>Integrated Strategic Plan Reporting - Quarterly Monitoring Review - January 2023</u>
13.	Officer's Reports - Works and Assets
14.	Urgent Business Approved by the Person Presiding or by Decision
15.	Elected Members' Motions
16.	Matters Behind Closed Doors
17.	Closure

Shire of Dowerin
Ordinary Council Meeting
Tuesday 21 February 2023



1. Official Opening / Obituaries

The President welcomes those in attendance and declares the Meeting open at 4.04pm. In opening the meeting, the CEO, Management and Councillors acknowledged the passing of Dowerin Resident Donald Cook with a minute silence.

2. Record of Attendance / Apologies / Leave of Absence

Councillors:

Cr RI Trepp	President
Cr W Allsopp	
Cr LG Hagboom	
Cr DP Hudson	
Cr NP McMorran	Via Zoom
Cr AJ Metcalf	
Cr JC Sewell	

Staff:

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

Members of the Public: Mrs Marie Edmonds

Apologies: Nil

Approved Leave of Absence: Cr BA Ward - Deputy President

Request for Attendance via Remote Connection

In accordance with Regulation 14A of the *Local Government (Administration) Regulations 1996* Cr NP McMorran has requested attendance at this Ordinary Council Meeting via remote connection.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Cr Metcalf

0724 That, pursuant to Regulation 14A of the *Local Government (Administration) Regulations 1996*, the Council:

1. Approves Cr NP McMorran's attendance at the 21 February 2023 Ordinary Council Meeting via remote connection; and
2. Approves McMorran Farm as a suitable place for Cr NP McMorran's attendance.

CARRIED BY ABSOLUTE MAJORITY 6/0

4.07pm – Cr NP McMorran was contacted via Zoom and joined the meeting.

4.07pm L.Dreghorn left the meeting to bring Mrs Marie Edmonds into the meeting.

4.11pm L Dreghorn and Mrs Edmonds returned to the meeting.

3. Public Question Time

Mrs Marie Edmonds – Where have all the corella's gone? Did Council do a cull? Stench from drains main street?

4. Disclosure of Interest

Nil

5. Applications for Leave of Absence

Nil

6. Petitions and Presentations

Nil

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

7.1 Ordinary Council Meeting held on 20 December 2022.

[Attachment 7.1A](#)

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/ Resolution – 7.1

Moved: Cr Sewell

Seconded: Cr Allsopp

0725 That, by Simple Majority pursuant to Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the Ordinary Council Meeting held 20 December 2022, as presented in Attachment 7.1A, be confirmed as a true and correct record of proceedings.

CARRIED 7/0

8. Minutes of Committee Meeting(s) to be Received

8.1 Annual Elector's meeting held on 20 December 2022

[Attachment 8.1A](#)

8.2 RRG Committee Meeting held on 1 February 2023

[Attachment 8.2A](#)

8.3 Asset & Works Committee Meeting held on 6 February 2023

[Attachment 8.3A](#)

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution - 8

Moved: Cr Sewell

Seconded: Cr Hudson

0726 That, by Simple Majority pursuant to Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the Annual Elector's Meeting held 20 December 2022, as presented in Attachment 8.1A, and the Minutes of the RRG Committee Meeting held on 1 February 2023, as presented in Attachment 8.2A, and the Asset & Works Committee Meeting held on 6 February 2023, as presented in Attachment 8.3A, be received by Council.

CARRIED 7/0

9.	Recommendations from Committee Meetings for Council Consideration
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9.1 Asset & Works Committee Recommendation(s)

9.1	Asset & Works Committee Meeting held on 6 February 2023
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9.1.1	Regional Road Group (RRG) 5 Year Plan – Proposed Amendments
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Refer Asset & Works Committee Meeting Minutes dated 6 February 2023

[Attachment 9.1.1](#)

	Voting Requirements
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Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution – 9.1.1

Moved: Cr Trepp

Seconded: Cr Hudson

0727 **That, by Simple Majority, in accordance with the *Local Government Act 1995*, the Asset & Works Committee:**

- 1. Receives the Regional Road Group 5 Year Amended Plan, as presented in Attachment 7.1A; and**
- 2. Recommends to Council that it adopts the Regional Road Group 5 Year Amended Plan.**


CARRIED 7/0

10.	Announcements by the President Without Discussion
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NEWROC meeting at the DCC on 20 February 2023, there is now funding available for EV charging stations with a maximum \$10,000 contribution.

11. OFFICER'S REPORTS - CORPORATE AND COMMUNITY SERVICES

11.1 Financial Activity Statements

Corporate and Community Services		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	14 February 2023	
Location:	Not Applicable	
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer	
Author:	As above	
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>	
SharePoint Reference:	Organisation / Financial Management / Reporting / Financial Statements / 2022-2023 Monthly Financial Statements	
Disclosure of Interest:	Nil	
Attachments:	Attachment 11.1A – December 2022 Financial Activity Statement Attachment 11.1B – January 2023 Financial Activity Statement	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This item presents the Statement of Financial Activity to Council for the period ending December 2022 and January 2023.

Background

Section 6.4 of the *Local Government Act 1995* requires a local government to prepare financial reports.

Regulations 34 and 35 of the *Local Government (Financial Management) Regulations 1996* set out the form and content of the financial reports, which have been prepared and are presented to Council.

Comment

In order to fulfil statutory reporting requirements and provide Council with a synopsis of the Shire of Dowerin's overall financial performance on a year-to-date basis, the following financial information is included in the Attachment.

Statements of Financial Activity – Statutory Reports by Program and Nature or Type

The Statements of Financial Activity provide details of the Shire's operating revenues and expenditures on a year-to-date basis. The reports further include details of non-cash adjustments and capital revenues and expenditures, to identify the Shire's net current position.

Note 1 – Statement of Financial Activity

Notes supporting the Statement of Financial Activity by Program and by Nature and Type.

Note 2 – Cash and Financial Assets

This note provides Council with the details of the actual amounts in the Shire's bank accounts and/or investment accounts as at the reporting date.

Note 3 – Receivables

This note provides Council with both Rates Receivables and General Receivables outstanding as at the reporting date. This report has been expanded to further break down the detail of General Receivables.

Note 4 – Other Current Assets

This note provides details of other current assets that the Shire may hold.

Note 5 – Payables

This note provides details of Shire payables unpaid as at the reporting date. This Note is new to the financial statements.

Note 6– Rate Revenue

This note provides details of rates levied during the year.

Note 7 – Disposal of Assets

This note gives details of the capital asset disposals during the year.

Note 8– Capital Acquisitions

This note details the capital expenditure program for the year.

Note 9 –Borrowings

This note shows the Shire's current debt position and lists all borrowings.

Note 10 – Cash Backed Reserves

This note provides summary details of transfers to and from reserve funds, and associated interest earnings on reserve funds, on a year-to-date basis.

Note 11 – Other Current Liabilities

This note outlines any provisions the Shire has on hand relative to other current liabilities.

Note 12 – Operating Grants and Contributions Received

This note provides information on operating grants received.

Note 13 – Non-Operating Grants and Contributions Received

This note provides information on non-operating grants received.

Note 14 – Explanation of Material Variances

Council adopted (in conjunction with the Annual Budget) a material reporting variance threshold of 10% or \$10,000, whichever is the greater. This note explains the reasons for any material variances identified in the Statements of Financial Activity at the end of the reporting period.

Consultation

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Megan Shirt, Consultant

Policy Implications

The Shire of Dowerin has a comprehensive suite of financial management policies. Finances have been managed in accordance with these policies.

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

Council is required to adopt monthly statements of financial activity to comply with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

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 Calendar, Financial Management Framework and Legislation
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Timely preparation of the monthly financial statements within statutory guidelines is vital to good financial management. Failure to submit compliant reports within statutory time limits will lead to non-compliance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.1

Moved: Cr Hudson

Seconded: Cr Allsopp

0728

That Council, by Simple Majority pursuant to Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, receives the statutory Financial Activity Statement report for the period December 2022 and January 2023, as presented in Attachment 11.1A and Attachment 11.1B.

CARRIED 7/0

11.2 List of Accounts Paid

Corporate & Community Services



Date:	7 January 2023
Location:	Not Applicable
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer
Author:	Aaron Wooldridge, Deputy Chief Executive Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
SharePoint Reference:	Organisation/Financial Management/Reporting/Financial Statements and Credit Cards
Disclosure of Interest:	Nil
Attachments:	Attachment 11.2A – List of Accounts Paid – December 2022 Attachment 11.2B – List of Accounts Paid – January 2023

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the List of Accounts Paid, paid under delegated authority, for December 2022 and January 2023.

Background

Nil

Comment

The List of Accounts Paid as presented has been reviewed by the Deputy Chief Executive Officer.

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Cheryl Murray, Finance Officer

Policy Implications

The Shire of Dowerin has a comprehensive suite of financial management policies. Finances have been managed in accordance with these policies. Payments have been made under delegated authority.

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 12 and 13 of the *Local Government (Financial Management) Regulations 1996* requires that a separate list be prepared each month for adoption by Council showing creditors paid under delegated authority.

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 Calendar
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Financial Implications

Funds expended are in accordance with Council's adopted 2022/23 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.2

Moved: Cr Hudson

Seconded: Cr Metcalf

That Council, by Simple Majority pursuant to Section 6.8(1)(a) of the *Local Government Act 1995* and Regulation 12 & 13 of the *Local Government (Financial Management) Regulations 1996*, receives the report from the Chief Executive Officer on the exercise of delegated authority in relation to creditor payments from the Shire of Dowerin Municipal Fund, as presented in Attachment 11.2A and Attachment 11.2B, and as detailed below:

List of Accounts Paid – December 2022	
EFT 10466 to EFT 10581	\$521,455.12
CHQ 11007 to CH 11010	\$4,285.54

Direct Debit: Credit Card Payment: November 2022	\$2,735.09
Direct Debit: Motopass: Fuel: November 2022	\$968.45
Direct Debit: Synergy	\$9,681.45
Direct Debit: Bank Fees	\$294.33
Direct Debit: Water Corporation	\$2,181.93
Direct Debit: DOT - Shire Fleet Rego	\$8,012.45
Direct Debit: Telstra	\$591.91
Direct Debit: Xenex VoIP System	\$456.94
PPE Dec 2022 - Wages	\$39,544.93
PPE Dec 2022 - Wages	\$34,734.92
Superannuation	\$10,846.49
TOTAL	\$635,789.55

List of Accounts Paid - January 2023	
EFT 10582 to EFT 10632	\$127,068.95
Direct Debit: Credit Card Payment: December 2022	\$1,221.58
Direct Debit: Synergy	\$1,930.18
Direct Debit: Bank Fees	\$296.90
Direct Debit: Water Corporation	\$48.96
Direct Debit: Tin Dog General Store	\$1,228.47
Direct Debit: Telstra	\$685.95
Direct Debit: Wesfarmers Kleenheat	\$1,139.88
Direct Debit: Xenex VoIP System	\$455.02
Direct Debit: Return of Duplicate Silver Chain Payment	\$2,728.80
PPE Jan 2023 - Wages	\$34,636.91
PPE Jan 2023 - Wages	\$35,823.80
Superannuation	\$10,896.96
TOTAL	\$218,162.36

CARRIED 7/0

11.3 Recalcitrant Rates Debtors – December 2022

<div>Corporate & Community Services</div> <div>  SHIRE OF DOWERIN TIN DOG TERRITORY </div>	
Date:	10 February 2023
Location:	
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer
Author:	Sheldon Cox, Rates and Finance Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
Sharepoint Reference:	Organisation/Rates and Evaluations/Reporting/2022 Recalcitrant Rates Debtors
Disclosure of Interest:	Nil
Attachments:	Attachment 11.3A – Recalcitrant Rates Debtors

Purpose of Report

☒ Executive Decision
 ☐ Legislative Requirement

Summary

The Shire of Dowerin recalcitrant Rates Debtors report for December 2022 details assessments not paying on an arrangement, with a previous year's balance of more than \$100.

Background

It is considered best practice for Council to have less than 4% (roughly \$55,000) of the rates levied outstanding at the end of the financial year. The Council did not achieve this due to several assessments holding large debts.

Comment

As at the end of the December 2022 quarter, the Shire of Dowerin's recalcitrant list of properties shows 18 properties with outstanding rates for previous financial years totaling \$107,433.73.

Within the 18 properties, 5 with a total of \$67,230.54 are included in the Estimated Credit Loss provision, to be seized and sold. Most of the debt is due to no direct beneficiary. The process in the recovery of debt is currently underway for 1 property previously approved by council. Further 3 properties will be monitored and reported to council at a later date for approval, as part of the 3-year rule on the recovery of debt.

Administrative processes are in place to ensure properties are updated on the rating system with correct and relevant contact details of owners that has resulted in frequent contact and payments being made.

As per the Local Government Act 1995, local governments are required to recover rates. By taking no action will be a breach of the *Local Government Act 1995*.

- 6.57. *Non-compliance with procedure in Act not to prevent recovery of rate or service charge.*
In proceedings by or on behalf of a local government for the recovery of an amount due in respect of a rate or service charge, failure by the local government to comply in respect of the rate or service charge with the provisions of this Act, is not a defence, if it appears that it had the power to impose, and did in fact assent to the imposition of, the rate or service charge.

Consultation

Sheldon Cox, Rates Officer

Tara Donnelly, Casual Rates Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Lauren Marsh, Senior Account Manager - AMPAC Debt Recovery

Damian Barr, Local Government Services, AMPAC Debt Recovery

Association of Rates Officers

Troy Hancock, Legislation Officer, Department of Local Government, Sports and Cultural Industries

Policy Implications

Nil

Statutory 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

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Financial Impact
Risk Description	\$50,001 - \$200,000
Consequence Rating	Major (4)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Extreme (20)
Key Controls (in place)	Financial Management Framework; Debt Recovery Procedures; Legislation
Action (Treatment)	Undertake debt recovery as per procedures and legislation
Risk Rating (after treatment)	Effective

Financial Implications

The risk implications as set out above has now increased from \$5,001 - \$50,000 to \$50,001 - \$200,000 as this is the next bracket in our risk description and our long-term outstanding debts are over \$64,000.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.3

Moved: Cr Sewell

Seconded: Cr Allsopp

0730 That Council, by Simple Majority, receives the report of Recalcitrant Rates Debtors, as presented in Attachment 11.3A.

CARRIED 7/0

11.4 3/13 Stacy Street, Dowerin - Application for the Keeping of Three Dogs

Corporate & Community Services



Date:	1 February 2023
Location:	3/13 Stacy Street, Dowerin
Responsible Officer:	Aaron Wooldridge,
Author:	Irene Ryan, Ranger
Legislation:	<i>Dog Act 1976</i> ; Shire of Dowerin Dogs Local Law 2008
Sharepoint Reference:	Compliance/Ranger/Animal Registrations
Disclosure of Interest:	Nil
Attachments:	Attachment 11.4A - Ranger's Report

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents an application for the keeping of three dogs at a townsite property to Council for consideration and, if satisfactory, approval.

Background

An application has been received to keep three dogs at 3/13 Stacy Street, Dowerin. Any person wishing to keep more than two dogs within prescribed areas is required to get Council approval.

Comment

A copy of the Ranger's Report is provided as an Attachment. The report details the process of assessing the application, the inspection of the property and the Ranger's recommendation.

All dogs have been microchipped, registered and are between the ages of 6 and 10 years of age.

Consultation

Irene Ryan - Rural Ranger Services

Policy Implications

Nil

Statutory Implications

The Shire of Dowerin Dogs Local Law 2018 and Part 5 Section 26 of the *Dog Act 1976* are applicable.

Clause 3.2(2)(b) of the Dogs Local Law only permits the keeping of four dogs over the age of three months if the premises is situated outside a townsite. However, Section 26(3) of the *Dog Act 1976* enables a local government to grant an exemption in respect of the numbers of dogs permitted to be kept at a residence. Such an exemption may be made subject to conditions, including a condition that it applies only to the dogs specified in the exemption.

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

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 Framework
Risk Rating (after treatment)	Adequate

Financial Implications

An application fee of \$100 applies and the cost of registration on all three dogs.

Voting Requirements



Simple Majority



Absolute Majority

Officer Recommendation

That, in accordance with Section 26(3) of the Dog Act 1976, Council approves the application to house three dogs at 3/13 Stacy Street, Dowerin with the following conditions:

1. The approval being placed on the condition that the dogs do not prove to be a nuisance (to the satisfaction of Council) to adjoining or adjacent neighbours in terms of barking, aggressive behaviours and/or wandering.
2. The exemption applies only to the three (3) dogs stated on the application. Once any of the dogs are deceased, sold or otherwise disposed of, the exemption for that particular dog ceases to have effect.
3. The exemption will cease to have effect on the date of any conviction for an offence relating to The Dog Act 1976 in respect of any of the dogs, or any person in charge of those dogs.
4. The subject property must be kept clear of all animal excreta using proper disposal methods.
5. Adequate cover and protection are always to be available to the dogs.

6. The dogs are to be adequately confined in accordance with Section 3.1 of the Shire of Dowerin Dogs Local Law.
7. Access to the property is to be given to a Shire Officer for an annual inspection, or more regularly if the Shire so determines. Each inspection will be charged in accordance with the adopted Schedule of Fees and Charges.
8. A self-watering drinking device is to be installed in the house yard so that fresh clean water is always available.

Resolution – 11.4

Moved: Cr Metcalf

Seconded: Cr Allsopp

0731 That, in accordance with Section 26(3) of the *Dog Act 1976*, Council approves the application to house three dogs at 3/13 Stacy Street, Dowerin with the following conditions:

1. The approval being placed on the condition that the dogs do not prove to be a nuisance (to the satisfaction of Council) to adjoining or adjacent neighbours in terms of barking, aggressive behaviours and/or wandering.
2. The exemption applies only to the three (3) dogs stated on the application. Once any of the dogs are deceased, sold or otherwise disposed of, the exemption for that particular dog ceases to have effect.
3. The exemption will cease to have effect on the date of any conviction for an offence relating to *The Dog Act 1976* in respect of any of the dogs, or any person in charge of those dogs.
4. The subject property must be kept clear of all animal excreta using proper disposal methods.
5. Adequate cover and protection are always to be available to the dogs.
6. The dogs are to be adequately confined in accordance with Section 3.1 of the Shire of Dowerin Dogs Local Law.
7. Access to the property is to be given to a Shire Officer for an annual inspection, or more regularly if the Shire so determines. Each inspection will be charged in accordance with the adopted Schedule of Fees and Charges.
8. A self-watering drinking device is to be installed in the house yard so that fresh clean water is always available.
9. Registration of all three dogs.

CARRIED 7/0

Reason

Council wished to include that all three dogs are to be registered in accordance with Shire of Dowerin Dog Local Law.

11.5 Dowerin Wylie Football Club – Project Support Proposal

Corporate & Community Services		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	14 February 2023	
Location:	Dowerin Sport Recreation Precinct	
Responsible Officer:	Rebecca McCall, CEO	
Author:	Linley Dreghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Community Development/Community Groups Liaison/2020-Dowerin Events Management	
Disclosure of Interest:	Nil	
Attachments:	<u>Attachment 11.5A</u> - Project Support Proposal – AFL Football Goal Replacement <u>Attachment 11.5B</u> - Quotes	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a project support proposal to provide financial assistance for the Dowerin Wylie Football Club (DWFC) to Council for consideration and, if satisfactory, adoption.

Background

The President of the Football Club met with the CEO to discuss presenting a proposal to Council to assist financially with the replacement of the AFL football goals located at the Dowerin Recreation Precinct.

Comment

The DWFC propose a funding arrangement of one third contribution from Shire of Dowerin, Dowerin Events Management and the DWFC. The current goals are damaged and outdated and therefore are seeking to replace with AFL standard goals. The new goals will be removeable, therefore providing flexibility for other users and/or events.

Quotes have been received and the favourable quote is for \$8,085.00. This quote was the cheapest received and preferable as they are a West Australia based company. If Council decides to support this proposal, the contribution would be \$2,695.00.

The Memorandum of Understanding between the Shire of Dowerin and the Dowerin Wylie Football Club outlines that the maintenance and replacement of the goals posts will be shared between both parties. The Dowerin Wylie Football Club is responsible for the maintenance and renewal of the goal pads.

Consultation

Rebecca McCall, Chief Executive Officer

Matt Couper, Dowerin Wylie Football Club President

Policy Implications

Nil

Statutory Implications

Local Government Act 1995

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure

Objective: We have functional assets and infrastructure that supports the community

Outcome: 3.2

Reference: 3.2.3

Asset Management Plan

The management of assets within the Dowerin Recreation Precinct is the responsibility of the Shire of Dowerin. Provision for Council-developed infrastructure is outlined in the Asset Management Plan.

Long Term Financial Plan

Management of assets outlined in the Asset Management Plan is reflected in the Long-Term Financial Plan.

Risk Implications

Risk Profiling Theme	Management of Facilities/Venues/Events
Risk Category	Property (Plant, Equipment, Buildings)
Risk Description	Inconsequential damage
Consequence Rating	Insignificant (1)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (2)
Key Controls (in place)	Building Maintenance Program/Reserves Management System
Action (Treatment)	Develop Recreational Reserves Management System
Risk Rating (after treatment)	Adequate

Financial Implications

It should be noted that if the above proposal is approved, this will be a capital item and taken into consideration within the 2022/23 budget review.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution - 11.5

Moved: Cr Hagboom

Seconded: Cr Allsopp

0732

That, in accordance with the *Local Government Act 1995*, Council supports the Project Support Proposal submitted by Dowerin Wylie Football Club (DWFC) as presented in Attachment 11.5A, in accordance with the following conditions:

- 1. Site works are planned and prepared in liaison with the Asset & Works Coordinator;**
- 2. Site works are approved by the Asset & Works Coordinator;**
- 3. Additional costs incurred to include installation will be met by DWFC; and**
- 4. Shire of Dowerin contribution capped at \$2,700.**

CARRIED 7/0

11.6 Fee Amendment for Dry Hire of 12M Grader

Governance & Compliance



Date:	13 February 2023
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	<i>Local Government Act 1995</i>
SharePoint Reference:	
Disclosure of Interest:	Nil
Attachments:	Nil

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the fee amendment for the dry hire of the Shire of Dowerin's 12M Grader to Council for consideration and, if satisfactory, adoption.

Background

Council at its Ordinary Meeting held on 20 December 2022 (CMRef 0711) ratified to introduce a daily dry hire rate for the Shire of Dowerin's mobile plant and equipment. It was brought to management's attention that the incorrect day rate of \$450.00 had been reported to Council for the 12M Grader. This should have in fact been \$550.00.

Under Section 6.19 of the *Local Government Act 1995*, Councils are required to give local public notice if it wishes to impose any new fees or changes after the budget has been adopted. This item brings a recommendation from Management before Council to give local public notice of the fee amendment for the dry hire of the Shire of Dowerin's 12M Grader.

Comment

Due to the decision to contract the road construction and grader programs, there is an opportunity to dry hire under utilised plant. To enable dry hire an appropriate hire rate needs to be included in the 2022/23 Fees and Charges.

The following recommended dry hire fee is based on current market rates:

PLANT	DAY RATE Ratified 20/12/22	AMENDED DAY RATE
Grader 12M	\$450.00	\$550.00

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Ben Forbes, Asset & Works Coordinator

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: 5.4

Reference: 5.4.2

Community Priority: Our Economy

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

Outcome: 2.1

Reference: 2.1.2

Asset Management Plan

Associated maintenance costs of plant is factored into the AMP.

Long Term Financial Plan

Associated maintenance costs of plant is factored into the LTFP.

Statutory Implications

Section 6.19 of the *Local Government Act 1995* states:

“6.19. Local government to give notice of fees and charges

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of –

(a) its intention to do so; and

(b) the date from which it is proposed the fees or charges will be imposed.”

Risk Implications

Risk Profiling Theme	Asset Management Practices
Risk Category	Property (Plant, Equipment, Buildings)
Risk Description	\$5,001 - \$50,000
Consequence Rating	Moderate (3)
Likelihood Rating	Possible (3)
Risk Matrix Rating	Moderate (6)
Key Controls (in place)	Asset Management Plan
Action (Treatment)	Development of Revised Asset Management Plan
Risk Rating (after treatment)	Effective

Financial Implications

The introduction of dry hire fees and charges will generate unbudgeted revenue for the 2022/23 financial year.

Voting Requirements

☐

Simple Majority

☒

Absolute Majority

Officer's Recommendation/Resolution – 11.6

Moved: Cr Hudson

Seconded: Cr Trepp

0733

That, by Absolute Majority, in accordance with Section 6.19 of the *Local Government Act 1995*, Council resolves to give local public notice of the intention to amend the daily dry hire rate of the Shire of Dowerin's 12M Grader to \$550.00.

CARRIED BY ABSOLUTE MAJORITY 7/0

11.7 Acquisition of Trucks

Corporate and Community Services



Date:	14 February 2023
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Linley Dregghorn, Executive Governance Officer
Legislation:	<i>Local Government Act 1995</i>
Sharepoint Reference:	Technical/Asset Management/Acquisitions
Disclosure of Interest:	Nil
Attachments:	Attachment 11.7A - Quotations

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This item presents the plant and light fleet replacement program 2023-2024 to Council for consideration and, if satisfactory, adoption.

Background

Due to the implementation of the organisation re-structure and the current volatile plant and light vehicle market, the changeover of the Asset and Works vehicles were not included in the 2022-23 Budget.

It was requested during budget deliberations by Councillors if plant and motor vehicle changeovers could be referred to the Asset and Works Committee for consideration prior to purchase.

Comment

A quotation for the changeover of the light trucks was presented to the Asset & Works Committee at its February meeting. This initial quote from Hino has been revised and included in the attachments.

Hino has contacted the Shire of Dowerin advising that availability of the chosen light trucks can be delivered in April, therefore staff have proceeded to seek another two quotes to comply with procurement policies. A summary of the quotations ex GST are as follows:

DEALERSHIP	PURCHASE PRICE	TRADE IN	LEAD TIME
Hino - 300 Series	\$81,359.09	\$31,000	April 2023
Hino - 500 Series	\$108,699.99	\$32,000	April 2023
Major Motors	\$99,760.00	Trade quote not available	12 months
Major Motors	\$76,840.00	Trade quote not available	12 months
Major Motors	\$97,220.00	Trade quote not available	12 months

Daimler Trucks	\$73,379.46	Trade quote not available	April 2023
Daimler Trucks	\$120,469.33	Trade quote not available	TBC on Order

It is recommended that the price provided by Hino is accepted due to supply and suitability of light trucks.

Consultation

Rebecca McCall, Chief Executive Officer
Ben Forbes, Asset & Works Coordinator
Asset & Works Committee; 6 February 2023
Asset & Works Committee; 21 February 2023
Major Motors
Hino
Daimler Trucks Perth

Policy Implications

Asset Management Policy and Replacement of Plant and Vehicles Policy.

Statutory Implications

Local Government Act 1995 Section 6.8

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government; or
 - (b) is authorised in advance by resolution; or
 - (c) is authorised in advance by the mayor or president in an emergency.
- (2) Where expenditure has been incurred by a local government
 - (a) Pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and
 - (b) Pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of council.

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure
Objective: We have functional assets and infrastructure that supports the community
Outcome: 3.2
Reference: 3.2.1

Asset Management Plan

The Asset Management Plan accommodates the maintenance and replacement of a CEO vehicle.

Long Term Financial Plan

The Long Term Financial Plan accommodates the maintenance and replacement of a CEO vehicle.

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)	Asset Management Policy Replacement of Plant & Vehicles Policy
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Financial Implications

The financial implications will include the following:

VEHICLE DESCRIPTION	ACQUISITION COST	DISPOSAL INCOME	NET
Hino 500 Series	\$108,699.99	\$32,000	\$76,699.99
Hino 300 Series	\$81,359.09	\$31,000	\$50,359.09
		TOTAL	\$127,059.08

It is proposed that the acquisitions is funded from the 2023/2024 Budget surplus identified during the Budget review.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 11.7

Moved: Cr Metcalf


Seconded: Cr Hudson

0734 That, by Absolute Majority in accordance with Section 6.8 of the *Local Government Act 1995*, Council resolves to:

1. Approve the acquisition of two light trucks;
2. Accept the quotation from Hino;
3. Include the acquisition and disposal of the two light trucks and the disposal of two light vehicles in the Budget Review.

CARRIED BY ABSOLUTE MAJORITY 7/0

11.8 2022/2023 Budget Review

Corporate and Community Services		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	15 February 2023	
Location:	Not Applicable	
Responsible Officer:	Aaron Wooldridge, Deputy Chief Executive Officer	
Author:	As above	
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>	
SharePoint Reference:	Organisation/Financial Management/Budgeting/2023	
Disclosure of Interest:	Nil	
Attachments:	Attachment 11.8A – 2022/2023 Annual Budget Review	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the 2022/2023 Annual Budget Review to Council for consideration and, if satisfactory, adoption.

Background

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires local governments to conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government, Sport and Cultural Industries (DLGSC) within 30 days of the adoption of the review.

Comment

The original 2022/2023 Budget was adopted by Council at its Ordinary Meeting on 2 August 2022 (CMRef 0638).

The Office of the Auditor General (OAG) provided the Shire of Dowerin with its final 2021/2022 Annual Financial Report on 06 December 2022 that resulted in less opening funds of \$237,723 than predicted when adopting the Budget for 2022/2023. This reduction is due to the timing of the receipt and accounting recognition of revenue relating to grant funded works.

The Budget Review process for 2022/2023 has commenced on time with a more robust review process.

In the process of finalising the budget review, the Statement of Budget Review has resulted in a further improvement on the adopted budget by \$178,639. During the year Council approved \$50,000 to be transferred from reserves for works on the sewerage infrastructure. This has resulted a reduction in reserves by this amount, therefore, the net movement to reserves will be \$128,639 in addition to the original adopted budget net value to reserves of \$379,677 making a total of \$508,316 to be transferred to reserves. The explanation to the major variances is summarised in the below table and in detail in the notes of the Budget Review Report period ending 31 January 2023.

The Statement of Financial activity remains to provides a balanced budget.

<u>Budget Program</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Variance</u>	<u>Variance Reason</u>
Fees and Charges	\$669,810	\$746,650	\$76,840	Increased Standpipe and Private Works Income.
Op. Grants, Subsidies & Contributions	\$1,252,739	\$1,521,024	\$268,285	Increased Financial Assistance Grants \$419k, reduced Aged Care and Welfare Grants \$175k.
Employee Costs	\$1,796,711	\$1,501,526	(\$295,185)	Reduced employee costs due to reduction in admin and Aged Care costs.
Materials & Contracts	\$1,651,443	\$1,758,681	\$107,238	Harbour Software, Events and Parts & Repairs.
Capital Revenue (Non-Operating Grants)	\$3,470,765	\$3,850,259	\$379,494	Increased in Roads Grants.
Capital Revenue (Proceeds from Disposal of Assets)	\$121,000	\$209,500	\$88,500	Trade-in x2 Hino Trucks and Sale x2 Utes
Capital Expenses (Infrastructure Assets Roads)	\$3,710,766	\$4,055,890	\$345,124	WSFN Projects will be offset to the increased in Roads Grants.
Capital Expenses (Plant & Equip)	\$62,000	\$280,059	\$218,059	New Slasher and 2x Hino Trucks
Transfer to Reserves	\$482,238	\$660,877	\$178,639	Surplus of funds due to this review are transferred to reserves.
Transfer from Reserves	\$102,561	\$152,561	\$50,000	Funds for replacement sewerage pumps for sewerage infrastructure.
Opening Funding Surplus (Deficit)	\$1,251,657	\$1,013,934	(\$237,723)	The opening surplus was lower than budgeted due to revenue relating to grant funded projects received in FY23 that was unspent (LRCIP & Blackspot) being moved from revenue to liability as per the new AAS. These funds are recognised as additional revenue in this budget review.

During the budget review process, management has identified and recommended additional capital expenses that have been funded from the surplus. These are listed below and included in Note 6 'Capital Acquisitions' on pages 18 and 19 of the Budget Review Report:

- Football Goal Post Replacement
- Shade Sails for Centenary Park
- Sewerage Pump Repairs
- New Slasher
- Acquisition/disposal of two Hino trucks

There are other variances that are of a minor nature and have been funded from the surplus from this review. These are commented in the attached Budget Review Report from note 4 on pages 8 to 11.

With all budget amendments that have been carried out from this review, they are captured in note 5 on pages 12 to 16 with comments on variances greater than \$10,000.

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Ben Forbes, Assets & Works Coordinator
Megan Shirt, Consultant
Asset & Works Committee Workshop – 6 February 2023
Council Workshop – 7 February 2023

Policy Implications

The Shire of Dowerin has a comprehensive suite of financial management policies. Finances have been managed in accordance with these policies.

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 33A of the *Local Government (Financial Management) Regulations 1996* is applicable and states:

“33A. Review of budget

- (1) *Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) *The review of an annual budget for a financial year must —*
 - (a) *consider the local government’s financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*
 - (b) *consider the local government’s financial position as at the date of the review; and*
 - (c) *review the outcomes for the end of that financial year that are forecast in the budget.*
- (2) *Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.*
- (3) *A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*
**Absolute majority required.*
- (4) *Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.”*

Risk Implications

The Review must be completed prior to 31 March 2023 and lodged with the DLGSC within 30 days of adoption, otherwise the Shire will be non-compliant with the requirements of the *Local Government (Financial Management) Regulations 1996*.

Financial Implications

If Council adopts the proposed 2022/2023 Budget Review amendments as presented, the result is a balanced budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation

That, by Absolute Majority, in accordance with Regulation 33A of the Local Government (Financial Management) Regulations 1996, Council:

1. Adopts the 2022/2023 Budget Review, as presented in Attachment 11.8A; and
2. Submits a copy of the 2022/2023 Budget Review to the Department of Local Government, Sport and Cultural Industries.

Resolution - 11.8

Moved: Cr Hudson

Seconded: Cr Sewell

0735

That, by Absolute Majority, in accordance with Regulation 33A of the *Local Government (Financial Management) Regulations 1996*, Council:

1. **That the 2022/2023 Budget Review Report be amended to list the following Capital plant items - 500 Series Hino (\$108,700), 300 Series Hino (\$81,359), Rotary Axe Slasher (\$28,000), be funded from the Plant Replacement Reserve;**
2. **Proceeds from the disposal of 500 Series Hino truck, 300 Series Hino truck, Ford Ranger P002 and Toyota Hilux P18 to be allocated to the Plant Replacement Reserve;**
3. **To allocate any remaining surplus to the Roads and Infrastructure Reserve;**
4. **Adopts the 2022/2023 Budget Review, as per amendments; and**
5. **Submits a copy of the 2022/2023 Budget Review to the Department of Local Government, Sport and Cultural Industries.**


CARRIED BY ABSOLUTE MAJORITY 7/0

Reason

Council wished to clarify the allocations of remaining surplus.

12. OFFICER'S REPORTS – GOVERNANCE AND COMPLIANCE

12.1 Policy Manual Review – Council Related Policies

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	10 February 2023	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Linley Dreghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Administration) Regulations 1996; Local Government (Rules of Conduct) Regulations 1996; Code of Conduct</i>	
SharePoint Reference:	Organisation/Governance/Council Policies	
Disclosure of Interest:	Nil	
Attachments:	<p>Attachment 12.1A – Reviewed Amended Policies</p> <p>Attachment 12.1B – Policies to be Rescinded</p>	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the reviewed and proposed Council related policies to Council for consideration and, if satisfactory, adoption.

Background

At its November 2019 meeting Council considered a major review of the 2007 Policy Manual where a significant portion of the manual was rescinded. One of the sections recommended to be retained at that time related to Council itself. The purpose of this was to enable a full review of the policies to be undertaken with the aim to develop an up to date and relevant suite of policies relating to Council and Council Members. This review resulted in the Policy manual currently utilised by the Shire.

Council at its February Workshop reviewed and discussed the current Council policies and are presented for ratification.

Comment

The results of the review propose some amendments to the policies contained within the current Policy Manual. These are included as an Attachment.

The amendments are written in red text, with the strikethrough text showing the proposed deletions. Black text indicates the wording currently contained in the policy. Further comment on the amendments is detailed below:

Policy	Comment
2.1 – Related Parties Disclosure	Position titles amended to align with current organisation structure. A document control box added.
2.2 – Risk Management	Policy was reviewed in 2022, only requires amending the AS to reflect the correct standard. Document Control box added.
2.3 – Public Interest Disclosure	Document Control box added.
2.5 – Common Seal & Document Signing	Rewritten Document Control box added.
2.6 – Senior Employees & Acting CEO	Amended to align with current organisation structure. Document Control box added.
4.1 – Fuel Stock Control	Rescind – procedural manual
5.1 – Dowerin Home Care Volunteer	Modify the policy for Council's consideration to support an allowance for a volunteer driver
5.3 – Community Bus Hire	Policy reviewed to remove procedural text
7.4 – Health & Wellbeing	Position titles amended to align with current organisation structure. A document control box added.
7.8 – Equal Employment Opportunity	That the responsible officer be the Chief Executive Officer to demonstrate the importance of Equal Opportunity at the Shire. That Guideline 5 be changed from “The Council” to “The Shire of Dowerin”
7.15 – Education & Assistance	Position titles amended to align with current organisation structure. Reworded paragraph 3. A document control box added.
7.16 – Prescription Safety Glasses	Rescind – procedural manual

Consultation

Council Workshop 7 February 2023

Policy Implications

The current Policy Manual will be updated accordingly, should Council resolve to adopt the proposed amendments.

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

Section 2.7 of the *Local Government Act 1995* stipulates that the role of Council is to determine policies.

Risk Implications

The implications to Council on amending the policy is considered low risk.

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	People
Risk Description	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire / Officers
Consequence Rating	Moderate (3)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Moderate (6)
Key Controls (in place)	Governance Management Framework
Action (Treatment)	Documented review processes
Risk Rating (after treatment)	Adequate

Financial Implications

Funds have been included in the 2022/23 Budget to cover any costs associated with the policies. Similarly, funds will need to be allocated in future budgets.

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation/Resolution – 12.1

Moved: Cr Hudson


Seconded: Cr Allsopp

0736 That, by Simple Majority in accordance with Section 2.7 of the *Local Government Act 1995*, Council:

1. Adopts the Council Policies, as presented in Attachment 12.1A; and
2. Rescinds the Council Policies, as presented in Attachment 12.1B.

CARRIED 7/0

12.2 Local Government Ordinary Election 2023

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	14 February 2023	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, CEO	
Author:	Linley Dreghorn – Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995</i>	
SharePoint Reference:	Corporate Management/Reporting/Integrated Planning & Reporting Quarterly Monitoring Review	
Disclosure of Interest:	Nil	
Attachments:	Attachment 12.2A – Written Agreement from Electoral Commission	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This item seeks Council resolution to declare the Electoral Commissioner be responsible for the Local Government Ordinary Election by a Postal Election.

Background

Local government ordinary elections are held on the third Saturday in October every two years. The next local government ordinary election will be held on 21 October 2023.

Councillors are elected for terms of four years in Western Australia. Elections are held every two years for half of the Council, and candidates are elected using the first past-the-post voting system. If a vacancy occurs within a term, an extraordinary election is held.

The Electoral Commissioner is responsible for conducting all local government postal elections in Western Australia. By making the Electoral Commissioner responsible for this election, the Shire can ensure that the election is conducted independently and with impartiality.

Postal elections are more convenient for many electors and typically result in a higher rate of voter participation than in person ballots.

For postal elections, all eligible electors will receive a postal voting package around three weeks prior to polling day. The package will include a list of candidates, ballot papers, instructions on how to vote and a declaration.

Comment

The Shire of Dowerin has obtained written agreement from the Electoral Commissioner to be responsible for the conduct of the ordinary elections in 2023, together with any other elections or polls that may also be required. This agreement is subject to the proviso that the Shire of Dowerin also wishes to have the election undertaken by the Western Australian Electoral Commission as a postal election and is ratified by Council.

Consultation

Western Australian Electoral Commission
Chief Executive Officer

Policy Implications

Nil

Statutory Implications

Section 4.20(4) *Local Government Act 1995*

Section 4.61(2) *Local Government Act 1995*

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

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire / Officers
Consequence Rating	Extreme (5)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	High (10)
Key Controls (in place)	Governance Framework
Action (Treatment)	Document Governance Framework
Risk Rating (after treatment)	Adequate

Financial Implications

The estimated cost for the 2023 local government ordinary election is \$13,000 inc GST. Additional costs include:

Statutory Advertising – approximately \$2,700

Staff x 1 to assist the Returning Officer – approximately \$800

The approximate amount of \$16,500 (ex GST) will be included in the 2023/24 budget.

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation/Resolution – 12.2

Moved: Cr Trepp


Seconded: Cr Hudson

0737 That Council, by Absolute Majority, Pursuant to Section 4.20(4) of the Local Government Act 1995 resolves to:

1. Declare the Electoral Commissioner to be responsible for the conduct of the 2023 Ordinary Elections together with any other elections or polls which may be required; and
2. Decide, in accordance with Section 4.61(2) of the *Local Government Act 1995*, that the method of conducting the Election will be as a postal election

CARRIED BY ABSOLUTE MAJORITY 7/0

12.3 Integrated Strategic Plan Reporting - Quarterly Monitoring Review – January 2023

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	14 February 2023	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, CEO	
Author:	As Above	
Legislation:	<i>Local Government Act 1995</i>	
SharePoint Reference:	Corporate Management/Reporting/Integrated Planning & Reporting Quarterly Monitoring Review	
Disclosure of Interest:	Nil	
Attachments:	Attachment 12.3A – Integrated Strategic Plan - Quarterly Monitoring Review – January 2023	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the Integrated Strategic Plan & Reporting (ISP) Quarterly Monitoring Review for January 2023 to Council for consideration and, if satisfactory, adoption.

Background

The Shire of Dowerin has embedded an IPR into the “business as usual” of the organisation and have achieved a good standard of practice. This document sets out the key points of the IPR cycle.

A major Strategic Review is undertaken every four years and is aligned with electoral cycles. The Shire of Dowerin’s second major Strategic Review was carried out in 2020/21 with the new year 1 being 2021/22. The major review integrated the Strategic Community Plan and Corporate Business Plan and this form the elements of the IPR Framework.

Comment

The ISP is reviewed in May each year, in conjunction with the annual budget deliberation process, with reporting on operational progress quarterly, ensuring that the Shire of Dowerin is working towards implementation and achievement.

It is important for the Shire to be able to measure and monitor success of initiatives to deliver on the strategies and aspirations detailed in the ISP. The Shire of Dowerin is committed to reviewing internal and external reporting mechanisms to ensure the organisation is aligning its priorities and delivering on its commitments.

Progress reporting is carried out quarterly utilising the traffic light system to identify progress against identified priorities detailed in the ISP. The quarterly report is to be shared via a Council Item and on the Shire website. In addition, results will be formerly communicated to the community annually via the legislated end of year financial year Annual Report.

The Integrated Strategic Plan Quarterly Monitoring Review – January 2023 is presented to Council for its perusal.

In this review a traffic light colour system has been implemented to indicate progress.

Red = not commenced, Amber = In progress and Green = completed.

The quarterly update comment has been updated. Council should refer to this for the up-to-date status.

Consultation

Nil

Policy Implications

Nil

Statutory Implications

Section 5.56(1) of the *Local Government Act 1995* requires all local governments to produce plans for the future. The IPR Framework was introduced in Western Australia as part of the State Government's Local Government Reform Program.

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 strategies and key actions will impact on the Asset Management Plan. Annual reviews of the Asset Management Plan will accommodate aligned strategies and key actions.

Long Term Financial Plan

Identified strategies and key actions will impact on the Long-Term Financial Plan. Annual reviews of the Long-Term Financial Plan will accommodate aligned strategies and key actions.

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

Financial Implications

There are financial implications to Council in relation to this item as the IPR Suite of Plans recognise outcomes. Identified outcomes from the IPR Suite of Plans are factored into the Council's Strategic Resource Plan 2018-2028.

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation/Resolution – 12.3

Moved: Cr Allsopp

Seconded: Cr Sewell

0738

That Council, by Simple Majority, in accordance with Section 5.56(1) of the *Local Government Act 1995*, receives the Integrated Strategic Plan - Quarterly Monitoring Review – January 2023, as presented in Attachment 12.3A.

CARRIED 7/0

13.	OFFICER'S REPORTS – WORKS AND ASSETS
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Nil

14.	Urgent Business Approved by the Person Presiding or by Decision
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Nil

15.	Elected Members' Motions
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Nil

16.	Matters Behind Closed Doors
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Nil

17.	Closure
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The President thanked those in attendance and declared the meeting closed at 5.53pm.



North Eastern Wheatbelt Regional Organisation of Councils

Dowerin | Koorda | Mt Marshall | Mukinbudin | Nungarin | Trayning | Wyalkatchem

Council Meeting

Monday 20 February 2023

Dowerin Club

MINUTES

www.newroc.com.au

1.30pm Light Lunch
2pm NEWROC Meeting

ANNUAL CALENDAR OF ACTIVITIES

MONTH	ACTIVITY	MEETING
January		Executive
February	<ul style="list-style-type: none"> 👉 Council refreshes itself on NEWROC Vision, Mission, Values (review Vision and Mission every other year) 👉 Council reviews NEWROC project priorities 	Council
March	👉 WDC attendance to respond to NEWROC project priorities	Executive
April	👉 NEWROC Budget Preparation	Council
May	<ul style="list-style-type: none"> 👉 NEWROC Draft Budget Presented 👉 NEWROC Executive Officer Contract/Hourly Rate Review (current contract expires June 2027) 👉 Local Government Week agenda to be discussed at Executive meeting to determine if EA should attend 	Executive
June	👉 NEWROC Budget Adopted	Council
July		Executive
August	<ul style="list-style-type: none"> 👉 Information for Councillors pre-election 👉 NEWROC Audit 	Council
September		Executive
October	👉 NEWROC CEO and President Handover	Council
November	<ul style="list-style-type: none"> 👉 NEWROC Induction of new Council representatives (every other year) 👉 Review NEWROC MoU (every other year) 	Executive
December	<ul style="list-style-type: none"> 👉 NEWROC Annual Report 👉 NEWROC Drinks 	Council

ONGOING ACTIVITIES

Compliance

Media Releases

Newsletter

NEWROC Chair and CEO Rotation

Shire of Mt Marshall

Shire of Nungarin

Shire of Wyalkatchem

Shire of Koorda

Shire of Mukinbudin (Oct 2021 – Oct 2023)

Shire of Trayning

Shire of Dowerin

TABLE OF CONTENTS

<u>1. Opening And Announcements</u>	<u>4</u>
<u>2. Record Of Attendance And Apologies</u>	<u>4</u>
ATTENDANCE	4
APOLOGIES	4
<u>3. Leave Of Absence Approvals / Approved</u>	<u>4</u>
<u>4. Declarations Of Interest And Delegations Register</u>	<u>4</u>
DELEGATION REGISTER	4
<u>5. Presentations.....</u>	<u>5</u>
<u>6. Minutes Of Meetings.....</u>	<u>5</u>
COUNCIL MEETING	5
<u>7. Financial Matters</u>	<u>6</u>
7.1. INCOME, EXPENDITURE AND PROFIT AND LOSS	6
<u>8. Matters For Decision</u>	<u>8</u>
8.1. REGIONAL SUBSIDIARY	8
8.2. EMERGENCY SERVICES	9
8.3. TOWN TEAM MOVEMENT	11
8.4. BIKE TRAIL	12
8.5. NEWROC FORWARD PLANNING	13
<u>9. Emerging Newroc Issues As Notified Or Introduced By Decision Of The Meeting.....</u>	<u>14</u>
<u>10. General Updates</u>	<u>14</u>
<u>11. 2023 Meeting Schedule</u>	<u>15</u>
<u>12. Closure.....</u>	<u>15</u>

NORTH EASTERN WHEATBELT REGIONAL ORGANISATION OF COUNCILS

Minutes for the Council Meeting held at the Dowerin Club on Monday 20 February 2023
commencing at 2.02pm

MINUTES

1. OPENING AND ANNOUNCEMENTS

Cr Nicoletti welcomed everyone and opened the meeting at 2.02pm

2. RECORD OF ATTENDANCE AND APOLOGIES

Attendance

Cr Romina Nicoletti	Deputy President, Shire of Mukinbudin
Cr Jannah Stratford	President Shire of Koorda
Cr Mischa Stratford	Councillor, Shire of Wyalkatchem
Cr Pippa De Lacy	President, Shire of Nungarin
Cr Melanie Brown	President, Shire of Trayning
Cr Tony Sachse	President, Shire of Mt Marshall
Cr Robert Trepp	President, Shire of Dowerin
Dirk Sellenger	NEWROC CEO, CEO Shire of Mukinbudin
Darren Simmons	CEO, Shire of Koorda
Peter Klein	CEO, Shire of Wyalkatchem
Leanne Parola	CEO, Shire of Trayning
Leonard Long	CEO, Shire of Nungarin
Rebecca McCall	CEO, Shire of Dowerin

NEWROC Officer

Caroline Robinson	Executive Officer, NEWROC
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Apologies

Cr Gary Shadbolt	NEWROC Chair, Shire of Mukinbudin
Cr Nick Gillett	Councillor, Shire of Mt Marshall
Cr Quentin Davies	President, Shire of Wyalkatchem
Ben McKay	CEO, Shire of Mt Marshall

3. Leave of Absence Approvals / Approved

Nil

4. Declarations of Interest and Delegations Register

Delegation Register

Please find below a delegations register as per the new policy adopted in March 2017:

Description of Delegations	Delegatee	Delegated to	Approval
Records Management	CEO	NEWROC EO	Council
NEWROC Financial Management	CEO	NEWROC EO	Council Dec 2017

Bendigo Bank Signatory (NEWROC)	CEO	NEWROC EO	Council Dec 2017
Bendigo Bank Signatory (Shire of Mukinbudin)	Council	CEO	Council Oct 2019
NEWROC Website	CEO	NEWROC EO	Council June 2017

5. Presentations

Nil

6. MINUTES OF MEETINGS

Council Meeting

Minutes of the Council Meeting held 28 November 2022 have previously been circulated.

RESOLUTION

That the Minutes of the Council Meeting held on 28 November 2022 be received as a true and correct record of proceedings.

Moved Cr Stratford

Seconded Cr De Lacy

CARRIED 7/0

7. FINANCIAL MATTERS

7.1. Income, Expenditure and Profit and Loss

FILE REFERENCE: 42-2 Finance Audit and Compliance
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 13 February 2023
ATTACHMENT NUMBER: #1 P and L
CONSULTATION:
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENTS

Account transactions for the period 1 November 2022 to 31 January 2023

Date	Description	Reference	Credit	Debit	Running Balance
BB NEWROC Funds-5557					
Opening Balance			112,168.47	0.00	112,168.47
01 Nov 2022	Xero Australia	XERO Subscription	0.00	56.05	112,112.42
01 Nov 2022	Bendigo Bank		0.00	0.80	112,111.62
07 Nov 2022	Payment: 150Square	INV-0182	0.00	3,908.38	108,203.24
07 Nov 2022	Payment: Audit Partners Australia	INV-2243	0.00	1,155.00	107,048.24
16 Nov 2022	Bank Transfer from BB NEWROC Funds-5557 to ATO Integrated Client Account	TAX OFFICE	0.00	9,244.00	97,804.24
16 Nov 2022	Payment: Constructive Visual	339	0.00	22.00	97,782.24
25 Nov 2022	Payment: Shire Of Nungarin	INV-0098 (KE)	33,000.00	0.00	130,782.24
01 Dec 2022	Bendigo Bank	Fee	0.00	1.60	130,780.64
01 Dec 2022	Xero Australia	XERO	0.00	56.05	130,724.59
14 Dec 2022	Payment: 150Square	INV-0191	0.00	3,993.13	126,731.46
01 Jan 2023	Bendigo Bank	Fee	0.00	0.40	126,731.06
03 Jan 2023	Xero Australia	XERO	0.00	56.05	126,675.01
23 Jan 2023	Payment: 150Square	INV-0196	0.00	3,715.63	122,959.38
Total BB NEWROC Funds-5557			33,000.00	22,209.09	122,959.38
Closing Balance			122,959.38	0.00	122,959.38
Total			33,000.00	22,209.09	10,790.91

Balance Sheet

North Eastern Wheatbelt Regional Organisation of Councils

As at 31 January 2023

Cash Basis

31 JAN 2023

Assets

Bank

BB NEWROC Funds-5557	122,959.38
BB Term Deposit Account-1388	295,712.15
Total Bank	418,671.53

Total Assets	418,671.53
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Liabilities

Current Liabilities

GST	(2,801.80)
Rounding	0.01
Total Current Liabilities	(2,801.79)

Total Liabilities	(2,801.79)
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Net Assets	421,473.32
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Equity

Current Year Earnings	68,510.79
Retained Earnings	352,962.53
Total Equity	421,473.32

Note:

NEWROC Term Deposit will expire mid-way through March. Term Deposit rates will be sought from multiple banks.

Crisp Wireless has paid their contribution fee for the Shire of Kellerberrin.

RESOLUTION

That the income and expenditure from 1 November 2022 to 31 January 2023 and the P and L and balance sheet as at 31 January 2023 be received.

Moved Cr Trepp

Seconded Cr Sachse

CARRIED 7/0

8. MATTERS FOR DECISION

8.1. REGIONAL SUBSIDIARY

FILE REFERENCE:	041-5 Strategic and Future Planning
REPORTING OFFICER:	Caroline Robinson
DISCLOSURE OF INTEREST:	Nil
DATE:	13 February 2023
ATTACHMENT NUMBER:	#2 Letter to Minister of Local Government
CONSULTATION:	
STATUTORY ENVIRONMENT:	Nil
VOTING REQUIREMENT:	Simple Majority

COMMENT

The NEWROC submitted its Regional Subsidiary Charter and Business Plan to the Minister for Local Government on 2 December 2022.

Since then, the NEWROC EO has provided additional supporting material to DLGSC.

A response regarding our application is due at the end of February 2023.

In preparation of the possibility of becoming a Regional Subsidiary, the current Executive Officer has identified an opportunity to upskill. A Regional Subsidiary will require additional governance and compliance; hence the following training is identified for the EO. NEWROC has an annual budget allowance for professional development.

Local Government Act – Advanced (WALGA)

This course has been designed to enhance the ability of participants to comply with their role as professionals under the Local Government Act 1995. The course discusses our legal system, how to understand and interpret statutes and how to relate this specifically to the Local Government Act 1995. Other relevant Acts and Regulations are referred to throughout the course.

Participants will apply research skills to monitor and assess compliance and the impact of legislation on administrative action and Council decisions. Participants will increase their knowledge and skills in order to respond to questions or provide information to Council and Elected Members.

Target Audience: All Managers and Officers who need to comply with their role as professional advisers under the Local Government Act 1995.

Learning Outcomes

- Introduction to our legal system;
- Acts, Regulations and Cases;
- Understanding the General, Legislative and Executive Functions;
- Delegation, Authorisations and Appointments;
- Compliance in action;
- Governance and governing;
- The mechanics of advice to Council and Elected Members; and
- Delegated power under the Local Government Act 1995.

Duration: 9:00am - 4:30pm Fees: \$580.00 (plus GST)

RESOLUTION

NEWROC EO attend the Local Government Act – Advanced workshop on March 30 2023.

Moved Cr Sachse

Seconded Cr De Lacy

CARRIED 7/0

8.2. EMERGENCY SERVICES

FILE REFERENCE:	060-2 Emergency Services
REPORTING OFFICER:	Caroline Robinson
DISCLOSURE OF INTEREST:	Nil
DATE:	13 February 2023
ATTACHMENT NUMBER:	
CONSULTATION:	#3 Emergency Services Briefing Note #4 Budget mobile batteries #5 Email from Telstra re. Power Switches
STATUTORY ENVIRONMENT:	Nil
VOTING REQUIREMENT:	Simple Majority

COMMENT

Following the November NEWROC Council meeting the members agreed to investigate an MoU for emergency services, possibly a NEWROC LEMA. Additionally, the NEWROC EO will prepare an Animal Welfare Plan for members and the group may look towards a CESM position.

In January the attached emergency management briefing note was emailed to CEO's for their comment.

The following recommendations (below) are put forward to Council for their consideration.

Members are asked to consider what preparation work needs to be undertaken in applying for funding for the establishment of a LEMA and joint training across bush fire brigades e.g. Training needs survey for fire brigades, early discussion with LEMCs etc

CEOs also raised the issue of Bush Fire Brigade Local Laws. WALGA appears to be doing some work in this space.

OFFICER RECOMMENDATION

NEWROC seek a quote from InfraNomics for the supply of batteries and a solar array prior to a NAB funding application being prepared. NEWROC seek a timeframe from Telstra for the 'power switches' further to the recent discussions

NEWROC apply for AWARE funding to develop an MoU for emergency services across 7 local governments.

NEWROC Executive apply for National Disaster Risk Reduction funding for the establishment costs of a joint LEMA and joint training across bush fire brigades

RESOLUTION

NEWROC seek a quote from InfraNomics for the supply of batteries and a solar array prior to a NAB funding application being prepared. NEWROC seek a timeframe from Telstra for the 'power switches' further to the recent discussions

NEWROC apply for AWARE funding to develop an MoU for emergency services across 7 local governments.

NEWROC Executive apply for National Disaster Risk Reduction funding

Moved Cr Sachse

Seconded Cr Trepp

CARRIED 7/0

Discussion:

- Members discussed the training needs of bush fire brigades. It was noted some brigades currently complete the one-day Fire Basics training. Other areas of training could be in communications and line of authority, as well as training CEO's in their obligations.
- The Shire of Trayning shared an insight into their recent fire and noted that they had to invoice DFES for costs associated with the fire, as they did not have a LEMA budget item
- Discussion about a CSEM, there is no new funding available. NEWROC may require two CESMs or alternative Emergency Services role/s
- Possibility to develop a NEWROC LEMA – concise and find the common priorities
- Future funding applications – diesel supply, water, telecommunications power

8.3. TOWN TEAM MOVEMENT

FILE REFERENCE: 041-5 Strategic and Future Planning
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 13 February 2023
ATTACHMENT NUMBER: #5 NEWROC Budget
#6 Town Team Contract
CONSULTATION: Jimmy Murphy
Alyce Ventris
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENT

Alyce Ventris, Town Team Builder commenced work in early February, following a short leave of absence to CBH for harvest. In 2022 Alyce worked 2 days a week for NEWROC Town Teams and one day for the Town Team Movement.

In 2023, Town Team Movement will employ Alyce for 2 days a week.

A request for an hourly rate increase has been received from Alyce

Going forward the NEWROC will not be paying Alyce's 3 day a week contract and recouping funds from Town Team. The days will be invoiced to each entity separately.

Below is an extract from the 2022/23 Budget and Actuals

INCOME	BUDGET 22/23	ACTUAL YTD	NOTES
Wheatbelt Town Team Builder	30,000	To be invoiced: 7,000	Assumed the previous year's arrangements would continue
EXPENSE	BUDGET 22/23	ACTUAL YTD	
Wheatbelt Town Team Builder	45,000	15,219.85	

Over the 2022/23 and 2023/24 Budget, NEWROC will incur an additional \$10hr expense for this contract, totalling \$30,800 (previous contract in 2021/22 to 22/23 was \$23,040 for 2 days a week) in sub contractor fees plus anticipate \$5K in travel costs.

An updated contract is also attached and the term is from 6 Feb to 30 October 2023. Note the extension of term (2022 contract concluded on 31 September 2022).

RESOLUTION

NEWROC Town Team Builder Contract is endorsed and offered to Alyce Ventris, back dated to 6 February 2023 and concluding on 30 October 2023

Moved Cr Brown

Seconded Cr De Lacy

CARRIED 7/0

Members should also note the success of Town Team Movement Co-Founder and CEO Jimmy Murphy in the 2023 Australia Day Awards. Jimmy was awarded WA Local Hero 2023 and travelled to Canberra to participate in the National Awards.

Discussion

- End of year report to be supplied
- Further support required for local agricultural show committees

8.4. BIKE TRAIL

FILE REFERENCE:
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 13 February 2023
ATTACHMENT NUMBER:
CONSULTATION: Leonard Long
Leanne Parola
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENT

The [Western Australian Bicycle Network \(WABN\) Grants Program](#) is an initiative of the State Government, administered by the Department of Transport (DoT).

The Shire of Nungarin expressed interest in developing a bike trail (as well as associated infrastructure) along the disused railway line from Nungarin to Wyalkatchem.

The NEWROC applied for funding to develop a feasibility study and was successful in receiving \$5000.

The NEWROC EO will work with the Shire of Nungarin to progress the work.

Information received

Merredin

8.5. NEWROC FORWARD PLANNING

FILE REFERENCE:	041-5 Strategic and Future Planning
REPORTING OFFICER:	Caroline Robinson
DISCLOSURE OF INTEREST:	Nil
DATE:	13 February 2023
ATTACHMENT NUMBER:	
CONSULTATION:	Grant Arthur Renee Manning Rob Cossart
STATUTORY ENVIRONMENT:	Nil
VOTING REQUIREMENT:	Simple Majority

COMMENT

The NEWROC Strategic Plan is due for a full review in 2023.

Following a discussion with the Wheatbelt Development Commission at the last Council meeting in 2022, the NEWROC would like to pursue an Economic Development Plan first. This would then help inform the NEWROC Strategic Plan.

In December 2022, the NEWROC EO met with Wheatbelt Development Commission staff to plan the piece of work. The Wheatbelt Development Commission have offered to support the Plan with data collection and analysis at no charge.

Renee Manning is available to help lead a workshop with the NEWROC Councilors and CEOs (as well as any other interested members).

The NEWROC may need to engage an external economist to write the plan.

It is recommended the NEWROC work with the Wheatbelt Development Commission on the NEWROC Economic Development Plan, so that it can link to the Regional Development Portfolio Plan and the State Investment Plan which are currently under review.

OFFICER RECOMMENDATION

NEWROC engage Renee Manning of the Wheatbelt Development Commission to facilitate an economic development planning session on 27 April in Shire of Mt Marshall.

NEWROC seek a quote from Jason MacFarlane and one other economist for a NEWROC economic development plan.

RESOLUTION

NEWROC engage Renee Manning of the Wheatbelt Development Commission to facilitate an economic development planning session on 27 April in the Shire of Mt Marshall.

Moved Cr Stratford

Seconded Cr Trepp

CARRIED 7/0

9. EMERGING NEWROC ISSUES as notified or introduced by decision of the Meeting

9.1 Emergency Services

- Discussion regarding the batteries for telecommunication towers
- Discussion regarding the CESM

MOTION

NEWROC EO write to DFES expressing support for further financial assistance to local bush fire brigades and seek CESM funding. Seek out further information from WALGA regarding their work in this area.

Moved Cr Sachse

Seconded Cr Stratford

CARRIED 7/0

9.2 Late Item – EV Grant

- Discussion regarding the EV Grant
- Agreed that each Shire will submit an application and the NEWROC EO to assist with costings and the application
- NEWROC EO to contact Great Southern Fuels regarding their intentions in this space

10. GENERAL UPDATES

NBNco Meeting

- NEWROC EO met with Jenny Thomas from NBNco to discuss tower upgrades in the NEWROC

DFES Training Day

- 15 March 2023 – Trayning

Energy

- NEWROC EO has requested a meeting with Synergy and Western Power regarding a VPP

Regional Landfill

- Wyalkatchem tip has an estimated 24yrs – 30yrs if it was to be a regional site
- Clearing application has been submitted so that the Shire understands its obligations going forward
- Greatest capacity at Wyalkatchem, land clearing approval coming through
- Koorda 2030 Tip Closure Plan completed

Funding Submissions

Grant	Time	Outcome	Co-Contribution
FRRR Drought Fund	Submitted in October 2022		
WA Bike Grant	Submitted November 2022	Successful - \$5000	\$5000

ALGA National Local Government Event 2023

This year's call for motions focusses on eight priority areas:

- Productivity;
- Local Government Infrastructure;
- Community Wellbeing;
- Local Government Workforce;
- Data, Digital Technology and Cyber Security;
- Climate Change and Renewable Energy;
- Natural Disasters; and
- Housing.

[2023-Discussion-Paper-WEB.pdf \(alga.com.au\)](#)

Regional Banking Enquiry

- NEWROC will make a submission to this enquiry

NEWROC Literary Lunch 2023


- CRCs in Nungarin and Dowerin will be approached to potentially help host this years literary luncheon

11. 2023 MEETING SCHEDULE

28 February	GECZ Conference	
28 March	Executive	Shire of Mukinbudin
27 April	Council	Shire of Mt Marshall (THURSDAY)
30 May	Executive	Shire of Wyalkatchem
27 June	Council	Shire of Koorda
25 July	Executive	Shire of Trayning
21 August	Council	Merredin (straight after GECZ)
26 September	Executive	Shire of Mukinbudin
31 October	Council	Shire of Mt Marshall
28 November	Council	Shire of Nungarin

12. CLOSURE

Cr Nicoletti thanked everyone for their attendance and contributions. The meeting was closed at 3.48pm

 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>	<h2 style="color: red;">Local Emergency Management Committee Dowerin</h2>
	<h3>Minutes</h3> <p>Monday 27 February 2023 Shire of Dowerin, Dowerin</p>

ABBREVIATIONS

Crisis Care	CC
Department of Communities – Emergency Services Unit	DC
Department of Fire & Emergency Services	DFES
Strategy & Emergency Management Command	SEMC
Dowerin Bush Fire Brigade	DBFB
Dowerin Community Resource Centre	DCRC
Dowerin District High School	DDHS
Dowerin Events Management	DEM
Dowerin St John Ambulance	DSJA
St John Ambulance	SJA
Shire of Dowerin	SoD
WA Police	WAP

1. WELCOME, ATTENDANCE AND APOLOGIES

The Chair, Cr Trepp, welcomed those in attendance and declared the meeting open at 9.05am.

In Attendance:

Robert Trepp	SoD - Shire President (Chair)
Rebecca McCall	SoD - CEO
Linley Dreghorn	SoD - Executive & Governance Officer
Phil Pickering	DBFB - Deputy Chief Bush Fire Control Officer
	SJA - Dowerin
Adrian Bailey	WAP - Officer in Charge
Paul Pochintesta	WAP - Officer
Bernie Hush	WAP - Officer in Charge Goomalling
Danielle Green	DEM - General Manager

In Attendance Via Teams:

Jo Spadaccini	DC - District Emergency Service Officer Wheatbelt
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Non-Attendance:

Shelley Matthews	DCRC - Coordinator
Peter Richards	SJA - Dowerin Chair
Barb Garner	DDHS - Principal
Siobhan Bishop	DFES Northam - Area Officer Upper Wheatbelt

Apologies:

Aaron Wooldridge	SoD - DCEO
Maxi McDonald	SJA - Community Paramedic
Yvette Grigg	DFES - District Emergency Management Advisor
Lisa Begley	SoD - Dowerin Home Care Coordinator
Paul Millstead	DBFB - Chief Bush Fire Control Officer
Rob Boase	Welfare Liaison Officer

Non-Attendance = No apology submitted

2. CONFIRMATION OF MINUTES

Moved Cr Robert Trepp **Seconded:** Danielle Green

That the minutes of the Local Emergency Management Committee meeting held on 13 December 2022 be confirmed as a true and correct record of proceedings.

CARRIED

3. BUSINESS ARISING FROM PREVIOUS MINUTES
--

Check with Rob Boase regarding taking on the Welfare Liaison Officer role. – Rob has accepted the role however has requested further information on the specifics of the role.

4. STANDING ITEMS

4.1 Agency Updates

- | | |
|---------------------------------|--|
| CC | <ul style="list-style-type: none">• No representation |
| DC | <ul style="list-style-type: none">• Update via Attachment 4.1A• Emergency Relief and Support Unit – name change has been approved.• Welfare Plan to be table at next LEMC for passing. Linley will forward to all members following the meeting and move at May meeting. Document allows for member details to be as attachment and updated as required. |
| DFES
Operational | <ul style="list-style-type: none">• No representation |
| DFES
Emergency
Management | <ul style="list-style-type: none">• Update provided via Attachment 4.1B• My Bushfire Plan – www.mybushfireplan.wa.gov.au |
| DBFB | <ul style="list-style-type: none">• Fire at CBH bin in December. Train threw a bearing.• Include Minnivale in resource list.• East Street – listed for shed address. Needs updating.• Follow up on replacement appliance for Minnivale. Write a letter requesting update. BFAC.• Dowerin Prohibited Burning Period finished 26 February 2023. |
| DCRC | <ul style="list-style-type: none">• No representation |
| DDHS | <ul style="list-style-type: none">• No representation |
| DEM | <ul style="list-style-type: none">• Strategic Plan released last year for 3 years. Established sub-committees• All plans currently under review.• Site changes – vehicle movement plans being updated.• All final documents should be submitted by March.• Significant infrastructure upgrades this year – Gate 1 & 3 this has been driven to assist with capturing entry data.• Finalised all exhibitor packs and applications open today. Expecting full house for 2023 event.• DEM General Manager approached about a community engagement interactive zone by DFES to incorporate WAP, DFES and SJA. |
| DSJA | <ul style="list-style-type: none">• Update via Attachment 4.1C• Peter Richards and Krystal Couper trained VDO |
| SJA | <ul style="list-style-type: none">• Lauren Carr resigned – Chloe Bell 0473 118 182 new admin officer.• Peter and Krystal completed VDO training last weekend. |

SoD

- Tin Dog Store has sold freehold. Wyalkatchem IGA owner has bought the business and expected to settle 10 March 2023. Uncertain if returning to IGA franchise.
- Commercial Hotel – Several conversations had to date. Intent was to refurbish and re-open with temporary permit from last conversation. This was 3 weeks ago. There are a number of codes that are required to be complied with, therefore quite a lot of work required. Liquor license remains with hotel business and will need to be transferred. No information on an approved Manager as yet. Significant loss to community for accommodation etc
- Redding Road – Need to follow up with Asset & Works Coordinator in regard to Police request to reduce speed limit for safety purposes. Intersection of Redding/Stewart St – awaiting design drawings to identify a solution to reduce safety risks.
- Awaiting designs for slipway parking at DDHS.
- Emergency Management – Dowerin belongs to NEWROC. Joint LEMA or a MOU is being considered for joint emergency response. Animal Welfare Plan is currently being developed. This was identified as a gap from the Corrogin/Bruce Rock emergency.
- Looking at the needs/ability to implement a CESM with NEWROC. Funding is no longer available through DFES. Compliance and governance surrounding emergency management is not effectively managed. BFAC Meeting set for April 6?
- Exercise surrounding Field Days – potential emergency scenarios – desktop potentially post event.

WAP

- Police station was recently painted.
- No significant issues.
- New vehicle has arrived and operational.
- Thanks to SJA for refurbishment of first aid kit and defibrillation machine.
- Major incidents – Vehicle stolen from main street. Culprit apprehended.
- Local bushfire training undertaken in past week. Focused mainly on vehicle control point, TMP, Police, main roads or LG. More forms to be completed.
- Commercial Hotel – License reissued. Officer Pochintesta has experience in liquor licensing.
- Industrial action is coming back into light and will advise LG if there are any developments to communicate.
- Redding Road – Currently 110km speed limit. Need to address this further.
- Sgt Hush was involved with Morangup fire incident. Also attended the bushfire training.
- Increased access to water bombers is proving to be fruitful in gaining control of fires quickly.

4.2 Contacts & Resources Register Update

The Contacts & Resources Register was circulated, with members requested to provide updates and amendments on the contents relevant to their agency.

- Update DEM General Manager title.

5. GENERAL BUSINESS

Genset – Emergency power backup. Highlighted in Corrogin/Bruce Rock incident. NEWROC are currently looking at power backup in relation to communications.

STAND (Strengthening Telecommunications Against Natural Disasters (STAND) program)- is in place at Dowerin Community Club. There is an information pack with instructions on site for how to access the network.

Rebecca McCall asked if we look at purchasing a genset that is mobile on a trailer that can be easily relocated in case of emergencies.

Phil Pickering suggested to reduce to size of the generator for the BFB building to 15/20kva for the LGGS Grant application. He believes the 30kva is not required.

XENEX – new internet provider has equipment installed on Pickering Tower to provide fast internet service. Finalising marketing currently and will be advertised in community within next few weeks starting at approximately \$80/month.

Significant grants now available for EV charging points – Shire looking at applying.

6. NEXT MEETING

To be held on the first Monday of the month at 4:30pm. Venue to be Dowerin Community Club.

Please note that if people wish to attend via Teams, this can be arranged however the meeting location will then be at the Shire Chambers.

Wednesday 15 March 2023	NEWROC joint major EM Day including exercise.
Monday 1 May 2023	LEMC – Dowerin Community Club, Memorial Ave Dowerin
Monday 7 August 2023	LEMC – Dowerin Community Club, Memorial Ave Dowerin
Monday 7 November 2023	LEMC – Dowerin Community Club, Memorial Ave Dowerin

7. MEETING CLOSED

There being no further business the Chair thanked those in attendance and closed the meeting at 10.00am.



MINUTES

Audit & Risk Committee Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
13 March 2023



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

Table of Contents



1.	Official Opening
2.	Record of Attendance / Apologies / Leave of Absence
3.	Public Question Time
4.	Disclosure of Interest
5.	Confirmation of Minutes of the Previous Meetings
5.1	<u>Minutes of the Audit & Risk Committee Meeting held on 13 December 2022</u>
6	Presentations
7.	Officer's Reports
7.1	<u>Risk Dashboard Quarterly Report - December 2022</u>
7.2	<u>2022 Financial Management Review</u>
7.3	<u>CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework - Regulation 17</u>
7.4	<u>2022 Compliance Audit Return</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
13 March 2023



1. Official Opening

The Chair welcomed those in attendance and declared the Meeting open at 10.00am.

2. Record of Attendance / Apologies / Leave of Absence

Committee Members:

Cr RI Trepp	President & Chair
Cr NP McMorran	
Mrs TA Jones	

Staff:

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

Apologies:

Cr BA Ward, Deputy President
Mr D Armstrong

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 13 December 2022

Attachment 5.1A

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 5.1

Moved: Cr McMorran

Seconded: Mrs T Jones

0741 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 13 December 2022, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

CARRIED 3/0

6. PRESENTATIONS

Nil

7. OFFICER'S REPORTS

7.1 Risk Dashboard Quarterly Report – December 2022

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	7 March 2023	
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 – December 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: Link Building Maintenance Schedule to AMP

Comment: Rescheduled for September 2023

KPI: Asset Renewal Funding Ratio Result 92%. No longer a reporting requirement for Band 4; KPI to be reviewed

KPI: Asset Consumption Ratio Result 59%. No longer a reporting requirement for Band 4; KPI to be reviewed

KPI: Asset Sustainability Ratio Result 69%. No longer a reporting requirement for Band 4; KPI to be reviewed

KPI: AMP & LTFP, completed, improving

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, improving

KPI: LEM annual exercise 1, improving

Compliance

Action: Review of Long-Term Financial Plan

Comment: Completed

Action: Review of Information Management System

Comment: Commenced; Expected to be finalised by September 2023

Action: End of Financial Audit – Prepare

Comment: Completed

KPI: Financial Management System Review (Every 3 years)

Comment: Completed November 2022

KPI: CEO Regulation 17 Review (Every 3 years)

Comment: Last reviewed September 2019; Due December 2022; Scheduled for February 2023

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

Comment: Inspections completed November 2022

Document Control

Action: Review SharePoint System

Comment: Progressing; Consultant engaged to implement stage 1, expected to be finalised by June 2023

Employment Practices

Action: Review of Staff Induction process

Comment: Review progressing.

Action: Develop Health & Wellbeing Plan

Comment: implementing 2023 Plan

Action: Review Workforce Plan

Comment: Review underway, expected to complete June 2023

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 to be reviewed to consider tolerance and measure

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 to be reviewed to consider tolerance and measure

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: Reviewed in conjunction with SharePoint review; currently underway

Action: Review Process for Customer Response Requests

Comment: Reviewed in conjunction with SharePoint review; currently underway

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 2023

Action: Undertake Community Facilities Review

Comment: Near completion

Action: Public Buildings Inspected Annually for Compliance

Comment: Inspections completed November 2022.

IT and Communication Systems

Action: Develop IT Disaster Recovery Plan

Comment: Linked with IT Framework & Services

Action: Document IT Infrastructure Replacement Program

Comment: Linked with IT Framework & Services

Action: Document IT System Framework & Services

Comment: Deferred until December 2023

Misconduct

Action: Review Purchasing Policy & Procurement Process

Comment: Scheduled to complete end April 2023

Project/Change Management

Action: Develop Project Management Methodology and Framework

Comment: Project management templates in place; process yet to be documented

Action: Review Communication and Engagement Framework

Comment: Due to review in August 2023

Safety and Security Practices

Action: Assess Shire Building and Facility Safety and Security

Comment: Completed November 2022

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 completed December 2022

Near Miss Per Quarter: Nil, Improving

Workers Compensation Claims: 1, Improving

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

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 – 7.1

Moved: Cr Trepp


Seconded: Cr McMorran

0742 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 – December 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.

CARRIED 3/0

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 2022 Financial Management Review

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	7 March 2023	
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/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.2A – Financial Management Review Report Attachment 7.2B – Summary of Findings Report	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the 2022 Financial Management (FM) Review to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

Background

The CEO is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Shire's resources. In accordance with Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, the CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures (at least once in every three financial years) and report the results of those reviews to Council.

The last FM Review was conducted in 2019 by Mr Gary Martin.

The CEO sought quotes from external consultants to undertake the FM Review, with the quote from Mr Darren Long considered the best value for money and therefore Mr Long was appointed to undertake the FM Review.

The FM Review entailed an examination of various financial systems and procedures including (but not limited to):

1. Bank Reconciliations and Petty Cash;
2. Trust Funds;
3. Receipts and Receivables;
4. Rates;
5. Fees and Charges;
6. Purchases, Payments and Payables (Including Purchase Orders);
7. Salaries and Wages;

8. Credit Card Procedures;
9. Fixed Assets (Including Acquisition and Disposal of Property);
10. Cost and Administration Overhead Allocations;
11. Minutes and Meetings;
12. Budget;
13. Financial Reports;
14. Registers (Including Annual and Primary Returns);
15. Delegations;
16. Audit & Risk Committee;
17. Insurance;
18. Storage of Documents/Record Keeping; and
19. Integrated Planning.

The FM Review did not entail an examination of compliance with all provisions of the *Local Government Act 1995* or all Regulations (apart from the *Local Government (Financial Management) Regulations 1996*), which did not impact on the key functions mentioned above. Emphasis was placed on internal controls and management oversight of the various functions mentioned as well as the matters raised in the recent external interim and annual audits.

The FM Review was conducted during the week commencing Monday 21 November 2022 onsite at the Shire Administration Office. The FM Review Report completed by Mr Long is provided as Attachment 7.2A.

Comment

A table of summary findings of the Financial Management Review has been developed by management and is provided in Attachment 7.2B.

The identification and improvement in management processes since 2018 has required significant time and effort to develop and implement, even though this has taken place in an environment which has not provided the clear air to achieve all that is required. It is recognised that ideally, a period of some weeks or months dedicated solely to process improvement development and implementation is required, however this is both unachievable and unrealistic. Therefore the “completion” of reviewing and implementing a robust governance/internal control/compliance/risk regime will be on-going for the immediate future.

The FM Review has noted that the Shire had observed the requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

The FM Review identified the Council has a significant role and responsibility to play in recognising the situation that exists, as well as the pitfalls and the efforts being made to achieve a solid best practice environment.

Funding, human resources, time and competing demands (particularly community expectations and normal day to day operations) all compete with the work and effort required to achieve the high standard management regime expected and which is also required.

In summary, the 2022 FM Review found that the existing systems and procedures are appropriate and effective for the operations and size of the Shire.

It is the intent of Management to develop a prioritised action list to address the recommendations identified in Mr Long’s report.

Staff may provide further comment on the FM Review at the meeting.

Consultation

Rebecca McCall, Chief Executive Officer
Aaron Wooldridge, Deputy Chief Executive Officer
Darren Long, DL Consulting

Policy Implications

It is noted that Policies and Procedures are being reviewed as part of the continual improvements. These will be considered separately by Council at the completion of the review process. Comments made in the FM Review relating to specific Policies and Procedures will be taken on-board as part of the review process.

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 5(2) of the *Local Government (Financial Management) Regulations 1996* states:

“(2) The CEO is to –

- a) ensure that the resources of the local government are effectively and efficiently managed; and
- b) (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
- c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.”

The FM Review has been undertaken in accordance with this Regulation.

Risk Implications

The risks associated with matters in this report are:

1. Misconduct;
2. External Theft and Fraud;
3. Errors, Omissions and Delays;
4. Failure to fulfil Statutory, Regulatory or Compliance Requirements; and
5. Ineffective Employment Practices.

The impact of the risk is Financial, Non-Compliance and Reputational. The consequences of these risks are considered to be extreme. Mitigation includes contracting an independent consultant to undertake the FM Review.

Financial Implications

The 2022/23 Budget contains an allocation for the costs associated with undertaking the FM Review, provided at GL 2040250 GOV Other Consultants – Statutory.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 7.2

Moved: Mrs T Jones


Seconded: Cr McMorran

0743

That, by Simple Majority, in accordance with Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996*, the Audit & Risk Committee receives the 2022 Financial Management Review and the table of Summary Findings of the Financial Management Review, as presented in Attachments 7.2A & Attachment 7.2B, noting the inclusion of management comments and expected action completion dates in Attachment 7.2B will also be reported to future Audit & Risk Committee and Council meetings on the progress and achieved milestones.

CARRIED 3/0

7.3 CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework – Regulation 17

<h2 style="color: red;">Governance & Compliance</h2>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	7 March 2023	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Linley Dregghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
Sharepoint Reference:	Organisation/Compliance/Risk Management/2019 – CEO's Report for Audit Regulation 17	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.3A – CEO's Regulation 17 Review Report	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework – Regulation 17 to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

Background

Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the Chief Executive Officer to review the appropriateness and effectiveness of the Council's systems and procedures as they relate to the following areas:

- Risk Management;
- Internal Controls; and
- Legislative Compliance.

The review may relate to any or all the matters in sub regulation (1)(a), (b) and (c), but each of those matters is to be subject of a review not less than every 3 financial years.

The Department of Local Government, Sport & Cultural Industries provides an operational guideline (No. 9) which focuses on audit committees. As part of the guideline, appendix 3 provides a framework for Chief Executive Officer's in conducting the required Regulation 17 review. This guideline has been used as the basis for undertaking this review.

The Shire's last Regulation 17 Review was conducted in December 2019, which was adopted by Council at its Meeting (CMRef 0310).

Comment

The review aims to establish an ongoing level of accountability to ensure that Council's risk management, internal controls and legislative compliance is appropriate and effective.

The review undertaken looked at:

- Potential causes of risk to Council within each of the above areas;
- The key controls which currently exist to mitigate the risk;
- An assessment of the quality of the controls; and
- An overall assessment of the risk rating for the area.

This report has been completed in accordance with that Regulation and details of the findings from the review are listed with actions and recommendations by the CEO for improvement.

This review covers the reporting period from January 2020 to December 2022.

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 applies.

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* states:

“17. CEO to review certain systems and procedures

- (1) *The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to –*
 - (a) *risk management; and*
 - (b) *internal control; and*
 - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
- (3) *The CEO is to report to the audit committee the results of that review.”*

Risk Implications

The Audit & Risk Committee, and Council, would be contravening the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996* if this item was not considered.

The Shire of Dowerin has a Risk Management Governance Framework which includes a policy and procedure. The framework provides tools that monitor the Shire’s risk profile on a quarterly basis. When regular monitoring and review takes place risk implications are low.

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 7.3

Moved: Cr McMorran

Seconded: Mrs T Jones

0744 That, by Simple Majority, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:

1. Receives the Chief Executive Officer's review of the Regulation 17 Report consisting of Shire of Dowerin's Risk Management, Internal Controls and Legislative Compliance report as presented in Attachment 7.3A;
2. Recommends adoption of the Chief Executive Officer's review of the Regulation 17 Report consisting of Shire of Dowerin's Risk Management, Internal Controls and Legislative Compliance report and the Shire of Dowerin Risk Dashboard Report by Council.

CARRIED 3/0

7.4 2022 Compliance Audit Return

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	8 March 2023	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Linley Dreghorn, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Organisation/Governance/Committees/2023 March Audit & Risk Committee Meeting Organisation/Corporate Management/Reporting/2022 Compliance Audit Return	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.4A – 2022 Compliance Audit Return	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the 2022 Compliance Audit Return (CAR) to the Audit & Risk Committee (the Committee) for consideration and, if satisfactory, recommendation to Council for adoption.

Background

Each year every local government is required to carry out a compliance audit in relation to the period 1 January to 31 December against the requirements of the CAR.

After the CAR has been reviewed by the Committee and presented to Council, a copy certified by the President and CEO along with the relevant section of the minutes and any additional information explaining or qualifying the CAR, is to be submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) by 31 March.

The CAR is one of the tools available to the Committee and Council in its governance monitoring role. The CAR also forms part of the DLGSC's monitoring program. The 2022 CAR once again places emphasis on the need for the Committee and Council to be aware of and acknowledge instances of non-compliance or where full compliance was not achieved. In addition, the CAR requires Council to endorse details of remedial action either taken or proposed to be taken to prevent future like occurrences.

The 2022 CAR contains questions relating to:

1. Commercial Enterprises by Local Governments (5 questions);
2. Delegation of Power/Duty (13 questions);
3. Disclosure of Interest (21 questions);
4. Disposal of Property (2 questions);
5. Elections (3 questions);
6. Finance (7 questions);
7. Integrated, Planning and Reporting (3 questions);
8. Local Government Employees (5 questions);

9. Official Conduct (4 questions)
10. Optional Questions (9 questions); and
11. Tenders for Providing Goods and Services (22 questions).

The 2022 CAR was completed internally and involved collection of documents, verification of compliance and, where useful and applicable, recommendations in relation to improve any systems and processes that the Shire may have in place.

The CAR for the period 1 January 2022 to 31 December 2022 is included as Attachment 7.4A.

Comment

The 2022 CAR identified five areas of partial non-compliance:

'The Shire achieved a commendable level of compliance. Of the 94 areas examined there were only five where the Shire was partially non-compliant:

1. *'Delegation of Power/Duty' question 8 - section 5.42(2) requires delegations to the CEO to be in writing.*

A review of the delegations was conducted in December 2022 and presented to Council at its Ordinary Council Meeting, Item 12.4 CMRef 0714. However notification of the delegation was not provided to the CEO in writing.

2. *"Delegation of Power/Duty' question 9 - section 5.44(2) requires delegations by the CEO to any employee to be in writing.*

Notification in writing was not provided to delegated employees.

3. *'Other' question 4 - section 5.90A(2) & (5) the local government to prepare, adopt by absolute majority and publish an up-to-date version on the website, a policy dealing with attendance of council members and the CEO at events.*

Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.16 - Attendance at Events & Functions Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.

4. *'Other' question 6 - section 5.128(1) the local government to prepare, adopt by absolute majority and publish an up-to-date version on the website, a policy in relation to the continuing professional development of council members.*

Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.16 - Attendance at Events & Functions Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.

5. *'Other' question 7 - did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022.*

This was not completed by 31 July 2022 as generally Council member training is reported in the Annual Report which is produced and adopted by Council after this date. Therefore we have noted this requirement and recorded in the annual compliance calendar.

Overall, the systems and processes employed by the Shire appear robust and appropriate for a local government of its size.'

These five areas, and the remedial action taken to ensure they do not occur again, are summarised in the following table:

Category	Question	Response	Comment	Remedial Action
Delegation of Power/Duty	Were all delegations to the CEO in writing?	No	<i>A review of the delegations was conducted in December 2022 and presented to Council at its Ordinary</i>	This requirement is recorded on the annual compliance calendar.

			<i>Council Meeting, Item 12.4 CMRef 0714. However, notification of the delegation was not provided to the CEO in writing.</i>	
Delegation of Power/Duty	Were all delegations by the CEO to any employee in writing?	No		This requirement is recorded on the annual compliance calendar.
Other	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	No	Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.16 - Attendance at Events & Functions Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.	Represent to Council for absolute resolution.
Other	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	No	Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.15 - Councillors Training & Continuing Professional Development Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.	Represent to Council for absolute resolution.
Other	Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022?	No	This was not completed by 31 July 2022 as generally Council member training is reported in the Annual Report which is produced and adopted by Council after this date	This requirement is recorded on the annual compliance calendar.

The 2022 CAR included 94 questions. Of these, 89 were able to be answered on the basis of complying with the legislative requirements resulting in a 94.7% success rate. The below table compares previous year's results.

YEAR	QUESTIONS	COMPLIANCE
2021	98	96.94%
2020	102	97.06%
2019	104	97%

2018	95	94.7%
2017	94	98.9%

The 2022 CAR demonstrates the Shire's ongoing commitment to statutory compliance and adequate response to non-compliance throughout the organisation.

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: 5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Section 7.13(1)(i) of the *Local Government Act 1995* requires local governments to carry out a compliance audit in a manner specified by Regulations.

Regulation 14 of the *Local Government (Audit) Regulations 1996* is applicable and states:

"14. Compliance audits by local governments

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

Regulation 15 of the *Local Government (Audit) Regulations 1996* requires a certified copy of the CAR to be provided to the DLGSC by 31 March:

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

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

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

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution – 7.4

Moved: Cr Trepp

Seconded: Cr McMorran

0745 That, by Simple Majority, in accordance with Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

1. **Receives the 2022 Compliance Audit Return, as presented in Attachment 7.4A, noting the remedial action taken to address the five areas of partial non-compliance; and**
2. **Recommends to Council that it adopts the 2022 Compliance Audit Return and submits it to the Department of Local Government, Sport & Cultural Industries prior to 31 March 2023.**

CARRIED 3/0

8.	Questions from Members
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Nil

9.	Urgent Business Approved by the Person Presiding or by Decision
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Nil

10.	Date of the Next Meeting
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TBC May

11.	Closure
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The Chair thanked those in attendance and declared the Meeting closed at 10.50am.

Shire of Dowerin

Risk Dashboard Report - December 2022

<u>Asset Management Practices</u>			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	Jun-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	Completed	DCEO		
Review Fuel Stock Control System	Feb-21	CEO / DCEO / AWC		
Review Fuel Stock Control System	Completed	DCEO		
Implement New Fuel Stock Control System	Completed	CEO / DCEO / AWC		

<u>Document Management Processes</u>			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		

<u>Environment Management</u>			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		

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

<u>Business Disruption</u>			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 23	CEO & DCEO		
Develop IT Disaster Recovery Plan	Dec 22	DCEO		
Fire Breaks Inspected and Enforced Annually	Nov 23	DCEO		
Fire Fighting Equipment Maintained and Serviced Annually	Aug 23	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		

<u>Employment Practices</u>			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	Implementin g	CEO & DCEO		
Review Workforce Plan	Dec-22	CEO & DCEO		
Create Checklist for Human Resource Management Framework	Completed	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		

<u>Errors, Omissions & Delays</u>			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-23	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		

<u>IT or Communication Systems and Infrastructure</u>			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.				

<u>Failure to fulfil Compliance Requirements</u>			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-23	DCEO		
Interim Audit Finding 30 June 2022 - Action of Findings	Completed	DCEO		
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Completed	DCEO		
Audit Finding 30 June 2022 - Action of Findings				

<u>Engagement Practices</u>			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	Aug-23	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		

<u>External Theft & Fraud (Including Cyber)</u>			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 >\$5,000	Dec-22	DCEO		
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO		
Review Security and Storage of Records	Aug-23	DCEO		
Document Financial Management System	Dec-23	DCEO		

<u>Misconduct</u>			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 - December 2022

Actions	Due Date	Responsibility
Develop Event Management Framework	Dec-23	CDO
Develop Reserves Management Register	Completed	DCEO
Create Inspection and Maintenance Schedules for Event Equipment	Oct-23	CDO
Undertake Community Facilities Review	Aug-22	CEO & CDO
Public Buildings Inspected Annually for Compliance	Nov-23	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 Framework & Services	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	Completed	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)	Jul-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	Aug-23	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	Nov-23	CEO	
Develop Isolated Worker Management Procedure	Oct-22	CEO	
Re-Establish WSH Committee & Conduct Bi-Monthly Meetings	Monthly	CEO	
Review Managing Emergencies In Shire Facilities	Dec-23	CEO & DCEO	
Conduct Annual BCP and LEMC Drills	Dec-23	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	Dep 23	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

Dec-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.

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

Actions (Treatments)	Due Date	Responsibility
Revaluation of Road Assets	Jun-23	CEO
Revaluation of Sewerage System	Jun-25	CEO
Revaluation of Other Infrastructure	Jun-25	DCEO
Revaluation of Land & Buildings	Jun-25	DCEO
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	Completed	DCEO
Review Fuel Stock Control System	Completed	CEO
Implement New Fuel Stock Control System	Completed	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Asset Renewal Funding Ratio	95%-105%	92%	
Asset Consumption Ratio	60%-75%	59%	
Asset Sustainability Ratio	90%-110%	69%	
AMP & LTFP	Reviewed Annually	Completed	Improving
Accidents and / or Damage to Property	<2 Per Quarter	10 for Quarter	Improving

Residual Risk Rating

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

Objective:

Maintain assets at a suitable level from procurement to disposal.

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	Yes	Yes	Yes	Yes	Partial	Risk of frudad is minimal

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
			Completed 2020
			Revaluation completed June 2022
			Revaluation completed June 2022
			Revaluation completed June 2022
			Data updated in RAMMS; 22/23 program to be loaded throughout year
Dec-20	Apr-21	Jun-22	Rescheduled for September 2023
			Adopted September 2023
			Reviewed AMP & LTFP adopted

KPI / Action Data			
2022	2021	2020	Comments
Not Rated	92%	140%	No longer a reporting requirement for Band 4; KPI to be reviewed
Not Rated	59%	60%	No longer a reporting requirement for Band 4; KPI to be reviewed
Not Rated	69%	83%	No longer a reporting requirement for Band 4; KPI to be reviewed
Completed			AMP & LTFP reviewed & adopted
3	8	8	Rate quarterly

Additional / Final Comments

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

Business & Community DisruptionDec-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 <i>This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT & communication systems and infrastructure".</i>

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
Manaing Emergenceis 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 23	CEO & DCEO
Develop IT Disaster Recovery Plan	Dec 22	DCEO
Fire Breaks Inspected and Enforced Annually	Nov 23	DCEO
Fire Fighting Equipment Maintained and Serviced Annually	Aug 23	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	Improving
Number of Firebreak Infringements Issued	5 per annum	2	Constant
LEM Annual Exercise Undertaken	1 per annum	1	Improving
BCP Annual Excerise Undertaken	1 per annum	1	Constant

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
			Completed June 2022; Next due June 2023
			Reviewed August 2022; Next due August 2024
			Compelted December 2022; Next due December 2022
Dec-20	Jun-21	Dec-22	Deferred until DCEO can review IT system & controls; IT provider to advise schedule
			Inspected November 2022
			Inspections completed; Next inspection August 2023
			Inspections included in maintenance schedule
Jun-20	Dec-21	Jun-22	Deferred; Scheduled to complete December 2023

KPI / Action Data			
2020	2021	2022	Comments
1	1	1	3 meetings held in 2022
2	0	0	
Nil	Nil	1	Conducted June 2022
1	1	1	Conducted December 2022

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

Failure to fulfil Compliance Requirements (Statutory and Regulatory)	Dec-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”).	

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 Manangement 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

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-23	DCEO
Interim Audit Finding 30 June 2022 - Action of Findings	Completed	DCEO
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Completed	CEO & DCEO
Audit Finding 30 June 2022 - Action of Findings	Jun-23	DCEO

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
Finanical Management System Review (Every 3 Years)	As per legislated	Compliant	Constant
CEO Regulation 17 Review (Every 3 Years)	As per legislated	Compliant	Worsening
Freedom of Information Statistical Return	As per legislated	Compliant	Constant
Annual Waste & Recycling Data Reporting	As per legislated	Compliant	Constant
Regulation 53 of Building Regulations 2021 (Pool Inspections)	As per legislated	Compliant	Constant
Food Act 2008 & Public Health Act 2016 Reporting	As per legislated	Compliant	Constant

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

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
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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	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Jun-22	Progressing; Extended completion to December 2023 due to other priorities
			Progressing
			Completed September 2021; Next review due September 2023
Ongoing	Feb-21	Jun-22	Progressing; Extended completion to December 2023 due to other priorities
Dec-20	Feb-21	Dec-22	Commenced; Expected to be finalised by September 2023
			Financials Year Ending 2021/22 completed
			Findings addressed and system updated
Dec-20	Apr-21	Apr-22	
			Fair value of land & buildings & infrastrcuture assets to be assessed June 2023

KPI / Action Data			
2020	2021	2022	Comments
Unqualified Audit	Unqualified Audit	Unqualified Audit	Rated annually in December
Compliant	Compliant	Compliant	Completed February 2022; Rated annually in March
Not Rated	Not Rated	Compliant	Reveiwed November 2022; Next due October 2025
Compliant	Not Rated		Last reviewed September 2019; Due December 2022; Scheduled for Febrauary 2023
Compliant	Compliant	Compliant	Submitted July 2022; Rated annually in July
Compliant	Compliant	Compliant	Submitted October 2022; Rated annually in October
Not Rated	Non-Compliant	Compliant	Every 3 years; Inspections completed November 2022; Next due November 2025
Compliant	Compliant	Compliant	Rated annually in August; Next due August 2023

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

Document Management ProcessesDec-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	Review underway, expected to be finalised by June 2023
Jun-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 23 due to other priorities
Ongoing			Form part of Induction Process
Jun-21	Dec-21	Jun-22	Completed

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

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

Employment Practices

Dec-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	Implementing	CEO & DCEO
Review Workforce Plan	Dec-22	CEO & DCEO
Create Checklist for Human Resource Management Framework	Completed	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%	Constant
Annual Drivers Licenses (% Completed Checks)	100% per annum	100%	Constant
Workers Compensation Claims	< 1 per annum	1	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
			Implementing 2023 Plan
Apr-20	Mar-21	Jul-22	Review underway, expected to complete June 2023
Jun-20	Jun-21	Jun-22	Checklist is place; refining framework continues
			Live document in place
Mar-20	Sep-20	Jun-22	Review near complete
			Conducted check during performance review process in April 2023
			Performance reviews conducted during April/May 2023

KPI / Action Data			
2020	2021	2022	Comments
	Not Rated	Not Rated	Control not in place to rate indicator
	Not Rated	32%	KPI to be reviewed to consider tolerance and measure
	Not Rated	1.20%	KPI to be reviewed to consider tolerance and measure
	Not Rated	53.96%	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 - December 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Engagement Practices

Dec-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 <i>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.</i>

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

Actions (Treatments)	Due Date	Responsibility
Review Community Complaints, Feedback & Request Handling Process	Dec-22	CEO & DCEO
Review Community Engagement Policy & Framework	Aug-23	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

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

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

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

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Sep-19	Jun-20	Apr-22	Reviewed in conjunction with SharePoint review; currently underway
			Review every 2 years; Due August 2023
			Completed Septmeber 2022; next due Septemebr 2024
Jun-22			Reviewed in conjunction with SharePoint review; currently underway
			Completed September 2022; Next due September 2024
			Register available on Shire website & update as required

KPI / Action Data			
2020	2021	2022	Comments
Not Rated	Not Rated	Not Rated	Rated annually in December; control to be identified to capture indicator
75%	Not Rated	70%	Rated biannually in December; Next due 2024
75%	Not Rated	56%	Rated biannually in December; Next due 2024
Not Rated	Completed		Rate in December; Next due 2023

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

Environment ManagementDec-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.

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
Recycled Water Management Plan & Program	Preventative		Adequate
Contaminated Sites Register	Preventative	Jun-22	Adequate
Waste Management Plan & Program	Preventative		Not Rated
Overall Control Ratings:			Adequate

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-25	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

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

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

Objective: Effective management and protection of our environment
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Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	In Draft
CEO	Yes	Yes	Yes	Yes	No	
CEO	No	No	No	No	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-22		Plan in draft
Dec-20	Jun-21	Jun-22	Deferred; not considered a priroity at present
Completed			
Completed			Completed June 2022; Next due June 2025
Ongoing			CEO to determine & identify any gaps
			Contractor engaged
Jun-21	Jun-22	Sep-22	Recycled Water Quality Management Plan in draft

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

Additional / Final Comments
Reviewed by Management Team - December 2022

Errors, Omissions & Delays

Dec-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	No	
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	No	
CEO; DCEO	Yes	Yes	Yes	Yes	Partial	
SMT	Yes	Yes	Yes	Yes	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	
EGO	Yes	Yes	Yes	Yes	No	

Workforce Plan	Preventative	Nov-19	<i>Adequate</i>
<i>Overall Control Ratings:</i>			<i>Adequate</i>
Actions (Treatments)	Due Date		Responsibility
Review Employee Code of Conduct	Jul-23		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	

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

CEO; DCEO	Yes	Yes	Yes	Yes	No	
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Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
			July 2022 presented to all staff, next due July 2023
			Continuous improvement
Dec-20	Jun-21	Jun-22	Progressing as part of the review of SharePoint
Jun-22			Progressing as part of the review of SharePoint

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

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

External Theft & Fraud (Including Cyber) <div>Dec-22</div>
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 >\$5,000	Dec-22	DCEO
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO
Review Security and Storage of Records	Aug-23	DCEO
Document Financial Management System	Dec-23	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
			Secure password policy in place; reset passwords every 90 days
			Last reviewed August 2022; next due August 2023
Oct-21	Dec-22	Dec-23	Commenced, expected to finalise in December 2023

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 - December 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Management of Facilities / Venues / Events

Dec-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)

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

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

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	

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

Objective:

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

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	

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 2023
			Completed
Dec-19	Mar-20	Jun-22	Extend to October 2023 due to other priorities
Jun-20	Feb-21	Jun-22	Near completion
Dec-20	Nov-21	Apr-22	Inspections completed November 2022: Next due Novemebr 2023
			Not commenced

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

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

IT or Communication Systems and Infrastructure

Dec-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 Framework & Services	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

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	No	
DCEO	Yes	Yes	Yes	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-21	Dec-22	Linked with IT Framework & Services
			Provision of Managed Information Services expires in 2024
Mar-20	Dec-20	Jun-22	Linked with IT Framework & Services
			Procedure implemented
Sep-21	Completed		VOIP system installed
Mar-21	Jun-21	Dec-22	Deferred unitl December 2023

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

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

Misconduct

Dec-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.

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 Recrutiment 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

Objective:

Compliance with our Code of Conduct

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	No	
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	No	
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	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	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 Discloures 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

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	Completed	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)	Jul-23	CEO & EGO
Prepare Credit Card Procedure	Completed	DCEO
Conduct Drivers Licence Check Annually	April Annually	CEO & DCEO

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

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

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	No	
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Ongoing		Progressing
Dec-20	Jun-21	Jun-22	Underway as part of SharePoint review
May-20	Apr-21		Processed reviewed & procedures implemented for fuel & materials
			Scheduled for February 2022
Mar-20	Completed		Scheduled to compelte end April 2023
Oct-19	Completed		Reviewed April 2020; introduced Council Member Communication & Use of Social Media Policy December 2019; Due for review
Completed			
Sep-21	Completed		Credit Card authorisation forms and agreements in place
			Last checked April 22; Next check April 2023

KPI / Action Data			
2020	2021	2022	Comments
<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>	Rate annually in December
<i>Not rated</i>	<i>35</i>	<i>0</i>	Rate annually in December
<i>0</i>	<i>4</i>	<i>1</i>	Rate annually in December
<i>0</i>	<i>0</i>	<i>0</i>	Rate annually in December
<i>0</i>	<i>0</i>	<i>0</i>	Rate annually in December
<i>Not rated</i>	<i>Unable to Rate</i>	<i>Unable to Rate</i>	Rate annually in December; Control to rate indicator yet to be identified

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

Project / Change Management			Dec-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 <i>This does not include new plant & equipment purchases. Refer "Inadequate Asset Sustainability Practices"</i>			
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		<i>Not Rated</i>
Communication and Engagement Framework	Preventative		<i>Adequate</i>
Risk Management Framework	Detective	Oct-19	<i>Adequate</i>
Finanical Management Framework	Preventative	Mar-17	<i>Adequate</i>
Overall Control Ratings:			<i>Adequate</i>
Actions (Treatments)		Due Date	Responsibility
Develop Project Management Methodology and Framework		Dec-22	DCEO
Review Communication and Engagement Framework		Aug-23	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 Review (Every 2 Years)	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 managaement templates in place; process yet to be documented
Mar-22			Due to review in August 2023

KPI / Action Data			
2020	2021	2022	Comments
<i>Not rated</i>	<i>Unable to Rate</i>	<i>Not Rated</i>	Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Unable to Rate</i>	<i>Not Rated</i>	Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Completed</i>	<i>Not Rated</i>	Rate upon completion; Due August 2023

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

Safety and Security Practices	Dec-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.	

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	<i>Adequate</i>
OSH Management Framework	Preventative	May-17	<i>Adequate</i>
Human Resource Manangement Framework	Preventative	May-19	<i>Adequate</i>
Governance Management Framework	Preventative	Ongoing	<i>Adequate</i>
Managing Emergencies In Shire Facilities	Preventative	Dec-16	<i>Adequate</i>
Overall Control Ratings:			<i>Adequate</i>

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	Nov-23	CEO
Develop Isolated Worker Management Procedure	Oct-22	CEO
Re-Establish WSH Committee & Conduct Bi-Monthly Meetings	Monthly	CEO
Review Managing Emergencies In Shire Facilities	Dec-23	CEO & DCEO
Conduct Annual BCP and LEMC Drills	Dec-23	CEO
Review Contractor Inductions and Register	Jun-22	CEO

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		Constant
Near Misses Per Quarter	Nil	Nil	Improving
Workers Compensation Claims Per Quarter	Nil	1	Improving
Safety Audit Result % (Every Three Years)	95%	74%	Constant

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.
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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	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
			Register updated as required
			Inspections schedule prepared
			SMWS in place for all plant; review of SWMS underway
			Completed November 2022; Next due November 2023
			Policy signed off; yet to prepare procedure
			Bi-Monthly meetings conducted
Dec-21	Jun-22	Mar-23	Deferred; Scheduled to complete December 2023
			LEMC drill completed, next due 2023; BCP drill due Dec 2022, next due Dec 2023
			Review completed; contractor inductions conducted as required

KPI / Action Data			
2020	2021	2022	Comments
<i>100%</i>	<i>Unable to Rate</i>	<i>Not Rated</i>	Rated annually in December; Control to be identified to rate indicator
<i>Nil</i>	<i>Unable to Rate</i>	<i>Not Rated</i>	Rated annually in December; Control to be identified to rate indicator
<i>30 Hours</i>	<i>Unable to Rate</i>	<i>Note Rated</i>	Rated annually in December; Control to be identified to rate indicator
<i>Nil</i>	<i>4</i>	<i>0</i>	Rated annually in December
<i>2</i>	<i>2</i>	<i>1</i>	2 overall for 2021/22 (nil for quarter); Rated annually in December
<i>Not rated</i>	<i>74%</i>	<i>Not Rated</i>	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 - December 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Nil

Supplier / Contract Management	Dec-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	Dep 23	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	Worsening

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.
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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	Risk of frudad is minimal.
CEO; DCEO	Yes	Yes	Yes	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
			Bi-Annual Review due September 2023
			Standardised MOUs; Service Level Agreements; Tenancy Agreements; Contracts
			Controls in place; constantly reviewing for improvemert
			Continuous training to utilise all tools
			Investigating options whilst reviewing SharePoint

KPI / Action Data			
2020	2021	2022	Comments
90%	90%	90%	Rate annually in December
1	1	2	Rate annually in December

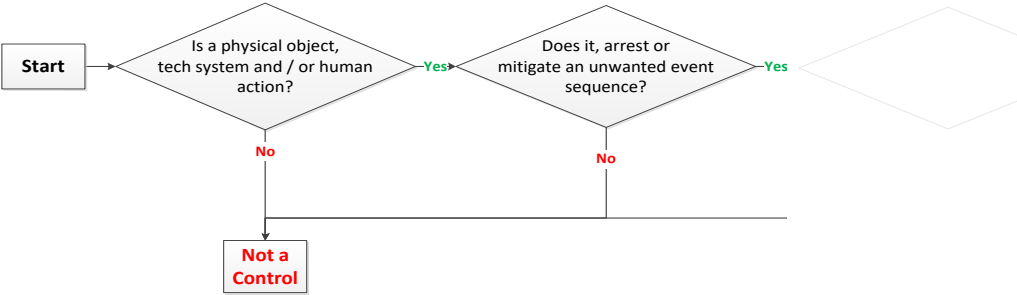
Additional / Final Comments
Reviewed by Management Team - December 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Measures of Consequence (V.2 - May 2019 - DRAFT FOR COUNCIL CONSIDERATION)									
RATING	PEOPLE	INTERUPTION 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-compliances	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 require	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 require	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 require	Uncontained, irreversible impact	More than \$500,000	Exceeds deadline by 25% of project	Exceeds project budget by 25%

Measures of Likelihood			Risk Matrix					
Rating	Description	Frequency		insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	The event is expected to occur in most circumstances	More than once per year	Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	The event will probably occur in most circumstances	At least once per year	Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	The event should occur at some time	At least once in 3 years	Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	The event could occur at some time	At least once in 10 years	Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	The event may only occur in exceptional circumstances	Less than once in 15 years	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 - Updated December 2022

Theme	Key Control	Rating	KPI	Comment
Asset Management Practices	Sewerage Maintenance Plan & Program	Indequate		Scheduled to complete December 2023
Asset Management Practices	Asset Renewal Ratio		92%	No longer a reporting requirement for Band 4; KPIs to be reviewed
Asset Management Practices	Asset Consumption Ratio		59%	
Asset Management Practices	Asset Sustainability Ratio		69%	
Compliance Requirements	CEO Regulation 17 Review		Due December 2022	Scheduled for February 2023
Engagement	Community Satisfaction Survey - Council leadership in the community		70%	Worsening
Engagement	Community Satisfaction Survey - How the community is consulted & informed about local		56%	Worsening
Environment Management	Sewerage Maintenance Plan & Program	Inadequate		Scheduled to complete December 2023
Environment Management	Waste Management Plan	Not Rated		Scheduled for December 2023
Management of Facilities/Venues/Events	Event Management Framework	Not Rated		Plan in place; overall framework to be completed
IT or Communication Systems & Infrastructure	IT Disaster Recovery Plan	Not Rated		
Project/Change Management	Project Management Methodology & Framework	Not Rated		Templates in place; procedures to be developed
Safety & Security	Lost Time Injuries Per Quarter	Worsening	144 Hours	Control to be identified to rate indicator

SHIRE OF DOWERIN

Financial Management Review November 2022



SHIRE OF
DOWERIN
TIN DOG TERRITORY

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CONTENTS

EXECUTIVE SUMMARY	i
<i>Introduction.....</i>	<i>i</i>
<i>Purpose Of Review.....</i>	<i>i</i>
<i>Financial Management Review.....</i>	<i>i</i>
<i>Findings.....</i>	<i>ii</i>
<i>Recommendations.....</i>	<i>ix</i>
<i>Opinion.....</i>	<i>xi</i>
1.0 INTRODUCTION.....	1
1.1 <i>Background.....</i>	<i>1</i>
1.2 <i>Purpose of Report.....</i>	<i>2</i>
1.3 <i>Methodology.....</i>	<i>2</i>
2.0 PROPER COLLECTION OF ALL MONEY OWING TO THE SHIRE	3
2.1 <i>Late Payment Interest Charge for Rates.....</i>	<i>3</i>
2.2 <i>Instalment Interest Charge.....</i>	<i>3</i>
2.3 <i>Administration Fee for Rates Instalment Payments.....</i>	<i>3</i>
2.4 <i>Alternative Rates Payment Option Administration Fee.....</i>	<i>3</i>
2.5 <i>Discounts offered on Current Rates</i>	<i>3</i>
2.6 <i>Late Payment Interest Charge on Money Owed to the Shire</i>	<i>3</i>
2.7 <i>Outstanding Rates Ratio.....</i>	<i>3</i>
2.8 <i>Rating Function and Rates Payments.....</i>	<i>3</i>
2.9 <i>Sundry Debtors.....</i>	<i>5</i>
2.10 <i>Short Stay Accommodation.....</i>	<i>6</i>
2.10 <i>Petty Cash</i>	<i>6</i>
2.11 <i>Money Collected from Outstations.....</i>	<i>7</i>
2.12 <i>Home Care Service.....</i>	<i>7</i>
2.13 <i>Policies Relating to Debt Collection.....</i>	<i>10</i>
2.14 <i>Mapped Processes.....</i>	<i>10</i>
3.0 SAFE CUSTODY AND SECURITY OF ALL MONEY COLLECTED AND HELD BY THE SHIRE.....	11
3.1 <i>Money Collected from Outstations.....</i>	<i>11</i>
3.2 <i>Banking of Money Collected.....</i>	<i>11</i>
3.3 <i>Direct Deposit Transfers for Payments.....</i>	<i>11</i>
3.4 <i>Investment of Surplus Funds.....</i>	<i>11</i>
3.5 <i>CYBER AND CRIME Insurance Cover.....</i>	<i>12</i>
4.0 PROPER MAINTENANCE AND SECURITY OF THE SHIRE'S FINANCIAL RECORDS 13	
4.1 <i>Financial and Accounting Responsibility.....</i>	<i>13</i>
4.2 <i>Corporate Information Technology Network</i>	<i>13</i>
4.3 <i>Data Backup.....</i>	<i>14</i>
4.4 <i>Electronic Breakdown Insurance.....</i>	<i>14</i>
4.5 <i>Administration Centre Security.....</i>	<i>14</i>
4.6 <i>Storage of Financial Reports</i>	<i>14</i>
5.0 ENSURE PROPER ACCOUNTING FOR ALL INCOME, EXPENDITURE, ASSETS, LIABILITIES OF THE MUNICIPAL AND TRUST FUNDS	15
5.1 <i>Accounting Positions and Procedures</i>	<i>15</i>

5.2	<i>Municipal Fund Bank Account</i>	15
5.3	<i>Trust Fund</i>	15
5.3	<i>Financial Software System</i>	16
5.4	<i>Position Descriptions and Key Duties and Responsibilities</i>	16
5.5	<i>Professional Development for Staff</i>	16
5.6	<i>Mapped Processes</i>	16
6.0	PROPER AUTHORISATION FOR THE INCURRING OF LIABILITIES AND MAKING OF PAYMENTS	18
6.1	<i>Authorisation of Purchase Orders and Making of Payments</i>	18
6.2	<i>Signing of Cheques and Authorising Electronic Funds Transfers</i>	18
6.3	<i>Corporate Credit Cards and Fuel Cards</i>	18
6.4	<i>Tenders Register</i>	19
6.5	<i>Certification of Invoices for Payment</i>	19
6.6	<i>Purchasing Policy</i>	20
6.7	<i>Compliance with Council's Purchasing Policy</i>	20
6.8	<i>Australian Taxation Office BAS Payments</i>	21
6.9	<i>Mapped Processes</i>	21
7.0	MAINTENANCE OF PAYROLL, STOCK CONTROL AND COSTING RECORDS	22
7.1	<i>Payroll System</i>	22
7.2	<i>Stock Control</i>	22
7.3	<i>Costing Records</i>	22
7.4	<i>Mapped Processes</i>	22
8.0	PREPARATION OF BUDGET ACCOUNTS AND REPORTS REQUIRED BY THE LOCAL GOVERNMENT ACT AND THE FINANCIAL MANAGEMENT REGULATIONS	24
8.1	<i>Preparation of Annual Budget and Annual Financial Report</i>	24
8.2	<i>Plan for the Future</i>	24
8.3	<i>Fees and Charges</i>	24
8.4	<i>Presentation of Monthly Financial Reports to Council</i>	24
9.0	INTERNAL CONTROL EVALUATION	26
10.0	REGISTERS	32
11.0	OTHER MATTERS	33
12.0	FINDINGS	34
13.0	IMPROVEMENT RECOMMENDATIONS	41
14.0	OPINION	43
	ATTACHMENT 1 – SAMPLE POLICIES	44
	ATTACHMENT 2 - INTERNAL CONTROL EVALUATION	48
	ATTACHMENT 3 – MAPPED PROCESSES	112

EXECUTIVE SUMMARY

Introduction

Financial Management Review

Pursuant to Regulation 5(1) of the *Local Government (Financial Management) Regulations 1996*, the Chief Executive Officer of a local government is to establish efficient systems and procedures for:

- (a) The proper collection of all money owing to the local government;
- (b) The safe custody and security of all money collected or held by the local government;
- (c) The proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);
- (d) Ensuring the proper accounting for municipal or trust-
 - (i.) Revenue received or receivable;
 - (ii.) Expenses paid or payable; and
 - (iii.) Assets and liabilities;
- (e) Ensuring the proper authorisation for the incurring of liabilities and the making of payments;
- (f) The maintenance of payroll, stock control and costing records; and
- (g) Assisting in the preparation of budgets, budget reviews, accounts and reports required by the Act or regulations.

In addition, Regulation 5(2) requires the Chief Executive Officer of a local government to-

- (a) Ensure that the resources of the local government are effectively and efficiently managed;
- (b) Assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
- (c) Undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

Purpose Of Review

The Shire of Dowerin appointed Darren Long Consulting to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures of the local government (not less than once in every 3 financial years) and report to the local government the results of those reviews.

Financial Management Review

The Financial Management Review will provide the CEO and Council with an independent assessment of the appropriateness and effectiveness of the Shires' Financial Management Systems and whether the Shire has complied with the requirements of the Local Government Act 1995 and the Local Government [Financial Management] Regulations 1996

Proper Collection of All Money Owning to the Shire

- (1) Periodic reviews of non-rateable properties should be performed to ensure any properties granted rate exemption under Section 6.26 of the *Local Government Act 1995* meet the exemption requirements.

To assist with the rate exemption status reviews, a Rate Exemption register should be maintained and record information such as assessment number, property address, suburb/town, ratepayer, use of property, exemption reason, exemption description, review date and land use.

It is suggested the review period be performed at least once every 2 years.

- (2) The Shire's Petty Cash Policy – 3.9 needs to be updated to remove the float for the Dowerin Home Care; and add the \$50 float held for the Home Care Gentle Gym and the \$200 float for the swimming pool.
- (3) There is no evidence to support a check is performed by a supervisor of the CHSP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several CHSP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.
- (4) The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care services provided under a CHSP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to CHSP clients for their contribution to the CHSP services, when in actual fact it should be GST-free. It is suggested the Shire review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$15 to \$14).
- (5) There is no evidence to support a check is performed by a supervisor of the HCP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several HCP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately. It is suggested that the Home Care Coordinator review and sign each HCP debtor invoice batch report to certify the report as being checked to the SMS reports, to strengthen internal controls.
- (6) The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care package services provided under a HCP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to HCP clients for their contribution to the HCP services, when in actual fact it should be GST-free. It is suggested the Shire review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$60 to \$55).

- (7) The July 2021 HCP subsidy of \$31,679.52 received on 17 August 2021 was receipted with GST of \$2,879.96 deducted from the amount, resulting in the Shire overpaying its GST liability. It is suggested the Shire lodge a BAS amendment for August 2021 to claim back the GST overpayment.
- (8) The Accounts Receivable process has the following weakness:
 - (a) There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately. It is suggested that the Deputy CEO review each debtor invoice batch report and certify the report as being checked to strengthen internal controls.
- (9) The Mail/Cashiering process has the following weakness:
 - (a) Cheques or money orders received via the mail are not recorded in the Excel Inwards Mail Register. It is an important internal control function to keep a record of all cheque payments received via the mail. It was noted that the number of cheques received via the mail is very minimal.

Safe Custody and Security of all Money Collected and held by the Shire

- (10) The swimming pool contractor is issued with a \$200 float from the strong room at the beginning of each pool season. There is no record of this float in the balance sheet.
- (11) The Home Care Gentle Gym has a cash float of \$50. There is no record of this float in the balance sheet.
- (12) Cash takings for gentle gym fees are not receipted in Synergy on the day received by Home Care Administration Support Officer (HCASO). The cash received is held until the end of the month and then receipted.
- (13) The Shire has an Investment Register, but it does not meet the requirements of the regulations. Transactions relating to the investments are not recorded in the current register.

Proper Maintenance and Security of the Shire's Financial Records

- (14) The local government does not test and validate data backups regularly.
- (15) The local government does not have an IT Disaster Recovery Plan/Strategy or ICT Data Backup and Recovery guideline

Ensure Proper Accounting for all Income, Expenditure, Assets, Liabilities of the Municipal and Trust Funds

- (16) There are only informal procedures for key financial tasks. It is suggested that these informal procedures be compiled into detailed formalised procedures, with screenshots at critical

stages of the process. This will allow any employee to temporarily fill a position in an emergency and follow the procedure document.

- (17) Sample testing was conducted of the Municipal Fund bank reconciliation for 30 November 2021, 31 December 2021, 30 April 2022, and 30 June 2022. The amounts appearing on the bank statement were verified in the respective bank accounts on the SynergySoft system, with the exception of the list of transactions yet to be recognised in the general ledger listed in the reconciliation itself. The bank reconciliation balance was reported correctly in the Monthly Statement of Financial Activity, however the figures in note 2 show the bank balance and not the general ledger balance. The bank reconciliation for 30 June 2022 was not finalised at time of review. It is suggested the outstanding unrecorded transactions totalling \$296,348.51 listed on the bank reconciliation be processed into the general ledger as a matter of urgency. This will ensure the trial balance of the Shire will reflect the reporting in the Annual Financial Report submitted to the auditors and reduce the potential for errors and imbalances moving forward.
- (18) It is suggested that the Council consider developing a policy on Staff Training and Professional Development, as this is an important avenue for staff to further enhance their skills and knowledge in managing the Shire's financial records.
- (19) The Accounts Payable has the following weaknesses:
 - (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.
- (20) The Accounts Receivable process has the following weakness:
 - (a) There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.
- (21) The Petty Cash process has the following weaknesses:
 - (a) A petty cash recoup form is not utilised to summarise receipts, code each expense transaction and provide a total for the amount of the recoup.
 - (b) When the petty cash recoup is undertaken, it is not reviewed and certified by a supervisor prior to reimbursement and recoup being performed.
 - (c) A supervising officer does not review the petty cash invoice batch report prior to update by the FAO. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.
- (22) The analysis of a sample of 31 payments revealed:
 - (a) There were 2 errors in the GST coding of supplier invoices, resulting in the overclaiming of entitled GST credits.

Proper Authorisation for the Incurring of Liabilities and Making of Payments

- (23) A recent restructure of the organisation has occurred, with several positions being renamed. The Delegations Register and Policy Manual still refer to positions that no longer exist. It is suggested that the Delegations Register and Policy Manual be reviewed in detail, specifically those relating to finance, to ensure the positions and the powers delegated reflect the current organisational structure.
- (24) At the time of inspection of the Tender Register, it was noted that the Register did not contain any particulars of the making of the decision to invite tenders. The Register was updated at the time of review, so no further action is required.
- (25) The review of the lodgement of Business Activity Statements (BAS) highlighted the BAS returns for July, August and September 2022 were lodged after the due date.
- (26) The Accounts Payable process has the following weakness:
 - (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.

Maintenance of Payroll, Stock Control and Costing Records

- (27) Diesel fuel is held as stock on hand. A review of the stock management process highlighted:
 - (a) a stock valuation report was not produced to verify opening balances plus stock movements equals fuel closing balance.
 - (b) the incorrect average price was used for fuel issues during the year, however this was corrected at 30 June 2022 by an adjusting entry.
- (28) The Single Touch Payroll data file was not correctly reconciled to the SynergySoft gross salaries and wages paid data.

Preparation of Budget Accounts and Reports required by the Local Government Act and the Financial Management Regulations

- (29) The local governments Workforce Plan is currently under review.
- (30) The Schedule of Fees and Charges lists CHSP fees and HCP fees as including GST. The Commonwealth Government *GST-free Supply (Care) Determination 2017* provides for these fees to be GST free, as:
 - (a) The Shire receives funding from the Commonwealth in connection with the supply; and
 - (b) The supply is made to a targeted person; and
 - (c) The supply is a listed service for a targeted person.

Internal Control Evaluation

(31) The Internal Control Evaluation has identified the following weaknesses-

- (a) 30-250.1.1 – All sales invoices raised are properly supported/validated with documentation
 - (i) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.
 - (ii) Sales invoices raised not in accordance with Schedule of Fees & Charges.
 - (iii) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.
- (b) 30-250.1.2 – All sales invoices are bona-fide
 - (i) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.
- (c) 30-270.2.2 – All sales invoices are correctly recorded in the accounts
 - (i) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.
 - (ii) There is a lack of segregation between the invoice raiser and the invoice approver.
- (d) 30-270-2-4 – All cash receipts are deposited
 - (i) Bank reconciliations for the months of July 2022 to October 2022 were not finalised and all transactions were not recorded in the financial accounts.
- (e) 30-270.2.5 – All cash sales/miscellaneous receipts are accounted for
 - (i) Investment Register is not maintained for investments in accordance with the Regulations.

It is suggested the investment register be amended to include the information required by Financial Management Regulation 19(2).
 - (ii) Report on Investments not prepared in accordance with Policy 3.2

Policy 3.2 requires a report on investments containing the information in Financial Management Regulation 19(2) be prepared and submitted to Council.

- (f) 30-330.4.1 – Sales invoices are correctly calculated
- (i) A series of fees and charges levied via sales invoices were not in accordance with the Schedule of Fees and Charges adopted by Council, and some fees included GST when they should be GST free.
 - (ii) There is a lack of segregation between the invoice raiser and the invoice approver.
- (g) 31-250.1.1 - All purchases/expenses and related liabilities are supported by evidence of relevant goods or services being received
- (i) Delegations and Policies require updating.
Delegation 4.2 records the incorrect tender threshold of \$150,000 – this should be \$250,000 as per Regulation 11A of the *Local Government (Functions and General) Regulations 1996*.
Policy 3.9 – Petty Cash and Floats currently includes a \$300 float for Dowerin Home Care, which is no longer in existence. It is also noted that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in Policy 3.9 or recorded in the Shire's financial records.
 - (ii) Potential late lodgement of Business Activity Statements.
July 2022 to September 2022 Business Activity Statements were not available for inspection and may not have met the lodgement requirements set by the ATO.
 - (iii) Incorrect calculation of GST on supplier invoices
An inspection of supplier invoices and payments revealed two minor errors in relation to GST.
- (h) 33-250.1.1 - Stocks and work-in-progress are adequately safeguarded
- (i) Fuel allocations not processed in general ledger regularly.
It was noted on initial inspection fuel allocations had not been processed for the months of July 2022 to October 2022. The lack of an up-to-date stock system can have an impact on the Net Current Asset Position of the Shire as reported at month end and an understatement of expenditure.
 - (ii) Policy 4.1 – Fuel Stock Policy
This policy needs to be reviewed and updated to reflect current procedures, use of electronic fuel system, and current position titles
 - (iii) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.

There was no evidence sighted that fuel issue transactions were reviewed and certified by a supervisor.

(iv) Discrepancy in value of Fuel on Hand

A review of records showed that a diesel fuel stock adjustment at 30 June 2022 was made to the value of \$24,530.23 due to an incorrect unit price being used to calculate fuel issues.

(i) 33-270 All transactions are accurately recorded in the stock records and posted to the correct accounts

(i) Fuel allocations not processed in general ledger regularly.

(ii) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.

(j) 34-250.1.1 – Recorded cash funds exist

(i) Cash Floats held not reflected in financial records.

An inspection of the trial balance revealed that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in the Shire's financial records.

(ii) Financial Policies require updating

Policy 3.9 – Petty Cash and Floats currently includes a \$300 float for Dowerin Home Care, which is no longer in existence. It is also noted that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in Policy 3.9.

(k) 34-250.1.2 – Recorded Bank accounts exist.

(i) Outstanding bank transactions not recorded in general ledger.

An examination of the Municipal bank reconciliation at 30 June 2022 revealed that \$296,348.51 worth of transactions were not recorded resulting in the cash at bank being understated in the annual financial report.

(l) 36-270 Recorded payroll transactions are correctly summarised and posted.

(i) Single Touch Payroll (STP) report not reconciled to Gross Salaries & Wages general ledger account.

An inspection of the STP report showed that deductions for housing bonds and child support payments had been set up as pre-tax deductions from employee pays when the system conversion to ALTUS payroll was undertaken. The set-up of the deductions as pre-tax has resulted in the Shire potentially understating the taxable income of the employees affected or may have Fringe Benefits Tax implications for the Shire.

The pre-tax deductions afforded may be deemed to be fringe benefits under the *Fringe Benefits Tax Act 1986* and no exemption provisions exist under the legislation to reduce the FBT liability associated with providing the fringe benefit and reduction of pay as you go withhold tax (PAYGW).

Recommendations

As a result of the findings, the following improvement recommendations are made:

FINANCIAL MANAGEMENT REVIEW

- (1) That the CEO implement new internal control procedures for the reviewing of rate exempt properties, including the establishment of a rate exemption register, to strengthen internal controls.
- (2) That the CEO review Council Policy 3.9 to incorporate the floats for the swimming pool and Dowerin Home Care.
- (3) That the CEO implement new internal control procedures for Commonwealth Home Support Package (CHSP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.
- (4) That the CEO review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.
- (5) That the CEO implement new internal control procedures for Home Care Package (HCP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.
- (6) That the CEO review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.
- (7) That the CEO lodge a Business Activity Statement amendment for August 2021 to claim the GST overpayment related to the GST deducted from the HCP subsidy received on 17 August 2021.
- (8) That the CEO implement new internal control procedures for Accounts Receivable, where the Deputy CEO reviews each debtor invoice batch report and certifies the report as being checked to strengthen internal controls.
- (9) That the CEO implement new internal control procedures for Mail/Cashiering, where the officer opening the mail records cheque and money order payments in the Excel Inwards Mail Register.
- (10) That the CEO authorise the posting of a general journal entry to record the cash floats for the swimming pool of \$200 and Dowerin Home Care of \$50 in the balance sheet.
- (11) That the CEO implement new internal control procedures for Gentle Gym, where the cash taken at gentle gym classes is receipted on the day it is received at the office.
- (12) That the CEO implement an updated Investment Register that complies with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* requirements.

- (13) That the CEO obtain regular reports from the external IT provider that data backups have been validated and ensure an annual test of a full system restore is performed.
- (14) That the CEO implement an IT Disaster Recovery Plan/Strategy and an ICT Data backup and Recovery Guideline.
- (15) That the CEO implement formalised procedures for key financial tasks that will allow any employee to temporarily fill a position in an emergency.
- (16) That the CEO arrange for the outstanding unrecorded transactions totalling \$296,348.51 listed on the Municipal Fund bank reconciliation be processed into the general ledger as a matter of urgency.
- (17) That the CEO consider developing a policy on employee training and professional development.
- (18) That the CEO implement new internal control procedures for Accounts Payable where the Deputy CEO reviews and certifies the supplier invoice batch listing to supplier invoices prior to batch update by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.
- (19) That the CEO implement new internal control procedures for Petty Cash where:
 - (a) A petty cash recoup form is implemented to summarise petty cash receipts, code each expense transaction and provide a total for the amount of the recoup; and
 - (b) the Deputy CEO reviews and certifies the amount of the reimbursement and recoup before it is performed; and
 - (c) the Deputy CEO reviews and certifies the recoup reimbursement prior to entry into SynergySoft.
- (20) That the CEO undertake a review of the Delegations Register and Policy Manual to ensure position titles reflect those of the recent organisational restructure.
- (21) That the CEO implement new internal control procedures for diesel fuel stock where the Deputy CEO reviews and certifies a monthly stock valuation report to verify opening balances plus stock movements equals fuel closing balance.
- (22) That the CEO implement new internal control procedures for payroll to ensure the STP data file matches SynergySoft gross salaries and wages data.
- (23) That the CEO place a priority on the review of the Workforce Plan.
- (24) That the CEO prepare a report for Council to consider what action, if any, needs to be taken to address the findings and weaknesses identified in relation to the Internal Control Evaluation.

Financial Management Review

The review of the Financial Management Systems and Procedures developed by the Shire of Dowerin indicates that, except for those matters identified in the findings and recommendations section of this report, they are appropriate and effective for the particular operations and size of the Shire. In addition, the review has concluded that, except where indicated in this report, the Shire has observed the requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

DRAFT

1.0 INTRODUCTION

1.1 BACKGROUND

1.1.1 FINANCIAL MANAGEMENT REVIEW

Pursuant to Regulation 5(1) of the *Local Government (Financial Management) Regulations 1996*, the Chief Executive Officer of a local government is to establish efficient systems and procedures for:

- (a) The proper collection of all money owing to the local government;
- (b) The safe custody and security of all money collected or held by the local government;
- (c) The proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);
- (d) Ensuring the proper accounting for municipal or trust-
 - (i.) Revenue received or receivable;
 - (ii.) Expenses paid or payable; and
 - (iii.) Assets and liabilities;
- (e) Ensuring the proper authorisation for the incurring of liabilities and the making of payments;
- (f) The maintenance of payroll, stock control and costing records; and
- (g) Assisting in the preparation of budgets, budget reviews, accounts and reports required by the Act or regulations.

In addition, Regulation 5(2) requires the Chief Executive Officer of a local government to-

- (a) Ensure that the resources of the local government are effectively and efficiently managed;
- (b) Assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
- (c) Undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

1.2 PURPOSE OF REPORT

The Shire of Dowerin appointed Darren Long Consulting and Dominic Carbone & Associates to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures of the local government (not less than once in every 3 financial years) and report to the local government the results of those reviews.

1.3 METHODOLOGY

The methodology adopted to undertake the Reviews and prepare this report included:

- (1) Introduction
- (2) Proper Collection of all Money Owing to the Shire
- (3) Safe Custody and Security of all Money Collected and Held by the Shire
- (4) Proper Maintenance and Security of the Shire's Financial Records
- (5) Ensure Proper Accounting for All Income, Expenditure, Assets and Liabilities of the Municipal and Trust Funds
- (6) Proper Authorisation for the Incurring of Liabilities and Making of Payments
- (7) Maintenance of Payroll, Stock Control and Costing Records
- (8) Preparation of Budget Accounts and Reports Required by the Local Government Act 1995 and Local Government Financial Management) Regulations 1996
- (9) Internal Control Evaluation
- (10) Registers
- (11) Other Matters
- (12) Findings
- (13) Recommendations
- (14) Opinion

2.0 PROPER COLLECTION OF ALL MONEY OWING TO THE SHIRE

2.1 LATE PAYMENT INTEREST CHARGE FOR RATES

The Shire, as part of its 2022/23 budget adoption process, imposed a late payment penalty interest charge of 5% on all unpaid rates and service charges, pursuant to Section 6.51 of the Local Government Act 1995 and Financial Management Regulation 71.

2.2 INSTALMENT INTEREST CHARGE

The Shire, as part of its 2022/23 budget adoption process, imposed a rates and service instalment interest charge of 5.0%, pursuant to Section 6.45(4)(e) of the Local Government Act 1995, and Financial Management Regulation 68.

2.3 ADMINISTRATION FEE FOR RATES INSTALMENT PAYMENTS

The Shire, as part of its 2022/23 budget adoption process, did not impose an administration fee per instalment notice, pursuant to Section 6.45(4)(e) of the Local Government Act 1995, and Financial Management Regulation 67.

2.4 ALTERNATIVE RATES PAYMENT OPTION ADMINISTRATION FEE

The Shire has delegated authority to the Chief Executive Officer to determine applications for alternative rate payment options, where the payment options differ from those adopted as part of the Annual Budget. An administration fee of \$20.00 is imposed for approved alternative payment options.

The CEO has sub-delegated to the Manager Corporate & Community Services the authority to determine applications for alternative payment options for rates.

2.5 DISCOUNTS OFFERED ON CURRENT RATES

The Shire does not offer a discount on rates.

2.6 LATE PAYMENT INTEREST CHARGE ON MONEY OWED TO THE SHIRE

The Shire has not imposed a late payment penalty interest charge on other money owed to the Shire, other than rates.

2.7 OUTSTANDING RATES RATIO

The outstanding rates ratio for the 2021/22 financial year was 7.7%. The benchmark for this ratio is less than 5%.

2.8 RATING FUNCTION AND RATES PAYMENTS

The Shire undertakes the rating function, including the billing process, interim rating, valuation updates and instalment reminders.

Annual Revaluation of properties

The Shire is required to implement land valuations for rateable properties when updated valuation schedules are provided by the administering government agencies. Properties on different valuation methodologies are subject to different valuation cycles.

Unimproved valuation properties, consisting of rural land and mining tenements are valued each year. The valuations are provided by:

- (a) Landgate for all rural properties, generally in April/May of the preceding year, with the new valuations coming into force as of 1 July; and
- (b) Department of Mines, Industry Regulation and Safety for all mining, exploration and prospecting tenements, generally in April/May of the preceding year, with the new valuations coming into force as of 1 July.

Gross rental value properties for country local governments are generally on a 5-year valuation cycle, although this can be extended out to 7 years. Valuations are provided by Landgate.

The most recent valuation roll for rural properties was prepared by Landgate on 26 April 2022, with an effective date of 1 July 2022, with a value total of \$174,058,200.

The most recent valuation roll for mining/exploration tenements was prepared by Department of Mines, Industry Regulation and Safety on 26 April 2022, with an effective date of 1 July 2022, with a value total of \$99,452.

A test check of the valuations loaded into the Synergy system to the valuation rolls supplied verified the balances were correct.

Monthly Reconciliation of Rates

The rates subsidiary ledger is reconciled to the general ledger on a monthly basis.

Test checks of the reconciliation were performed for the months of November 2021, February 2022 and June 2022 and all reconciliations balanced and were signed by the rates officer and certified by the Deputy CEO, or by the CEO.

Non-Rateable Properties

A list of non-rateable properties is held within the Synergy rating system. These were reviewed for rate exemption status under section 6.26 of the *Local Government Act 1995*. File notes on the Synergy rating system indicated that the last update/review was completed circa 2018.

Observation

One property for the Dowerin Masonic Lodge was granted rate exemption status in 2018. There was no evidence on file whether the rate exemption status had been reviewed since being granted. Periodic reviews of non-rateable properties should be conducted to ascertain if rate exempt status is maintained under the provisions of section 6.26 of the Act.

It is suggested that as a minimum non-rateable properties should be reviewed at least once every 2-3 years.

It is suggested that a Rate Exemption Register be implemented detailing the following information:

- (a) Assessment number
- (b) Property address
- (c) Suburb/Town
- (d) Ratepayer
- (e) Use of property
- (f) Exemption Reason
- (g) Exemption description
- (h) Review date
- (i) Land use

Rate Payments Methods

Rates payments are received via four methods:

- (a) over the counter at the administration centre;
- (b) making a direct deposit to the Shire's bank account quoting the ratepayers assessment number as the reference;
- (c) Using BPAY, a secure payment collection portal with the customer entering their invoice details and payment amount; or
- (d) by credit card payment over the telephone.

Direct deposit of funds are verified to the bank statement and cross-referenced to the assessment number quoted. Once receipt of funds is verified, the transaction is receipted into the Synergy Cash Receipting System and posted to the Rates Subsidiary Ledger and General Ledger.

Credit card payments are taken over the telephone, with the ratepayer's details entered directly into the Synergy receipting system to verify amount due, with the ratepayer's card details directly entered into the EFTPOS terminal at the front counter. Once payment is verified the transaction is receipted into the Cash Receipting System and posted to the Rates Subsidiary Ledger and General Ledger.

2.9 SUNDRY DEBTORS

Sundry debtor invoices were test check for accuracy and compliance with the Schedule of Fees and Charges. 533 invoices were reviewed from November 2021 to 31 October 2022, with a sample of 49 trade debtors and 10 CHSP debtors test checked, representing a sample of 11%.

These sample invoices were checked for:

- (a) Compliance with the fee in the Schedule of Fees & Charges;
- (b) Supporting documentation was provided to verify the raising of the debtor invoice;
- (c) GST was charged in accordance with the GST Act, where applicable.

Of the 59 invoices sampled, 10 invoices were found not to be in accordance with the Schedule of Fees and Charges.

Observation

There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report.

2.10 SHORT STAY ACCOMMODATION

The Shire receives payments from patrons utilising the facilities at the Dowerin Short Stay Accommodation. Bookings can be made online, over the phone or in person. The Customer Service Officer records all over the phone and in person bookings into the short stay online booking system. Bookings are colour coded in the system to record status:

Blue	booking only
Red	booking paid and confirmed
Orange	Council internal booking
Purple	booking invoiced directly to business for payment

Payment is taken either at time of booking or when patron arrives to pick up key code for access to facilities. EFTPOS payments are processed via the online booking gateway payment service and receipted into Synergy at the end of the month when payment for bookings is deposited into the Shire's account. Cash and cheque payments are processed into Synergysoft at time of receipt. Reports are obtained from the online booking system monthly for reporting. Washing machine and dryer fees are made by contactless payment.

Short stay fees are set as follows:

Sites per night

Caravan/camper site with hardstand – fully serviced	\$ 30.00
Caravan/camper site on gravel – self contained	\$ 15.00
Caravan/camp site on gravel – power, no water	\$ 25.00
Powered tent site	\$ 20.00
Extra person (caravan, camper, tent)	\$ 5.00
One bedroom unit	\$155.00
Studio room	\$135.00
Extra adult (unit only)	\$ 25.00
Extra child 2 yrs old+ (unit only)	\$ 15.00
Use of washing machine	\$ 5.00
Use of dryer	\$ 5.00

2.10 PETTY CASH

Total cash floats held in the Shire of Dowerin balance sheet is \$400.00.

Physical cash floats on hand are as follows:

Administration Cash Register Float	\$200.00
Administration Petty Cash Float	\$200.00
Swimming Pool Float	\$200.00
Home Care Gentle Gym Float	<u>\$ 50.00</u>
	<u>\$650.00</u>

Observations

Council Policy “3.9 – Petty Cash” records that the Shire has two petty cash floats:

1. Administration petty cash \$200.00
2. Dowerin Home Care petty cash \$300.00

There is no record in the balance sheet of the petty cash float of \$300.00 for Dowerin Home Care and according to discussions with Shire staff, the Home Care float has not been in existence for some years.

The petty cash policy should be updated to reflect the cash floats held, and the cash advances should be reflected in the financial accounts.

2.11 MONEY COLLECTED FROM OUTSTATIONS

The Shire receives money collected from two outstations.

(1) Swimming Pool

Payments for all season and monthly passes for entry to the swimming pool are processed at the Administration Centre, where a receipt and a valid season or monthly pass is issued to the customer.

The pool contractor processes all daily takings for daily admittances on a weekly swimming pool attendance sheet, which records the type of patron using the pool. The weekly sheet breaks down the takings by cash denomination, by type, with a summary completed at the bottom of the sheet detailing the total cash and cheques received. The weekly swimming pool attendance sheet and the cash is delivered to the Shire's administration centre, where cash and cheques are verified to the summary on the weekly sheet by the CSO, who signs, dates, and records the receipt number on the sheet.

(2) Gentle Gym

Gentle gym sessions are held at the town hall on Mondays and Thursdays each week. Session fees are collected from participants by Dowerin Home Care Support Officer (DHCSO). Home care clients are charged a fee of \$5 per session (GST Inclusive), with non-clients paying a fee of \$7 per session (GST Inclusive).

The DHCSO records the name of each client on attendance sheet along with the fee paid. The cash is held in a zip-lock bag. The session sheets and cash is hand delivered to the Home Care Administration Support Officer who holds the cash until the end of the month. The cash is then handed to the CSO, who verifies the amount and processes a receipt into Synergy.

2.12 HOME CARE SERVICE

The Shire of Dowerin is a registered provider of Home and Community Care (HACC) services, Commonwealth Home Support Package (CHSP) services, and Home Care Package (HCP) services.

CHSP Services

Under this program, the Shire provides a range of services including transport, community nursing, day care, domestic assistance, home support or gardening, meals on wheels, personal care, respite care and social support. The Shire receives funding to deliver the CHSP services and clients are assessed on the level of contribution they make for the services they receive.

The Shire receives grant funding from the Commonwealth Department of Health and Aged Care, and contributions from clients to fund the services provided. Grant funding is made in quarterly instalments into the Shire's bank account.

Client contributions are required based on individual affordability and determined in accordance with the CHSP framework. The Shire has set client contribution fees at \$15.00 per service (GST Inclusive) for pensioners and \$20 per service (GST Inclusive) for self-funded retirees for the 2022-2023 financial year. The fee was \$12.00 per service (GST Inclusive) for pensioners and \$15.00 per service (GST Inclusive) for self-funded retirees for 2021-2022.

Task sheets are completed by CHSP workers for each type of service provided to a client. The task sheets are signed by the worker and the client at the conclusion of the provision of the service. The task sheet is handed to the Dowerin Home Care (DHC) Coordinator or DHC Administration Support Officer (DHCASO). The DHCASO enters the task sheet data into SMS software system. At the end of the month the ASO prints out two reports:

1. Client receiving any service report; and
2. Individual client services report.

DHCASO creates invoices in Synergy using the individual client services report and raises an invoice for each client based on the number of services provided (chargeable services are indicated with either an * or \$); with each individual service recorded on a separate line on the invoice and applied with a separate charge code. A monthly batch report of invoices is produced and updated to the general ledger. Invoices are mailed out to clients.

Observations

There is no evidence to support a check is performed by a supervisor of the CHSP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several CHSP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.

It is suggested that the Home Care Coordinator review and sign each CHSP debtor invoice batch report to certify the report as being checked to the SMS reports, to strengthen internal controls.

The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care services provided under a CHSP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to CHSP clients for their contribution to the CHSP services, when in actual fact it should be GST-free.

It is suggested the Shire review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$15 to \$14).

It is suggested the Shire, as a matter of urgency, review its Schedule of Fees and Charges for CHSP services, along with its Chart of Account structure and debtor charge code structure, to ensure that CHSP client fees are GST-free and future debtor invoices show GST-free amounts.

It is suggested the Shire evaluate whether it is worthwhile to go back and amend its Business Activity Statements to reflect the CHSP client fees being GST-free, or just start afresh for 2022-2023. Based on monthly invoice totals, the overpayment of GST could amount to \$60 - \$70 per month.

HCP Services

Under this program, the Shire provides similar services as the CHSP, but the services are designed to assist clients with more complex care needs that go beyond what the CHSP can provide.

Grant funding was initially made in quarterly instalments, and then changed to monthly instalments, during the 2021-2022 financial year.

Task sheets are completed by HCP workers for each type of service provided to a client. The task sheets are signed by the worker and the client at the conclusion of the provision of the service. The task sheet is handed to the Dowerin Home Care (DHC) Coordinator or DHC Administration Support Officer (DHCASO). The DHCASO enters the task sheet data into SMS software system.

The fee charged for HCP services is recorded in SMS and a HCP Claim Summary report is produced. The data from this report is uploaded into the Commonwealth online system, Provider Digital (PRODA). The Commonwealth Department of Health and Aged Care assesses the Councils subsidy claim for the month, and if approved, transfers the subsidy claim amount into the Shire's bank account. The subsidy is a GST-free supply under the GST Act.

Occasionally HCP clients require services above the level provided under the funding agreement and are required to make a client contribution. Client contributions are required based on individual affordability and determined in accordance with the HCP framework. The set client contribution fees are as detailed in the Schedule of Fees and Charges and are inclusive of GST. The most common fee charged for 2021-2022 was \$60 (GST Inclusive).

Observations

There is evidence to support a check is performed by a supervisor of the HCP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several HCP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.

It is suggested that the Home Care Coordinator review and sign each HCP debtor invoice batch report to certify the report as being checked to the SMS reports, to strengthen internal controls.

The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care package services provided under a HCP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to HCP clients for their contribution to the HCP services, when in actual fact it should be GST-free.

The July 2021 HCP subsidy of \$31,679.52 received on 17 August 2021 was receipted with GST of \$2,879.96 deducted from the amount, resulting in the Shire overpaying its GST liability.

It is suggested the Shire lodge a BAS amendment for August 2021 to claim back the GST overpayment.

It is suggested the Shire review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$60 to \$55).

It is suggested the Shire, as a matter of urgency, review its Schedule of Fees and Charges for HCP services, along with its Chart of Account structure and debtor charge code structure, to ensure that CHSP client fees are GST-free and future debtor invoices show GST-free amounts.

2.13 POLICIES RELATING TO DEBT COLLECTION

The Shire does not have a Policy for the collection of outstanding debts.

2.14 MAPPED PROCESSES

Mapped processes for mail/cashiering and accounts receivable were prepared as part of the review process. These have been tested for internal control measures.

Observations

Analysis of the mapped processes indicates there are weaknesses present:

Accounts Receivable mapped process weaknesses

There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.

It is suggested that the Deputy CEO review each debtor invoice batch report and certify the report as being checked to strengthen internal controls.

Mail/Cashiering mapped process weakness

Cheques or money orders received via the mail are not recorded in the Excel Inwards Mail Register. It is an important internal control function to keep a record of all cheque payments received via the mail. It was noted that the number of cheques received via the mail is very minimal.

It is suggested that staff be required to record any cheque payments received via the mail into the Excel Inwards Mail Register.

3.0 SAFE CUSTODY AND SECURITY OF ALL MONEY COLLECTED AND HELD BY THE SHIRE

3.1 MONEY COLLECTED FROM OUTSTATIONS

No outstation takings are held overnight at the administration centre strong room.

Swimming pool fees are collected by the pool contractor on behalf of the Shire, with the cash delivered to the Administration Office weekly.

Gentle gym fees are collected by the HCSO at the beginning of each gym session. The cash is delivered to the Administration Office immediately after the session and held by the Home Care Admin Support Officer (HCASO) until the end of the month. At the end of the month HCASO compiles gentle gym takings for the month, reconciles to attendance register and statistics and gives to Customer Service Officer (CSO) for receipting.

Observations

It was noted that the swimming pool contractor is issued with a \$200 float from the strong room at the beginning of each pool season. There is no record of this float in the balance sheet.

It was noted the Home Care Gentle Gym has a cash float of \$50. There is no record of this float in the balance sheet.

Cash takings for gentle gym fees should be receipted on the day received by HCASO.

3.2 BANKING OF MONEY COLLECTED

Money collected at the Shire's administration centre is banked at least weekly, at the local branch.

3.3 DIRECT DEPOSIT TRANSFERS FOR PAYMENTS

The Shire receives money via direct deposits from customers.

The operation of direct deposits involves the use of a unique code entered by the Payee that appears on the Shire's bank statement, allowing for identification of the payers' details for receipting purposes.

3.4 INVESTMENT OF SURPLUS FUNDS

Surplus funds are invested in accordance with section 6.14 of the Local Government Act 1995 and Regulation 19 of the Local Government (Financial Management) Regulations 1996.

Regulation 19 requires the Shire to establish a policy and internal control procedures for employees to follow, including an investment register, to ensure control over investments.

Council has adopted an Investment Policy "3.2– Investment Policy", to ensure control over investments.

The Council has granted delegated authority to the Chief Executive Officer under Delegation 5.3 to transfer surplus funds, not required by the Shire for immediate use, to an appropriate secured investment account/term deposit.

Observations

The Shire has an Investment Register, but it does not meet the requirements of the regulations. Transactions relating to the investment are not recorded in the current register.

3.5 CYBER AND CRIME INSURANCE COVER

The Shire does have insurance cover for commercial crime and cyber liability, which includes protection for fraud, theft, forgery and third-party computer crime with limit for any one occurrence of \$100,000.

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4.0 PROPER MAINTENANCE AND SECURITY OF THE SHIRE'S FINANCIAL RECORDS

The Chief Executive Officer, pursuant to section 6.5 of the Local Government Act 1995, is to ensure that, accounts and records are kept in accordance with regulations, proper accounts and records of the transactions and affairs of the local government are kept, and to keep them up to date. Further, Regulation of the Local Government (Financial Management) Regulations 1996 requires that:

- 'No separate ward accounts are to be kept'.

4.1 FINANCIAL AND ACCOUNTING RESPONSIBILITY

The Deputy Chief Executive Officer is responsible for the financial and accounting function of the Shire. Procedures have been implemented for the maintenance and security of financial records of the Council. Those procedures, the current internal controls, and the engagement of Wallis Computer Solutions to assist with information technology support services, provides a sound foundation for the financial records to be maintained.

4.2 CORPORATE INFORMATION TECHNOLOGY NETWORK

The Shire's corporate network comprises the following:

- Hardware:
- 1 physical server with five virtual servers for virtual hosting, domain control, remote desktop, applications, and mail.
 - Administration – 14 desktop/laptop computers and associated peripherals;
 - Police Licensing – 1 stand-alone desktop computer;
- Software:
- SynergySoft/Altus software, the Shire's financial accounting software comprising of the following modules - rates, payroll, general ledger, works/job costing, plant costing, accounts receivable, accounts payable, purchase orders, receipting, reserves, assets, bank reconciliations, dogs, property, customer services, and trust.
 - Microsoft Office for word processing and spreadsheets.
 - Trelis – Department of Transport licensing software.
 - RAMM – an internet-based asset inventory and management system for roads.
 - Metrocount – Traffic counting software.
- Security:
- Staff are issued with an individual login and unique password to access the Shires corporate network. Individual login passwords utilised by staff accessing the financial system; passwords are not currently force changed every month but this is under consideration. The periodic force changing of user login passwords is considered an appropriate security practice.

The servers are the key storage medium for financial records and all the accounting and financial data is maintained on the above-mentioned systems.

4.3 DATA BACKUP

The Shire utilises the services of Wallis Computer Solutions, an Information and Communications Technology company located in Dalwallinu.

The back-up system implemented is a DATTO solution with automated, verified backups stored locally and in the cloud.

The Shire does not receive regular notifications advising that the back-up has been successfully performed.

No test restore of data has been performed to ensure back-up is working.

The Shire does not have an ICT Disaster Recovery Strategy, or an ICT Data Backup and Recovery guideline.

Observations

- (a) The local government does not test and validate data backups regularly.
- (b) The local government does not have an IT Disaster Recovery Plan/Strategy or ICT Data backup and Recovery Guideline.

4.4 ELECTRONIC BREAKDOWN INSURANCE

The Shire's membership of the Municipal Property Scheme provides, under section 1, electronic break down insurance cover, to a maximum of \$200,000 for any one event. Insurance cover of \$200,000, under section 2, for any one event is provided for electronic data restoration (loss of information); and cover is in place for any one event relating to increased costs of working (avoiding or diminishing interruption to the business). This provides a level of protection for the Shire should there be an instance where electronic data is lost, and significant resources need to be engaged to recover or re-enter the lost data.

4.5 ADMINISTRATION CENTRE SECURITY

Council has installed a security key-pad for entry into the Administration Centre. A unique pin code is entered to access the administration centre.

4.6 STORAGE OF FINANCIAL REPORTS

Hard copies of relevant reports produced by the SynergySoft system, annual budgets, annual financial statements and the plan for the future are retained and stored in the records room.

5.0 ENSURE PROPER ACCOUNTING FOR ALL INCOME, EXPENDITURE, ASSETS, LIABILITIES OF THE MUNICIPAL AND TRUST FUNDS

5.1 ACCOUNTING POSITIONS AND PROCEDURES

The current accounting positions and procedures have been structured to ensure the Shire currently complies with the requirements of the Local Government Act 1995 and its Regulations, and the Australian Accounting Standards.

Observations

Each position has informal documented procedures for tasks performed.

It is suggested that these informal procedures be compiled into detailed formalised procedures, with screenshots at critical stages of the process. This will allow any employee to temporarily fill a position in an emergency and follow the procedure document.

5.2 MUNICIPAL FUND BANK ACCOUNT

The Municipal Fund bank account has been established to ensure the Shire complies with Sections 6.6, 6.7 and 6.10 of the Local Government Act 1995 and Regulations 8 and 10 of the Local Government (Financial Management) Regulations 1996.

The Shire conducts a bank reconciliation process at the end of the month utilising a manual reconciliation system, and verifies all transactions detailed on the bank statement match to those recorded in the general ledger in the SynergySoft financial system.

Observations

Sample testing was conducted of the Municipal Fund bank reconciliation for 30 November 2021, 31 December 2021, 30 April 2022, and 30 June 2022. The bank reconciliation balances were compared to the Monthly Financial Report.

The amounts appearing on the bank statement were verified in the respective bank accounts on the SynergySoft system, with the exception of the list of transactions yet to be recognised in the general ledger listed in the reconciliation itself. The bank reconciliation balance was reported correctly in the Monthly Statement of Financial Activity, however the figures in note 2 show the bank balance and not the general ledger balance.

The bank reconciliation for 30 June 2022 was not finalised at time of review.

It is suggested the outstanding unrecorded transactions totalling \$296,348.51 listed on the bank reconciliation be processed into the general ledger as a matter of urgency. This will ensure the trial balance of the Shire will reflect the reporting in the Annual Financial Report submitted to the auditors and reduce the potential for errors and imbalances moving forward.

5.3 TRUST FUND

The Shire has no monies held in the Trust Fund.

5.3 FINANCIAL SOFTWARE SYSTEM

The Deputy CEO monitors the operations of the Financial Software System on an ongoing basis along with IT consultants Wallis Computer Solutions. Wallis Computer Solutions are contracted to provide information technology support services to the Shire. This ensures secure data protection and the Shire's financial management functions are being appropriately carried out.

5.4 POSITION DESCRIPTIONS AND KEY DUTIES AND RESPONSIBILITIES

The Position Descriptions define the objectives, key duties and responsibilities for each of the accounting positions.

Observations

The Position Descriptions provide for adequate segregation of financial management duties.

5.5 PROFESSIONAL DEVELOPMENT FOR STAFF

The Shire does not have a policy that addresses staff training and professional development opportunities including attendance at conferences and/or seminars. It does have an 'Education and Assistance Policy' that outlines support for courses of study.

Observations

It is suggested that the Council consider developing a policy on Staff Training and Professional Development, as this is an important avenue for staff to further enhance their skills and knowledge in managing the Shire's financial records.

5.6 MAPPED PROCESSES

Mapped processes for accounts payable, accounts receivable, stock on hand and petty cash were prepared as part of the review process. These have been tested for internal control measures.

Observations

Accounts Payable mapped process weaknesses:

- (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.

Accounts Receivable mapped process weaknesses:

- (a) There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.

Stock on Hand mapped process weaknesses:

- (a) A stock valuation report was not produced to verify opening balances plus stock movements equals fuel closing balance.
- (b) Synergysoft stock valuation report balance at the end of each month is not verified to the B.Smart fuel system balance.

Petty Cash mapped process weaknesses:

- (a) A petty cash recoup form is not utilised to summarise receipts, code each expense transaction and provide a total for the amount of the recoup.
- (b) When the petty cash recoup is undertaken, it is not reviewed and certified by a supervisor prior to reimbursement and recoup being performed.
- (c) A supervising officer does not review the petty cash invoice batch report prior to update by the FAO. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.

Cheque and EFT Payment Observations

1001 payments were reviewed from November 2021 to 31 October 2022; with 31 sample tested and analysed for compliance with the following:

- (a) Purchase order had been raised for purchase and was attached with suppliers' invoice to payment voucher;
- (b) Certification stamp on supplier invoice was signed by ordering or receiving officer that goods had been received in appropriate condition or services had been rendered at appropriate standard;
- (c) Certification stamp on supplier invoice was signed by ordering officer noting that computations of invoice had been checked;
- (d) Authorisation stamp on supplier invoice was signed by ordering officer or Supervisor confirming that the invoice was approved for payment;
- (e) Purchasing policy requirements in relation to quotations or tenders had been met.

The analysis of the 31 payments revealed:

- (a) There were 2 errors in the GST coding of supplier invoices, resulting in the overclaiming of entitled GST credits.

6.0 PROPER AUTHORISATION FOR THE INCURRING OF LIABILITIES AND MAKING OF PAYMENTS

6.1 AUTHORISATION OF PURCHASE ORDERS AND MAKING OF PAYMENTS

Policy “3.11 – Purchasing Policy” details the purchasing thresholds for obtaining quotes and tenders. Policy “3.15 – Regional Price Preference Policy” requires Officers to consider regional businesses in their purchasing decisions and provide up to a 10% price preference to regional suppliers when obtaining quotations.

The Council, through Delegation 5.1, has granted authorisation to the CEO for the making of payments from the Municipal and Trust Funds, and the reporting to Council of such payments.

The Shire uses the Altus Electronic Purchase Order module. The module permits the assigning of business rules to purchasing thresholds and to positions. This ensures each purchase order complies with the purchasing policy value requirements assigned to positions, and the number of quotations required for each value threshold, whether written or verbal. The business rules require each purchase order to be authorised by an approved officer, prior to the purchase order being released for issue to a supplier.

Observations

All purchase orders issued for the sample period between November 2021 to October 2022 had appropriate number of quotations obtained.

Regulations 11 and 12 of the Local Government (Financial Management) Regulations 1996 have been observed in relation to the payment of accounts.

6.2 SIGNING OF CHEQUES AND AUTHORISING ELECTRONIC FUNDS TRANSFERS

The Council, pursuant to Section 5.42 of the Local Government Act 1995 and Delegation 5.1, has delegated the responsibility for the payment of invoices from the Municipal and Trust Funds to the Chief Executive Officer.

In accordance with section 5.44 of the Local Government Act 1995, the CEO has sub-delegated that responsibility to the Manager Corporate & Community Services (MCCS), and Manager Works & Assets.

Observation

A recent restructure of the organisation has occurred, with several positions being renamed. The Delegations Register and Policy Manual still refer to positions that no longer exist.

It is suggested that the Delegations Register and Policy Manual be reviewed in detail, specifically those relating to finance, to ensure the positions and the powers delegated reflect the current organisational structure.

6.3 CORPORATE CREDIT CARDS AND FUEL CARDS

Regulation 11 of the Local Government (Financial Management) Regulations 1996 requires a local government to:

“develop procedures for the authorisation of, and the payment of, accounts to ensure that there is effective security for, and properly authorised use of —

cheques, credit cards...”

The Shire of Dowerin has adopted Policy “3.10 Corporate Credit Card” relating to the use of credit cards.

Two corporate credit cards have been issued, one to the CEO and one to the Deputy CEO.

The Shire has implemented a monthly credit card reconciliation worksheet for the responsible officers to complete that lists the date of the expense incurred, then general ledger the expense is recorded to, particulars of each transaction and its purpose, the total value of the transaction and any GST incurred.

This reconciliation is counter-signed by the Shire President and included as part of the monthly financial reports presented to Council in the Agenda.

6.4 TENDERS REGISTER

Regulation 17 of the Local Government (Functions and General) Regulations 1996 requires local government to:

“...keep a ‘Tenders Register’ which is to include:

- (i) a brief description of the goods or services required;*
- (ii) particulars of the making of the decision to invite tenders;*
- (iii) particulars of -*
 - (A) any notice by which expressions of interest from prospective tenderers was sought;*
 - (B) any list of acceptable tenderers that was prepared under regulation 23(4);*
- (iv) a copy of the notice of the invitation to tender;*
- (v) the name of each tenderer whose tender has been opened; and*
- (vi) the name of any successful tenderer.”*
- (vii) the amount of consideration sought in the tender accepted.*

Observations

At the time of inspection of the Tender Register, it was noted that the Register did not contain any particulars of the making of the decision to invite tenders. The Register was updated at the time of review to include the necessary information, so no further action is required.

6.5 CERTIFICATION OF INVOICES FOR PAYMENT

The certification of invoices for payment on receipt of goods and services is the responsibility of the officer initiating the purchase order.

Observations

The relevant ordering or receiving officer is required to certify supplier invoices for payment prior to their entry into the Creditors system in SynergySoft.

6.6 PURCHASING POLICY

The Council has adopted a purchasing policy that meets the requirements of Functions and General Regulation 11A.

6.7 COMPLIANCE WITH COUNCIL'S PURCHASING POLICY

It is understood that officers initiating the purchase orders and certifying the invoices for payment are fully aware of the requirements of the Shire's adopted purchasing policy, and of the Local Government Act 1995 requirements, concerning the necessity to ensure provision has been made in the Shire's annual budget before expenditure is incurred.

Purchasing thresholds in the Shire of Dowerin Purchasing Policy 3.11 are as follows:

Amount of Purchase	Policy Requirements
Up to \$5,000	Obtain at least one (1) verbal or written quotation from a suitable supplier in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1).
\$5,001 to \$20,000	Seek at least three (3) verbal or written quotations from suitable suppliers in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1).
\$20,001 - \$50,000	Seek at least three (3) written quotations from suitable suppliers in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1) except if purchasing from a WALGA PSA, CUA or other tender exempt arrangement, where a minimum of one (1) written quotation is to be obtained.
\$50,001 - \$250,000	Seek at least three (3) written responses from suppliers by invitation under a formal Request for Quotation in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1).
Over \$250,000	Tender Exempt arrangements (i.e. WALGA PSA, CUA or other tender exemption under F&G Reg.11(2)) require at least three (3) written responses from suppliers by invitation under a formal Request for Quotation in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1); or Public Tender undertaken in accordance with the Local Government Act 1995 and relevant Shire Policy and procedures.

Observations

Sample testing of payments and attached supporting documentation from November 2021 to October 2022 revealed there were no instances where there was non-compliance with the Shire's Purchasing Policy. A total of 31 payments were included in the sample testing out of 1001 total payments for the period.

The Shire has a Regional Price Preference Policy and when applied, requires Officers to consider regional businesses in their purchasing decisions and provide up to a 10% price preference to regional suppliers when obtaining quotations.

6.8 AUSTRALIAN TAXATION OFFICE BAS PAYMENTS

The Shire prepares Business Activity Statements (BAS) on a monthly basis and submits them to the Australian Taxation Office via the Business Portal. A review of monthly BAS returns from November 2021 to October 2022 was undertaken.

Observations

The review highlighted that the BAS returns for July, August and September 2022 were lodged after the due date.

6.9 MAPPED PROCESSES

Mapped process for accounts payable has been maintained by the Shire.

Observations

Analysis of the Accounts Payable mapped process indicated there was one weakness present:

- (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.

7.0 MAINTENANCE OF PAYROLL, STOCK CONTROL AND COSTING RECORDS

7.1 PAYROLL SYSTEM

The Shire's payroll system is integrated into the Synergy financial accounting System, with works costing and plant costing completed at timecard entry level. Data is posted directly in batch form, into the Shire's accounting system, updating the cost ledgers, payroll system and general ledger.

7.2 STOCK CONTROL

Diesel fuel is held as Stock on Hand, with a computerised register detailing fuel held as at 30 June 2022.

Fuel stock is controlled via the Synergy Stores module, with issues made based on the average fuel price from fuel purchases made.

Fuel issues from Dowerin depot is recorded via the B.Smart mobile phone app. Each plant item is linked to the vehicle registration identification. The employee filling the plant uses the mobile phone app, selects the plant registration number, then selects the bowser to initiate the flow of fuel. The app records the amount of fuel issued to the cloud database against the plant id. The app also shows the fuel held in litres at the end of the month.

The Deputy CEO downloads the fuel issues data at the end of the month and prepares a fuel issues worksheet by plant id. This data is then entered via the Stores issues module to allocate fuel use at the end of the month to each individual plant.

Observations

- (a) It was noted that a stock valuation report was not produced to verify opening balances plus stock movements equals fuel closing balance.
- (b) Synergysoft stock valuation report balance at the end of each month is not verified to the B.Smart fuel system.
- (c) It was noted that the incorrect average price was used for fuel issues during the year, however this was corrected at 30 June 2022 by an adjusting entry.

7.3 COSTING RECORDS

The Shire operates a subsidiary cost ledger within its financial accounting software.

Plant utilisation is recorded on the electronic timecards recorded by staff and certified by the Works Coordinator. The data recorded is posted directly to the Shires works costing and plant costing ledgers via payroll, and then updated to the general ledger.

7.4 MAPPED PROCESSES

Mapped processes for accounts payable, accounts receivable, stock on hand and petty cash were prepared as part of the review process. These have been tested for internal control measures.

Observations

Stock on Hand mapped process weaknesses:

- (a) A stock valuation report was not produced to verify opening balances plus stock movements equals fuel closing balance.

- (b) Synergysoft stock valuation report balance at the end of each month is not verified to the B.Smart fuel system balance.

Payroll mapped process weakness:

- (a) Analysis of the Payroll mapped process indicated there was no weaknesses present in the fortnightly payroll process.

It was identified that there was a weakness in the review and certification process at year end when balancing the Single Touch Payroll (STP) data to the Shire's payroll information system.

Our review highlighted that the STP file data was not correctly reconciled to the Altus payroll information and the Synergysoft Gross Salaries and Wages data. Further investigation identified a number of deductions were being deducted before tax, which potentially understated the taxable income of the employees affected or may have Fringe Benefits Tax implications for the Shire.

8.0 PREPARATION OF BUDGET ACCOUNTS AND REPORTS REQUIRED BY THE LOCAL GOVERNMENT ACT AND THE FINANCIAL MANAGEMENT REGULATIONS

8.1 PREPARATION OF ANNUAL BUDGET AND ANNUAL FINANCIAL REPORT

The Shire prepares its annual budgets and annual financial statements; and has complied with the requirements of the *Local Government Act 1995* and its associated regulations.

8.2 PLAN FOR THE FUTURE

The Shire has developed a Plan for the Future, including a Strategic Community Plan (2021-2031) and a Corporate Business Plan (2021-2024).

The Shire has a range of informing strategies including Long Term Financial Plan (last adopted in 2022), Asset Management Plan (adopted in July 2022).

The Shire is currently reviewing its Workforce Plan.

8.3 FEES AND CHARGES

Systems and procedures have been established for reviews of fees and charges to be undertaken at least once in each financial year. This review is carried out during the annual budget preparation process and the basis of determining fees and charges takes into account the specific requirements of section 6.16 to 6.19 of the *Local Government Act 1995*.

Observations

The 2022/23 Schedule of Fees and Charges was adopted by the Council at its meeting on 21 June 2022 via Resolution 0607.

It was noted that the 2022-2023 Schedule of Fees and Charges lists CHSP fees and HCP fees as including GST. The Commonwealth Government *GST-free Supply (Care) Determination 2017* provides for these fees to be GST free, as:

- (a) The Shire receives funding from the Commonwealth in connection with the supply; and
- (b) The supply is made to a targeted person; and
- (c) The supply is a listed service for a targeted person.

8.4 PRESENTATION OF MONTHLY FINANCIAL REPORTS TO COUNCIL

The following reports are presented on a monthly basis to Council for consideration:

- (a) Statement of Financial Activity by Program and by Nature/Type;
- (b) Cash and Financial Assets;
- (c) Receivables;
- (d) Other Current Assets;
- (e) Payables;
- (f) Rate Revenue;
- (g) Disposal of Assets;

- (h) Capital Acquisitions;
- (i) Borrowings;
- (j) Cash Reserves;
- (k) Other Current Liabilities;
- (l) Operating grants and contributions;
- (m) Non-operating grants and contributions;
- (n) Budget amendments;
- (o) Explanation of Material Variances; and
- (p) List of payments detailing invoice payments made and to be endorsed by the Council;

The financial reports presented to Council are in accordance with section 6.4 of the Local Government Act 1995 and Local Government (Financial Management) Regulation 34 and Regulation 12 and 13.

9.0 INTERNAL CONTROL EVALUATION

Internal control is defined as a process effected by the Council and management designed to provide reasonable assurance regarding the achievement of objectives in the following categories-

- (1) Reliability of financial reporting;
- (2) Compliance with applicable laws; and
- (3) Effectiveness and efficiency of operations.

The internal control systems reviewed in this report are limited to the controls that ensure financial information is accurate and reliable; compliance with laws and regulations is attained; and effective and efficient operations is achieved.

The Internal Control Evaluation Forms attached to this report summarise the control conditions evaluated for the following areas-

- (1) Sales, Debtors and Cash Receipts;
- (2) Purchases, Creditors and Cash Payments;
- (3) Property, Plant and Equipment;
- (4) Inventories and Cost of Sales;
- (5) Cash at Bank; and
- (6) Payroll.

The Evaluation Forms also identify any weaknesses associated with each control objective assessed.

The Shire of Dowerin has enhanced its control environment by setting policies and procedures. The segregation of duties has been examined in detail through the process maps attached to this report; and roles and responsibilities of employees verified to the position descriptions.

The Internal Control Evaluation undertaken included approvals, authorisations, reconciliations, reviews of performance, security of assets, and segregation of duties. A copy of the Internal Control Evaluation is attached at Attachment 2. The Evaluation has identified the following weaknesses for Councils consideration-

- (1) 30-250.1.1 – All sales invoices raised are properly supported/validated with documentation.
 - (a) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.

It is recommended the Deputy CEO undertake the role of reviewing, checking sales invoices raised and to certify debtor invoice batch listings to improve internal controls.

- (b) Sales invoices raised not in accordance with Schedule of Fees & Charges.

9 invoices out of a sample of 49 invoices examined revealed the charges raised were not in accordance with the Schedule of Fees & Charges adopted by Council.

It is recommended the Deputy CEO undertake the role of reviewing, checking sales invoices raised and to certify debtor invoice batch listings to improve internal controls and ensure fees charged are in accordance with the Schedule of Fees and Charges adopted.

- (c) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.

An inspection of the Monthly Reconciliations file revealed that a debtors ledger reconciliation was not performed for the months of July and October 2022.

It is recommended that a reconciliation of the debtor's general ledger control account is done to the debtor's subsidiary ledger at the end of each month, and counter-signed by the Deputy CEO.

- (2) 30-250.1.2 – All sales invoices are bona-fide.

- (a) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.

It is recommended the Deputy CEO undertake the role of reviewing, checking sales invoices raised and to certify debtor invoice batch listings to improve internal controls and ensure all invoices raised are bona-fide.

- (3) 30-270.2.2 – All sales invoices are correctly recorded in the accounts.

- (a) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.

An inspection of the Monthly Reconciliations file revealed that a debtors ledger reconciliation was not performed for the months of July and October 2022.

It is recommended that a reconciliation of the debtor's general ledger control account is done to the debtor's subsidiary ledger at the end of each month, and counter-signed by the Deputy CEO.

- (b) There is a lack of segregation between the invoice raiser and the invoice approver.

It is recommended the Deputy CEO undertake the role of reviewing, checking sales invoices raised and to certify debtor invoice batch listings to improve internal controls and ensure all invoices raised are bona-fide.

- (4) 30-270-2-4 – All cash receipts are deposited.

- (a) Bank reconciliations for the months of July 2022 to October 2022 were not finalised.

It is recommended that bank reconciliations are finalised as any omission of receipts and payments will impact on the accuracy of the monthly financial reporting.

- (5) 30-270.2.5 – All cash sales/miscellaneous receipts are accounted for.

- (a) Investment Register is not maintained for investments.

It is recommended that an investment register be established that meets the requirements of Financial Management Regulation 19(2).

- (b) Report on Investments not prepared in accordance with Policy 3.2.

Policy 3.2 requires a report on investments containing the information in Financial Management Regulation 19(2) be prepared and submitted to Council.

It would appear the monthly financials do not appear to meet the requirements of the Council Policy 3.2.

It is recommended the Deputy CEO prepare a monthly report that meets the requirements of Council Policy 3.2, or Policy 3.2 be reviewed and amended to remove this requirement if considered no longer relevant.

- (6) 30-330.4.1 – Sales invoices are correctly calculated.

- (a) A series of fees and charges levied via sales invoices were not in accordance with the Schedule of Fees and Charges adopted by Council, and some fees included GST when they should be GST free.

It is recommended that all debtor invoices have supporting documentation attached to them to allow the verification of the nature of the services provided and the fee being charged, and to ensure the fee charged is correct.

It is recommended that the CHSP and HCP fees be reviewed for compliance with the GST Act.

It is recommended that the Deputy CEO undertake the role of checking invoices raised and to certify debtor batch listings to improve internal controls.

- (b) There is a lack of segregation between the invoice raiser and the invoice approver.

There was no evidence sighted that debtor invoices were reviewed and certified by a supervisor.

It is recommended the Deputy CEO undertake the role of reviewing, checking sales invoices raised and to certify debtor invoice batch listings to improve internal controls and ensure all invoices raised are bona-fide.

- (7) 31-250.1.1 - All purchases/expenses and related liabilities are supported by evidence of relevant goods or services being received.

- (a) Delegations and Policies require updating.

Delegation 4.2 records the incorrect tender threshold of \$150,000 – this should be \$250,000 as per Regulation 11A of the *Local Government (Functions and General) Regulations 1996*.

Policy 3.9 – Petty Cash and Floats currently includes a \$300 float for Dowerin Home Care, which is no longer in existence. It is also noted that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in Policy 3.9 or recorded in the Shire's financial records.

It is recommended the CEO undertake a comprehensive review of all delegations and policies to ensure they are consistent with legislation and ensure all cash floats are recorded in the Shires financial records.

- (b) Potential late lodgement of Business Activity Statements.

July 2022 to September 2022 Business Activity Statements were not available for inspection and may not have met the lodgement requirements set by the ATO.

It is recommended that the Deputy ensure all BAS lodgements are kept on file as a record of date of lodgement.

- (c) Incorrect calculation of GST on supplier invoices.

An inspection of supplier invoices and payments revealed two minor errors in relation to GST.

It is recommended the Deputy CEO undertake the role of reviewing and checking creditor invoices raised and to certify creditor invoice transaction batch listings to improve internal controls and ensure all payments record the correct GST.

- (8) 33-250.1.1 - Stocks and work-in-progress are adequately safeguarded.

- (a) Fuel allocations not processed in general ledger regularly.

It was noted on initial inspection fuel allocations had not been processed for the months of July 2022 to October 2022. The lack of an up-to-date stock system can have an impact on the Net Current Asset Position of the Shire as reported at month end and an understatement of expenditure.

- (b) Policy 4.1 – Fuel Stock Policy.

It is recommended this policy be reviewed and updated to reflect current procedures, use of electronic fuel system and current position titles.

- (c) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.

There was no evidence sighted that fuel issue transactions were reviewed and certified by a supervisor.

It is recommended the Deputy CEO undertake the role of reviewing and checking fuel issue transactions, and to certify fuel issue transaction batch listings to improve internal controls.

- (d) Discrepancy in value of Fuel on Hand.

A review of records showed that a diesel fuel stock adjustment at 30 June 2022 was made to the value of \$24,530.23 due to an incorrect unit price being used to calculate fuel issues.

It is recommended that fuel issues prices be reviewed regularly to ensure they are reflective of the current average unit cost of diesel purchased.

- (9) 33-270 All transactions are accurately recorded in the stock records and posted to the correct accounts.

- (a) Fuel allocations not processed in general ledger regularly.

It was noted on initial inspection fuel allocations had not been processed for the months of July 2022 to October 2022. The lack of an up-to-date stock system can have an impact on the Net Current Asset Position of the Shire as reported at month end and an understatement of expenditure.

- (b) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.

There was no evidence sighted that fuel issue transactions were reviewed and certified by a supervisor.

It is recommended the Deputy CEO undertake the role of reviewing and checking fuel issue transactions, and to certify fuel issue transaction batch listings to improve internal controls.

(10) 34-250.1.1 – Recorded cash funds exist.

- (a) Cash Floats held not reflected in financial records.

An inspection of the trial balance revealed that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in the Shire's financial records.

It is recommended the CEO ensure all cash floats are recorded in the Shires financial records.

- (b) Update of Financial Policies required.

Policy 3.9 – Petty Cash and Floats currently includes a \$300 float for Dowerin Home Care, which is no longer in existence. It is also noted that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in Policy 3.9.

It is recommended the CEO undertake a comprehensive review of all finance policies to ensure they are consistent with legislation and reflect current financial practices and cash floats held.

(11) 34-250.1.2 – Recorded Bank accounts exist.

- (a) Outstanding bank transactions not recorded in general ledger.

An examination of the Municipal bank reconciliation at 30 June 2022 revealed that \$296,348.51 worth of transactions were not recorded resulting in the cash at bank being understated in the annual financial report.

It is recommended the outstanding unrecorded transactions totalling \$296,348.51 listed on the bank reconciliation be processed into the general ledger as a matter of urgency. This will ensure the trial balance of the Shire will reflect the reporting in the Annual Financial Report submitted to the auditors and reduce the potential for errors and imbalances moving forward.

(12) 36-270 Recorded payroll transactions are correctly summarised and posted.

- (a) Single Touch Payroll (STP) report not reconciled to Gross Salaries & Wages general ledger account.

An inspection of the STP report showed that deductions for housing bonds and child support payments had been set up as pre-tax deductions from employee pays when the system conversion to ALTUS payroll was undertaken. The set-up of the deductions as pre-tax has resulted in the Shire not deducting the correct tax from the employees pay.

Further, the pre-tax deductions afforded are deemed to be fringe benefits under the *Fringe Benefits Tax Act 1986* and no exemption provisions exist under the legislation to reduce the FBT liability associated with providing the fringe benefit and reduction of pay as you go withhold tax (PAYGW).

It is recommended that the CEO:

- (i) amend the housing bond deduction and child support deduction set-up so they are designated as post-tax deductions; and
- (ii) consider what action needs to be taken in relation to the FBT and PAYGW implications as a result of these deductions being incorrectly set up on the ALTUS payroll system as pre-tax deductions.

10.0 REGISTERS

The Local Government Act and its regulations provides that the following registers relating to financial management matters be maintained:

Tender Register	Section 3.57 of the <i>Local Government Act 1995</i> and Regulation 17 of the <i>Local Government (Functions and General) Regulations 1996</i> .
Financial Interest Register	Section 5.88(2) of the <i>Local Government Act 1995</i> and Regulation 28 of the <i>Local Government (Administration) Regulations 1996</i> .
Electoral Gifts Register	Section 4.59 of the <i>Local Government Act 1995</i> and Regulation 30G of the <i>Local Government (Election) Regulations 1997</i> .
Gifts Register (Code of Conduct)	Section 5.103(3) of the <i>Local Government Act 1995</i> and Regulation 34B(3) of the <i>Local Government (Administration) Regulations 1996</i> .
Annual Return	Section 5.76 of the <i>Local Government Act 1995</i> and Regulation 23 of the <i>Local Government (Administration) Regulations 1996</i> .
Primary Return	Section 5.75 of the <i>Local Government Act 1995</i> and Regulation 22 of the <i>Local Government (Administration) Regulations 1996</i> .
Investment Register	Regulation 19 of the <i>Local Government (Financial Management) Regulations 1996</i> .

Observations

A review undertaken revealed that all the above-mentioned registers, except the Investment Register, are maintained in accordance with the legislation by the Shire.

The Shire currently does not maintain an Investment Register that meets the requirements of Regulation 19 of the *Local Government (Financial Management) Regulations 1996*.

11.0 OTHER MATTERS

In order to undertake a review of the appropriateness and effectiveness of the Shire's Financial Management Systems and procedures it was necessary to carry out a review of the Shire's financial delegations and policies.

Areas identified where a Policy would be of benefit include:

1. A policy framework on employee professional development and staff training;
2. A policy framework on internal controls; and
3. A policy framework on legislative compliance.

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12.0 FINDINGS

Proper Collection of All Money Owing to the Shire

- (1) There was no evidence that a recent review of rate exempt properties had been performed in the last 4 years.

Periodic reviews of non-rateable properties should be performed to ensure any properties granted rate exemption under Section 6.26 of the *Local Government Act 1995* meet the exemption requirements.

To assist with the rate exemption status reviews, a Rate Exemption register should be maintained and record information such as assessment number, property address, suburb/town, ratepayer, use of property, exemption reason, exemption description, review date and land use.

It is suggested the review period be performed at least once every 2 years.

- (2) The Shire's Petty Cash Policy – 3.9 needs to be updated to remove the float for the Dowerin Home Care; and add the \$50 float held for the Home Care Gentle Gym and the \$200 float for the swimming pool.
- (3) There is no evidence to support a check is performed by a supervisor of the CHSP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several CHSP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.
- (4) The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care services provided under a CHSP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to CHSP clients for their contribution to the CHSP services, when in actual fact it should be GST-free. It is suggested the Shire review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$15 to \$14).
- (5) There is no evidence to support a check is performed by a supervisor of the HCP customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several HCP debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately. It is suggested that the Home Care Coordinator review and sign each HCP debtor invoice batch report to certify the report as being checked to the SMS reports, to strengthen internal controls.
- (6) The Commonwealth Government *GST-free Supply (Care) Determination 2017* designates all home care package services provided under an HCP funding arrangement as GST-free supplies. The Shire has been charging a GST inclusive fee to HCP clients for their contribution to the HCP services, when in actual fact it should be GST-free. It is

suggested the Shire review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price (change from \$60 to \$55).

- (7) The July 2021 HCP subsidy of \$31,679.52 received on 17 August 2021 was receipted with GST of \$2,879.96 deducted from the amount, resulting in the Shire overpaying its GST liability. It is suggested the Shire lodge a BAS amendment for August 2021 to claim back the GST overpayment.
- (8) The Accounts Receivable process has the following weakness:
 - (a) There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately. It is suggested that the Deputy CEO review each debtor invoice batch report and certify the report as being checked to strengthen internal controls
- (9) The Mail/Cashiering process has the following weakness:
 - (a) Cheques or money orders received via the mail are not recorded in the Excel Inwards Mail Register. It is an important internal control function to keep a record of all cheque payments received via the mail. It was noted that the number of cheques received via the mail is very minimal.

Safe Custody and Security of all Money Collected and held by the Shire

- (10) The swimming pool contractor is issued with a \$200 float from the strong room at the beginning of each pool season. There is no record of this float in the balance sheet or in Policy 3.9.
- (11) The Home Care Gentle Gym has a cash float of \$50. There is no record of this float in the balance sheet or in Policy 3.9.
- (12) Cash takings for gentle gym fees are not receipted in Synergy on the day received by Home Care Administration Support Officer (HCASO). The cash received is held until the end of the month and then receipted.
- (13) The Shire has an Investment Register, but it does not meet the requirements of the regulations. Transactions relating to the investments are not recorded in the current register.

Proper Maintenance and Security of the Shire's Financial Records

- (14) The local government does not test and validate data backups regularly.
- (15) The local government does not have an IT Disaster Recovery Plan/Strategy or ICT Data backup and Recovery Guideline.

Ensure Proper Accounting for all Income, Expenditure, Assets, Liabilities of the Municipal and Trust Funds

- (16) There are only informal procedures for key financial tasks. It is suggested that these informal procedures be compiled into detailed formalised procedures, with screenshots at critical stages of the process. This will allow any employee to temporarily fill a position in an emergency and follow the procedure document`.
- (17) Sample testing was conducted of the Municipal Fund bank reconciliation for 30 November 2021, 31 December 2021, 30 April 2022, and 30 June 2022. The amounts appearing on the bank statement were verified in the respective bank accounts on the SynergySoft system, with the exception of the list of transactions yet to be recognised in the general ledger listed in the reconciliation itself. The bank reconciliation balance was reported correctly in the Monthly Statement of Financial Activity, however the figures in note 2 show the bank balance and not the general ledger balance. The bank reconciliation for 30 June 2022 was not finalised at time of review. It is suggested the outstanding unrecorded transactions totalling \$296,348.51 listed on the bank reconciliation be processed into the general ledger as a matter of urgency. This will ensure the trial balance of the Shire will reflect the reporting in the Annual Financial Report submitted to the auditors and reduce the potential for errors and imbalances moving forward.
- (18) It is suggested that the Council consider developing a policy on Staff Training and Professional Development, as this is an important avenue for staff to further enhance their skills and knowledge in managing the Shire's financial records.
- (19) The Accounts Payable process has the following weakness:
 - (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.
- (20) The Accounts Receivable process has the following weakness:
 - (a) There is no check performed by a supervisor of the customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report. Several general debtor invoice batch reports were sampled and there was no evidence of a review by a supervisor. This independent check would provide internal control measures that data entry is occurring correctly including GST being reported appropriately.
- (21) The Petty Cash process has the following weaknesses:
 - (a) A petty cash recoup form is not utilised to summarise receipts, code each expense transaction and provide a total for the amount of the recoup.
 - (b) When the petty cash recoup is undertaken, it is not reviewed and certified by a supervisor prior to reimbursement and recoup being performed.
 - (c) A supervising officer does not review the petty cash invoice batch report prior to update by the FAO. This independent check would provide internal control

measures that data entry is occurring correctly including GST being reported appropriately.

- (22) The analysis of the 31 payments revealed there were 2 errors in the GST coding of supplier invoices, resulting in the overclaiming of entitled GST credits.

Proper Authorisation for the Incurring of Liabilities and Making of Payments

- (23) A recent restructure of the organisation has occurred, with several positions being renamed. The Delegations Register and Policy Manual still refer to positions that no longer exist. It is suggested that the Delegations Register and Policy Manual be reviewed in detail, specifically those relating to finance, to ensure the positions and the powers delegated reflect the current organisational structure.
- (24) At the time of inspection of the Tender Register, it was noted that the Register did not contain any particulars of the making of the decision to invite tenders. The Register was updated at the time of review, so no further action is required.
- (25) The review of the lodgement of Business Activity Statements (BAS) highlighted the BAS returns for July, August and September 2022 were lodged after the due date.
- (26) The Accounts Payable process has the following weakness:
- (a) Supplier invoice batch reports are not reviewed by a supervisor and authorised for update prior to updating by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.

Maintenance of Payroll, Stock Control and Costing Records

- (27) Diesel fuel is held as stock on hand. A review of the stock management process highlighted:
- (a) a stock valuation report was not produced to verify opening balances plus stock movements equals fuel closing balance.
 - (b) the incorrect average price was used for fuel issues during the year; however this was corrected at 30 June 2022 by an adjusting entry.
- (28) The Single Touch Payroll data file was not correctly reconciled to the SynergySoft gross salaries and wages paid data.

Preparation of Budget Accounts and Reports required by the Local Government Act and the Financial Management Regulations

- (29) The local governments Workforce Plan is currently under review.
- (30) The Schedule of Fees and Charges lists CHSP fees and HCP fees as including GST. The Commonwealth Government *GST-free Supply (Care) Determination 2017* provides for these fees to be GST free, as:

- (a) The Shire receives funding from the Commonwealth in connection with the supply; and
- (b) The supply is made to a targeted person; and
- (c) The supply is a listed service for a targeted person.

Internal Control Evaluation

(31) The Internal Control Evaluation has identified the following weaknesses-

- (a) 30-250.1.1 – All sales invoices raised are properly supported/validated with documentation.
 - (i) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.
 - (ii) Sales invoices raised not in accordance with Schedule of Fees & Charges.
9 invoices out of a sample of 49 invoices examined revealed the charges raised were not in accordance with the Schedule of Fees & Charges adopted by Council.
 - (iii) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.
- (b) 30-250.1.2 – All sales invoices are bona-fide.
 - (i) Invoices raised are not reviewed and checked to the Debtors Batch Transaction Listing by a Supervisor and are not verified to supporting documentation.
- (c) 30-270.2.2 – All sales invoices are correctly recorded in the accounts.
 - (i) Reconciliation of debtor's general ledger control account to the debtor's subsidiary ledger is not performed consistently.
 - (ii) There is a lack of segregation between the invoice raiser and the invoice approver.
- (d) 30-270-2-4 – All cash receipts are deposited.
 - (i) Bank reconciliations for the months of July 2022 to October 2022 were not finalised.
- (e) 30-270.2.5 – All cash sales/miscellaneous receipts are accounted for.
 - (i) Investment Register is not maintained for investments in accordance with the Regulations.

It is suggested the investment register be amended to include the information required by Financial Management Regulation 19(2).
 - (ii) Report on Investments not prepared in accordance with Policy 3.2

Policy 3.2 requires a report on investments containing the information in Financial Management Regulation 19(2) be prepared and submitted to Council.

- (f) 30-330.4.1 – Sales invoices are correctly calculated.
- (i) A series of fees and charges levied via sales invoices were not in accordance with the Schedule of Fees and Charges adopted by Council, and some fees included GST when they should be GST free.
- It is suggested that all debtor invoices have supporting documentation attached to them to allow the verification of the nature of the services provided and the fee being charged.
- It is suggested the Deputy CEO undertake the role of checking invoices raised and to certify debtor invoice batch listings to improve internal controls.
- (ii) There is a lack of segregation between the debtor invoice raiser and the invoice approver.
- (g) 31-250.1.1 - All purchases/expenses and related liabilities are supported by evidence of relevant goods or services being received
- (i) Delegations and Policies require updating.
- Delegation 4.2 records the incorrect tender threshold of \$150,000 – this should be \$250,000 as per Regulation 11A of the *Local Government (Functions and General) Regulations 1996*.
- Policy 3.9 – Petty Cash and Floats currently includes a \$300 float for Dowerin Home Care, which is no longer in existence. It is also noted that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in Policy 3.9 or recorded in the Shire's financial records.
- (ii) Potential late lodgement of Business Activity Statements.
- July 2022 to September 2022 Business Activity Statements were not available for inspection and may not have met the lodgement requirements set by the ATO.
- (iii) Incorrect calculation of GST on supplier invoices.
- (h) 33-250.1.1 - Stocks and work-in-progress are adequately safeguarded.
- (i) Fuel allocations not processed in general ledger regularly.
- (ii) Policy 4.1 – Fuel Stock Policy requires updating.
- (iii) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.
- (iv) Discrepancy in value of Fuel on Hand.
- A review of records showed that a diesel fuel stock adjustment at 30 June 2022 was made to the value of \$24,530.23 due to an incorrect unit price being used to calculate fuel issues.

- (i) 33-270 All transactions are accurately recorded in the stock records and posted to the correct accounts.
 - (i) Fuel allocations not processed in general ledger regularly.
 - (ii) There is a lack of segregation between the fuel issues raiser and the fuel issues approver.
- (j) 34-250.1.1 – Recorded cash funds exist.
 - (i) Cash Floats held not reflected in financial records.

An inspection of the trial balance revealed that cash floats provided to the swimming pool of \$200 and the Gentle Gym program of \$50 are not recorded in the Shire's financial records.
 - (ii) Update of Financial Policies required.
- (k) 34-250.1.2 – Recorded Bank accounts exist.
 - (i) Outstanding bank transactions not recorded in general ledger.

An examination of the Municipal bank reconciliation at 30 June 2022 revealed that \$296,348.51 worth of transactions were not recorded resulting in the cash at bank being understated in the annual financial report.
- (l) 36-270 Recorded payroll transactions are correctly summarised and posted.
 - (i) Single Touch Payroll (STP) report not reconciled to Gross Salaries & Wages general ledger account.

An inspection of the STP report showed that deductions for housing bonds and child support payments had been set up as pre-tax deductions from employee pays when the system conversion to ALTUS payroll was undertaken. The set-up of the deductions as pre-tax has resulted in the Shire not deducting the correct tax from the employees pay.

Further, the pre-tax deductions afforded are deemed to be fringe benefits under the *Fringe Benefits Tax Act 1986* and no exemption provisions exist under the legislation to reduce the FBT liability associated with providing the fringe benefit and reduction of pay as you go withhold tax (PAYGW).

13.0 IMPROVEMENT RECOMMENDATIONS

As a result of the findings, the following improvement recommendations are made:

- (1) That the CEO implement new internal control procedures for the reviewing of rate exempt properties, including the establishment of a rate exemption register, to strengthen internal controls.
- (2) That the CEO review Council Policy 3.9 to incorporate the floats for the swimming pool and Dowerin Home Care.
- (3) That the CEO implement new internal control procedures for Commonwealth Home Support Package (CHSP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.
- (4) That the CEO review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.
- (5) That the CEO implement new internal control procedures for Home Care Package (HCP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.
- (6) That the CEO review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.
- (7) That the CEO lodge a Business Activity Statement amendment for August 2021 to claim the GST overpayment related to the GST deducted from the HCP subsidy received on 17 August 2021.
- (8) That the CEO implement new internal control procedures for Accounts Receivable, where the Deputy CEO reviews each debtor invoice batch report and certifies the report as being checked to strengthen internal controls.
- (9) That the CEO implement new internal control procedures for Mail/Cashiering, where the officer opening the mail records cheque and money order payments in the Excel Inwards Mail Register.
- (10) That the CEO authorise the posting of a general journal entry to record the cash floats for the swimming pool of \$200 and Dowerin Home Care of \$50 in the balance sheet.
- (11) That the CEO implement new internal control procedures for Gentle Gym, where the cash taken at gentle gym classes is receipted on the day it is received at the office.
- (12) That the CEO implement an updated Investment Register that complies with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* requirements.

- (13) That the CEO obtain regular reports from the external IT provider that data backups have been validated and ensure an annual test of a full system restore is performed.
- (14) That the CEO implement an IT Disaster Recovery Plan/Strategy and an ICT Data backup and Recovery Guideline.
- (15) That the CEO implement formalised procedures for key financial tasks that will allow any employee to temporarily fill a position in an emergency.
- (16) That the CEO arrange for the outstanding unrecorded transactions totalling \$296,348.51 listed on the Municipal Fund bank reconciliation be processed into the general ledger as a matter of urgency.
- (17) That the CEO consider developing a policy on employee training and professional development.
- (18) That the CEO implement new internal control procedures for Accounts Payable where the Deputy CEO reviews and certifies the supplier invoice batch listing to supplier invoices prior to batch update by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.
- (19) That the CEO implement new internal control procedures for Petty Cash where:
 - (a) A petty cash recoup form is implemented to summarise petty cash receipts, code each expense transaction and provide a total for the amount of the recoup; and
 - (b) the Deputy CEO reviews and certifies the amount of the reimbursement and recoup before it is performed; and
 - (c) the Deputy CEO reviews and certifies the recoup reimbursement prior to entry into SynergySoft.
- (20) That the CEO undertake a review of the Delegations Register and Policy Manual to ensure position titles reflect those of the recent organisational restructure.
- (21) That the CEO implement new internal control procedures for diesel fuel stock where the Deputy CEO reviews and certifies a monthly stock valuation report to verify opening balances plus stock movements equals fuel closing balance.
- (22) That the CEO implement new internal control procedures for payroll to ensure the STP data file matches SynergySoft gross salaries and wages data.
- (23) That the CEO place a priority on the review of the Workforce Plan.
- (24) That the CEO prepare a report for Council to consider what action, if any, needs to be taken to address the findings and weaknesses identified in relation to the Internal Control Evaluation.

14.0 OPINION

The review of the Financial Management Systems and Procedures developed by the Shire of Dowerin indicates that, except for those matters identified in the findings and recommendations section of this report, they are appropriate and effective for the particular operations and size of the Shire. In addition, the review has concluded that, except where indicated in this report, the Shire has observed the requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

DRAFT

ATTACHMENT 1
SAMPLE POLICIES AND DELEGATIONS

DRAFT

Policy Type:	
Date Adopted:	

Policy No:	XX
Date Last Reviewed:	

Legal (Parent): <ol style="list-style-type: none"> 1. Local Government Act 1995 (As Amended) – Section 6.5. 2. Local Government Act 1995 (As Amended) – Section 7.13.
--

Legal (Subsidiary): <ol style="list-style-type: none"> 1. Regulation 5, Local Government (Financial Management) Regulations 1996. 2. Regulation 17, Local Government (Audit) Regulations 1996.

Delegation of Authority Applicable	Yes/No
Delegation Number	

Work Procedure Applicable	
Work Procedure Number	

ADOPTED POLICY	
Title:	INTERNAL CONTROL POLICY
Objective:	To provide a policy framework for the establishment of documented internal controls that are implemented based on risk management principles.

1.0 General

Systems of policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations. These systems not only relate to accounting and reporting but also include communication and organisational processes both internally and externally, staff management and error handling.

2.0 Internal Control Framework

An appropriate and effective internal control framework is the responsibility of all employees. All employees are accountable for implementing systems, controls, processes and procedures in their own area of responsibility and will play a part in the internal control framework in differing degrees.

The Audit Committee and Council are responsible for mandating that a strong internal control framework be implemented in order to have assurance of the good governance of the organisation. The Chief Executive Officer will report regularly to the Audit Committee and Council on the review and improvement to Council's internal control framework.

3.0 Monitoring, Reviewing and Reporting

A monitoring and reporting system will be implemented with will provide biannual reports to management, the Audit Committee and Council on the status of Risk Management, Internal Controls and Legislative Compliance within the local government, which will identify for specific areas for review.

Policy Type:	
Date Adopted:	

Policy No:	XX
Date Last Reviewed:	

Legal (Parent):
<ol style="list-style-type: none"> 1. Local Government Act 1995 (As Amended) – Section 6.5. 2. Local Government Act 1995 (As Amended) – Section 7.13.

Legal (Subsidiary):
<ol style="list-style-type: none"> 1. Regulation 5, Local Government (Financial Management) Regulations 1996; 2. Regulation 17, Local Government (Audit) Regulations 1996.

Delegation of Authority Applicable	No
Delegation Number	

Work Procedure Applicable	Yes
Work Procedure Number	XX

ADOPTED POLICY	
Title:	LEGISLATIVE COMPLIANCE POLICY
Objective:	To provide a policy framework for the establishment of documented processes and procedures to ensure the local government complies with legislative requirements

1.0 General

The local government will have appropriate processes and structures in place to ensure that legislative requirements are achievable and are integrated into the operations of the local government.

These processes and structures will aim to:-

- (a) Develop and maintain a system for identifying the legislation that applies to the Shire's activities.
- (b) Assign responsibilities for ensuring that legislation and regulatory obligations are fully implemented.
- (c) Provide training for relevant staff, Councillors, volunteers, and other relevant people in the legislative requirements that affect them.
- (d) Provide people with the resources to identify and remain up-to-date with new legislation.
- (e) Establish a mechanism for reporting non-compliance.
- (f) Review accidents, incidents, and other situations where there may have been non-compliance.
- (g) Review audit reports, incident reports, complaints, and other information to assess how the systems of compliance can be improved.

2.0 Roles and Responsibilities

(a) Councillors and Committee Members

Councillors and Committee members have a responsibility to be aware and abide by legislation applicable to their role.

(b) Senior Management

Senior Management should ensure that directions relating to compliance are clear and unequivocal and that legal requirements which apply to each activity for which they are responsible are identified. Senior Management should have systems in place to ensure that all staff are given the opportunity to be kept fully informed, briefed and/or trained about key legal requirements relative to their work within the financial capacity to do so.

(c) Employees

Employees have a duty to seek information on legislative requirements applicable to their area of work and to comply with the legislation.

Employees shall report through their supervisors to Senior Management any areas of non-compliance that they become aware of.

3.0 Implementation of Legislation

The local government will have procedures in place to ensure that when legislation changes, steps are taken to ensure that future actions comply with the amended legislation.

ATTACHMENT 2
INTERNAL CONTROL
EVALUATION WORKSHEETS
(AS THEY APPLY TO LOCAL GOVERNMENT)

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Client Details				
Client Name	Shire of Dowerin	Preparer	Dominic Carbone	
Client Code		Reviewer		
Period Start	1-Nov-2021	Period End	31-Oct-2022	
		Date Prepared	21-Nov-2022	
Internal Control Evaluation Form				
Sales, Debtors and Cash Receipts - Existence / Occurrence 1.1				
Smart Review	0	Unanswered Questions	0	
Audit assertion: 1. Existence / Occurrence				
Control objective: 1.1 All invoices raised are properly supported/validated by goods being dispatched.				
Key Controls	Control Risk	Planned Reliance	Notes	W/P
Delegation 5.2 Write of Debts: other than rates and service fees, limited to \$200 delegated to CEO and on delegated to Manager Corporate and Community Services (MCCS) greater than to be referred to Council and only after: e. A debt may only be written off where all necessary measures have been taken to locate/contact the debtor and where costs associated with continued action to recover the debt will outweigh the net value of the debt if recovered by the Shire of Dowerin, or where the value of the debt makes attempts to recover uneconomical			Invoices are raised for services and materials provided as detailed in the Schedule of Fees and Charges except when receipts are issued over the counter or EFT transfers for such items as FAG grants. Invoices are also raised for Commonwealth Home Support Program and Home Care Package SMS software is utilised to record service delivery data which is utilised to invoice clients. Invoices are raised via the Synergy Software	
Delegation 5.5 Agreement as to payment of rates and service charges authority to make agreements delegated to CEO and MCCS			Examples of invoices raised as per debtors batch transactions listing are for short stay accommodation, staff housing reimbursements, private works, grants and contributions ie RRG and Flood Damage, cemetery fees, hall hire, reimbursements, CHSP, community bus rental, plant hire, gym card access and drum muster	
Delegation 5.7 Recovery of rates and Services Charges: to recover rates outstanding including recovery costs and lodge and withdraw caveats delegated to CEO and MCCS			Source documentation relating to the raising of invoices comprise of: invoice request forms, requests for private works forms, acquittal and progress payment forms, reimbursement invoices by supplier, CHSP services reports by client, bus hire drivers report, application hire community bus, application for hire of public buildings, hire form, online bookings short stay accommodation and new debtor details form.	
Delegation 5.8 Recovery of rates debts requiring lessee to pay rent 1. Authority to give notice to a lessee of land in respect of which there is an unpaid rate or service charge, requiring the lessee to pay its rent to the Shire of Dowerin (s.6.6(2)). 2. Authority to recover the amount of the rate or service charge as a debt from the lessee			process in relation to the raising of invoices: the follow forms are completed and duly authorised Debtors Invoice request Form, New Debtors Details, Debtors Credit Note Request Form,	
Policy 3.4 Finance authorisation Policy, MCCS authorises the transactions by signing the relevant forms for new debtors and debt collection			Trade Debtors Invoices raised for trade debtors are not verified or checked by a supervisor or authorising officer. Debtors Batch Transaction Listing only signed by Finance Admin Officer (Creditors/Debtors) and in one instance also signed by MCCS / DCEO. Invoices raised for CHSP are checked by the DHCS Coordinator before printing and posting. It is noted that GST is charged for CHSP: these supplies are GST Free when government funded	
Policy 3.6 Bank Account Policy, Bank Account Transactions all deposits received will be banked the date after receipt apart from when bank closure prevents this. In all other instances, deposits will be made immediately on the morning the bank re-opens. Unallocated direct deposits will be fully investigated to determine the source of deposit. Until a receipt is identified, the funds will be receipted exclusive of GST into an Unclassified Income GL and identified as 'Deposit Unknown'. Upon such time that the receipt is identified, the Manager Corporate & Community Services or Finance Officer will reallocate the funds to the correct account.			Trade debtors batch transaction listing is printed from synergy and filed by Finance Admin Officer, batch is updated by Finance Admin Officer in synergy. For CHSP invoices are raised by the assistant coordinator and filed in CHSP Service Summary and Monthly Accounts File	
			End of month the Finance Admin Officer completes the Debtors Reconciliation by stating the amounts in the GL control and the Receivables Aged Trail Balance Report which is verified by the MCCS / DCEO detailing confirmation of GL Debtors Control to Debtors Aged Trail Balance and actions taken on outstanding balances. No reconciliation sighted for the months of July and October 2022 and the month of February 2022 did not reconcile by \$645	
			Synergy Debtors Procedure Manual utilised	
Weaknesses	Impact on procedures			W/P
For Trade Debtors checking of invoices to Debtors Batch Transaction Listing is not carried out, nor to supporting documentation	No verification of correctness of data from supporting documentation to invoices and invoices to debtors batch transaction listing, listing not signed and batch posting not signed by authorising officer			

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Client Details			
Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022
Charges not in accordance with Schedule of fees and charges: number of invoices raised: 533 sample 49 trade debtors, sample 10 CHSP, for period 01-11-2021 to 31-10-2022 or 11%		Invoices checked to Schedule of Fees and Charges Invoice 18900 charge not found in the schedule for recalculation sand, Invoice 18867 and 19156 rent for unit 4/18 Memorial Ave charged \$128 in schedule \$180 pw, Invoice 18860 discount of 50% not in the schedule for short stay accommodation, Invoice 19203 incorrect calculation for short stay accommodation, Invoice 19204 states rental fee of \$50 pw not in schedule but subject to MDU not sighted, Invoice 19209 emulsion charged at \$1.30 per litre not in schedule should it be charged at cost or cost plus no supporting documentation, Invoice 19208 plant hire charge for Multi Tyred Bomag Roller not in schedule \$230 per hour, Invoice 19157 charged at \$180 per week should be \$190 per week 3/18 Memorial Ave rental, Invoice 19119 charged at \$150 in schedule \$200 per day for tree planter hire, Invoice 18975 overcharge of 1 CHSP domestic Service \$18 including GST should be a GST FREE service CHSP Invoices should be GST Free additional GST paid to ATO is estimated between \$60 - 70 per month	
Supporting documentation		Invoices checked to supporting documentation, documentation to invoices sighted in most instances	
Debtors Reconciliations		Prepared monthly, no reconciliation sighted for July, October 2022	
Debtors Aged Trail Balance		As at 30 September 2022 \$1,906,383.69 was outstanding of which \$582,931.50 was outstanding for 90 days or more. It is noted that debtors for CHSP and HCP are paid promptly and as at 30 June 2022 \$847,929.94 was outstanding of which \$3066.58 was outstanding for 90 days or more	
Has the control objective been met? Y			
Control Conditions		Status	Answer
(a) Duties are segregated, particularly in relation to ordering, dispatch, invoicing and handling of cash receipts.		✓	Y
(b) All invoices are supported by relevant delivery documentation.		✓	X
(c) Supervision is effective.		✓	Y

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Client Details

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Existence / Occurrence 1.2

130-250 1.2

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence
Control objective: 1.2 All invoices raised are bona-fide.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
SAMPLE OF 59 refer 30.250.1.1			Statements are sent out to debtors on a monthly basis	
			supporting documentation are filed by month and comprise of refer 30 - 250 1.1	
			all invoices checked appear to be bona fide	

Weaknesses	Impact on procedures	W/P
Invoices raised are not checked to Debtors Batch Transaction Listing by a supervisor or other officer nor was the Debtors Invoice Request Form authorised prior to July 2022. From July 2022 the procedure was amended for the MCCS/DCEO to authorise the Debtors Invoice Request Form however this was not done in all instances.	Invoices raised prior to July 2022 were not verified for correctness before posting and mailing to customer in relation to charges raised as per schedule of fees and charges. From July 2022 the MCCS /DCEO on one occurrence signed the Debtor Batch Transaction Listing and authorisation of the Debtors Invoice Request Form on an inconsistent basis, the Debtors Batch Transaction Listing is checked to GL Impact Statement by Finance Admin Officer (Creditors and Debtors)	

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated, particularly in relation to invoicing, credit control and handling of cash receipts.	✓	Y
(b) Invoices are promptly processed.	✓	Y
(c) Manual or non-system invoices are independently authorised.	✓	X
(d) All invoices are correctly processed and accounted for.	✓	Y
(e) Statements are promptly sent to debtors.	✓	Y
(f) Supervision is effective.	✓	Y

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Client Details

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Completeness / Classification 2.1

30-270 2.1

Smart Review	0	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification
Control objective: 2.1 All goods dispatched are invoiced

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Refer 30-250 1.1				

Weaknesses	Impact on procedures	W/P

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated, particularly in relation to ordering, dispatch, invoicing and handling of cash receipts.	✓	Y
(b) Access to dispatch area is effectively controlled. Security prevents unauthorised movement of stock.	✓	X
(c) The preparation of sales orders and dispatch notes is properly controlled.	✓	X
(d) Continuity of dispatch notes and sales order numbers is assured.	✓	X
(e) Sales orders and dispatch notes are matched with relevant invoices.	✓	X
(f) Any unmatched and/or missing items are properly cleared.	✓	X
(g) Supervision is effective.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Completeness / Classification 2.2

330-270 2.2

Smart Review	0	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification

Control objective: 2.2 All sales invoiced are correctly recorded in the accounts.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			All invoices raised are sequentially numbered	
			Sample check of postings conducted as detailed in GL Impact Statement for each batch of invoices raised	
			All invoices are raised via financial software	
			Finance Admin Officer (Creditors/Debtors) raises invoices and sends invoices to customers, invoices raised not checked by a supervisor or other officer prior to	
			Finance Admin Officer (Creditors/Debtors) updates debtors invoice batch in financial software	
			Finance Admin Officer (Creditors/Debtors) raises credit notes, attaches supporting documentation and states reason	
			Finance Admin Officer (Creditors/Debtors) prepares reconciliation on a monthly basis and MCCS/DCEO reviews by checking that the debtors subsidiary ledger balance agrees to GL control account, monthly balances reconcile in all instances for reconciliations sighted No reconciliations sighted for the months of July and October 2022 and February 2022 did not reconcile by \$6455	
			Finance Admin Officer (Creditors/Debtors) undertakes the raising of invoices, debtors control function undertaken in conjunction with MCCS/DCEO	

Weaknesses	Impact on procedures	W/P
Monthly Debtors Reconciliation	Recommended that debtors subsidiary ledger be reconciled each and every month	
Segregation of Duties	Recommended that the MCCS/DCEO or an appropriate officer undertake the role of checking invoices raised to source documentation and debtors batch transaction listing, certify debtors batch transaction listing and authorises posting to GL, to improve internal control	
Has the control objective been met?		Y

Control Conditions	Status	Answer
(a) Duties are segregated, particularly in relation to invoicing, ledger maintenance and handling of cash receipts.	✓	Y
(b) Prior to posting to the general ledger, there is a sequence check of all invoices.	✓	Y
(c) There are satisfactory procedures for cancelled invoices.	✓	Y
(d) Controls exist to ensure that all invoices are properly posted to the general ledger.	✓	Y
(e) An independent person performs a reconciliation of the debtor(s) subsidiary ledger to the control account.	✓	Y
(f) Supervision is effective.	✓	Y

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		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Sales, Debtors and Cash Receipts - Completeness / Classification 2.3			130-270 2.3
Smart Review	0	Unanswered Questions	0

Audit assertion: 2. Completeness / Classification
Control objective: 2.3 All sales invoiced are costed and removed from the inventory account

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			All stores held for resale are detailed in the SFC	
			Sales are made to the public for gravel, sand, rock dust, blue metal and mulch	
			Private works are costed in accordance with the schedule of fees and charges by the Manager of Works and Assets by the completion of the Request For Private Works Form	
			all material purchases with the exception of diesel fuel are expensed and not recorded in stores	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
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Control Conditions	Status	Answer
(a) Costing sheets and/or costing copies of sales invoices are independently followed up.	✓	Y
(b) Costing calculations are checked and tests are performed on gross profit by invoice or stock item.	✓	X

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Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022
Goto CoverSheet		Goto CheckList	

Internal Control Evaluation Form		Sales, Debtors and Cash Receipts - Completeness / Classification 2.4		T30-270 2.4	
Smart Review	0	Unanswered Questions	0		

Audit assertion: 2. Completeness / Classification
Control objective: 2.4 All cash receipts received are deposited.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Sample test of daily cash receipting and bank deposit for month of August 2022	
			Banking at least weekly dependent on funds received bank opens 3 days per week	
			Money is received at the following facilities, Admin Centre and Swimming Pool located in Dowerin and via the Gentle Gym Program money is collected and recorded on a attendance sheet and a handed to Assistant Coordinator which is counted on handover receipted monthly at Admin Office	
			Bank reconciliation prepared and checked monthly sample check conducted for June 2022, bank reconciliations undertaken by Finance Admin Officer (creditor/debtors) and reviewed by MOCS/DCEO, July- October 2022 bank reconciliations not yet finalised A manual bank reconciliation was prepared for June 2022 as the Bank Reconciliation Module in Synergy is not working	
			CSO balances daily takings to End of Day Reports which are reviewed by RO/GO and sign Receipt Reconciliation Form CSO prints cash receipts bank deposit listing on reconciling and files	
			CSO prepares bank deposit slip manually and deliver deposits to the bank located in Dowerin Bank stamps a duplicate copy which is filed in the daily receipts file for the month	
			System generated receipt issued from Synergy for the Shire	
			For cancelled receipts a Receipt Cancellation Note Request Form is completed by officer requesting cancellation and processed reason stated and credit note raised is filed in the cancelled receipts file	

Weaknesses	Impact on procedures	W/P
Bank Reconciliations for the months of July to October not finalised	Recommended that bank reconciliations are finalised as any omission of receipts and payments will impact on the accuracy of the monthly financial reporting	

Has the control objective been met?			Y
Control Conditions	Status	Answer	
(a) Duties are segregated, particularly as regards recording of amounts receivable and handling of cash receipts.	✓	Y	
(b) Satisfactory mail opening procedures are in place, ie two people present, cheques restrictively crossed/stamped for "deposit only", remittances recorded for checking to subsequent deposits.	✓	Y	
(c) Amounts received through the mail are handed promptly to the cashier.	✓	Y	
(d) Cash sales including the use of pre-numbered cash sale documents are satisfactorily controlled.	✓	Y	
(e) There are satisfactory controls over amounts received at branches and other outside locations.	✓	X	
(f) All receipts are sequentially pre-numbered and adequately accounted for.	✓	Y	
(g) Unexpected cash counts are conducted.	✓	X	
(h) All amounts received are deposited intact and promptly.	✓	Y	
(i) Daily deposit totals, debtors postings and cash sales are reconciled.	✓	Y	
(j) Bank reconciliations are regularly prepared and independently checked.	✓	Y	
(k) Supervision is effective.	✓	Y	

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Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Sales, Debtors and Cash Receipts - Completeness / Classification 2.5			30-270 2.5
Smart Review	0	Unanswered Questions	0

Audit assertion: 2. Completeness / Classification
Control objective: 2.5 All cash sales/miscellaneous receipts are accounted for.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Motor vehicle licencing receipting accounted for and reconciled to DOT Balance Session Collections Summary Report produced from Trellis software	
			Shire provides home care services. Invoices are raised to clients monthly for CHSP by the Assistant Coordinator and checked by the Coordinator prior to being issued to clients	
			Gentle Gym takings are recorded on a attendance sheet and delivered to assistant coordinator for checking and placed in the safe, on a monthly basis the takings are receipted by the CSO	
			Shire rents to private individuals and aged accommodation. Invoices are raised via synergy. Schedule of fees and charges details the rental charge. Sample check undertaken	
			Swimming Pool takings are receipted weekly and reconciled to tally sheet	
			Proceeds sale of plant. Supplier's invoice state purchase price and trade-in value. Supplier is paid the net amount and grossed in the GL and are detailed in note 7 of the monthly financials	
			Interest received on Investments accounted for. No Investment Register maintained apart from the recording of term deposits held in note 2 of the monthly financials	

Weaknesses	Impact on procedures	W/P
Investment Register not maintained for investments	Reg 19 (2) of the Financial Management Regulations 1996 requires (2) The control procedures are to enable the identification of — (a) the nature and location of all investments; and (b) the transactions related to each investment.	
Report to Council on Investments not prepared in accordance with Policy 3.2	Note 2 of the monthly financials does not appear to meet the requirements of Policy 3.2 - Investment Policy	
Has the control objective been met?		Y

Control Conditions	Status	Answer
(a) The sources of miscellaneous receipts are identified.	✓	Y
(b) Miscellaneous receipts are taken up as a receivable or credited direct to an Income account.	✓	Y
(c) Miscellaneous receipts are not obscured by being netted against a debit balance in the general ledger.	✓	Y
(d) There are proper controls over:	✓	Y
(i) Investment income	✓	Y
(ii) Sales of scrap	✓	X
(iii) Sales of fixed assets	✓	Y
(iv) Sales to employees	✓	X
(v) Rents	✓	Y
(e) Supervision is effective.	✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Ownership / Proprietary

330-300

Smart Review	0	Unanswered Questions	0
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Audit assertion: 3. Ownership / Proprietary

Control objective: 3.1 Receivables are properly credited, lapping is prevented.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			The Shire does not have a Debt Collection Policy	
			Finance Admin Officer (Creditors/Debtors) along with MCCS/DCEO are responsible for collection of outstanding debts	
			Procedures utilised for debt collection are as follows , a statement is issued monthly which serves as a reminder notice in isolated instances a letter may be sent to arrange a repayment plan A review of the monthly trail balance reveals that debtors outstanding are small when one takes into accounts invoices raised for recoupment of grants and contributions and reimbursements	
			Debts written off under delegation 5.2 are recorded in the Reported of Use of Delegation Authority and reported to Council on a monthly basis as required by the delegation	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?

Y

Control Conditions	Status	Answer
(a) Duties are segregated, particularly as regards credit notes, handling and recording of cash receipts.	✓	Y
(b) Credit notes and supporting documentation is authorised.	✓	N
(c) Credit notes are sequentially pre-numbered and are approved independently of debtors clerks.	✓	Y
(d) Discounts are correctly authorised.	✓	Y
(e) The preparation of the trial balance, ageing, review and follow-up of delinquent debtors accounts is performed independently of debtors clerks.	✓	N
(f) Debtors subsidiary ledgers are balanced monthly to control accounts and are independently checked.	✓	Y
(g) Deposit slips have a detailed breakdown of receipts deposited.	✓	Y
(h) Statements have been checked to reconciled debtors balances, and are independently mailed.	✓	Y
(i) The write-off of bad debts is correctly authorised and there is satisfactory control over their subsequent recovery.	✓	Y
(j) Supervision is effective.	✓	Y

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Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Sales, Debtors and Cash Receipts - Valuation / Measurement 4.1			130-330 4.1
Smart Review	0	Unanswered Questions	0

Audit assertion: 4. Valuation / Measurement
Control objective: 4.1 Invoices are correctly calculated.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Sample refer 30 250 1.1			Fees and Charges Schedule	
			calculations for private works undertaken by Manager of Works and Assets	
			Calculations for CHSP undertaken by Assistant Coordinator based on SME service reports	
			Trade Debtors invoices raised are not checked by independent officer	

Weaknesses	Impact on procedures	W/P
Charges not in accordance with Schedule of Fees and Charges	Loss of potential income or over charged client in relation to CHSP	
Segregation of duties	No independent officer checking for correctness of invoices raised for trade debtors	
Has the control objective been met?		Y

Control Conditions	Status	Answer
(a) Invoices are independently checked for eg prices, quantities etc.	✓	N
(b) Documents are properly cancelled to prevent duplicate invoicing.	✓	X
(c) Price lists are current and updated regularly.	✓	Y
(d) Special terms and discounts are properly authorised.	✓	Y
(e) Supervision is effective.	✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Valuation / Measurement 4.3

130-330 4.3

Smart Review	0	Unanswered Questions	0
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Audit assertion: 4. Valuation / Measurement

Control objective: 4.3 Overdue accounts are followed up.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			The Shire does not have a policy for the recovery of outstanding debts. MCCA / DCEO has authority to write off outstanding amounts upto \$200	
			Procedures utilised for debt collection are a statement is issued monthly which serve as a reminder notice. In isolated instances a letter may be sent to arrange a repayment plan. A review of the monthly trial balance reveals that debtors outstanding are small when one takes into accounts invoices raised for recoupment of grants and contributions and reimbursements	
			Debts written off under delegation 5.2 are recorded in the Reported of Use of Delegation Authority and reported to Council on a monthly basis as required by the delegation	
			Debt Collection Agency not utilised for trade	
			Delegation 5.2 Authority to write off Monies MCCA \$200 debtors other than rates	
			Outstanding amounts reviewed monthly	
Weaknesses		Impact on procedures		W/P

Has the control objective been met?

Y

Control Conditions	Status	Answer
(a) Aged trial balances are prepared and reviewed for delinquent accounts.	✓	Y
(b) Independent follow-up occurs.	✓	Y
(c) Amounts received are applied against relevant unpaid invoices.	✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Sales, Debtors and Cash Receipts - Cut-Off

¶30-350

Smart Review	0	Unanswered Questions	0
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Audit assertion: 5. Cut-Off

Control objective: 5.1 Sales are recorded in the same accounting period in which the goods were dispatched.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Debtors invoices raised promptly , test check carried out to confirm	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
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Control Conditions	Status	Answer
(a) Dispatch records are reconciled with sales records.	✓	X
(b) All sales documentation is promptly processed after dispatch.	✓	Y
(c) Sales accounts are reconciled with sales analysis.	✓	Y
(d) Variances from the budget are analysed.	✓	Y

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Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto Checklist](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

31-250 1.1

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence

Control objective: 1.1 All purchases/expenses and related liabilities recorded are supported by evidence of relevant goods or services being received.

Key Controls	Control Risk	Planned Reliance	Notes	WIP
Delegation 4.1 Expression of Interest for Goods and Services. 1. Authority to determine when to seek Expressions of Interest and to invite Expressions of Interest for the supply of goods or services [F&G r.21]. 2. Authority to consider Expressions of Interest which have not been rejected and determine those which are capable of satisfactorily providing the goods or services Delegation to CEO, MCCS and MWA			Policy No3.4 - Finance Authorisation Policy for purchasing of Fuel, Assets and Equipment and Payment of Invoices delegated to CEO, MCCS, MAW and for payment of invoices CEO and MCCS	
Delegation 4.2 Tenders for Goods and Services. 1. Authority to call tenders [F&G r.11(1)]. 2. Authority to, because of the unique nature of the goods or services or for any other reason it is unlikely that there is more than one supplier, determine a sole supplier arrangement [F&G r.11(f)]. 3. Authority to undertake tender exempt procurement, in accordance with the Purchasing Policy requirements, where the total consideration under the resulting contract is \$150,000 or less and the expense is included in the adopted Annual Budget [F&G r.11(2)]. 4. Authority to invite tenders although not required to do so [F&G r.13]. 5. Authority to determine in writing, before tenders are called, the criteria for acceptance of tenders [F&G r.14(2a)]. 6. Authority to determine the information that is to be disclosed to those interested in submitting a tender [F&G r.14(4)(a)]. 7. Authority to vary tender information after public notice of invitation to tender and before the close of tenders, taking reasonable steps to ensure each person who has sought copies of the tender information is provided notice of the variation [F&G r.14(5)]. only be approved where a record is retained that evidences: i. A detailed specification; ii. The outcomes of market testing of the specification; iii. The reasons why market testing has not met the requirements of the specification; and iv. Rationale for why the supply is unique and cannot be sourced through other suppliers; b. Tenders may only be called where there is an adopted budget for the proposed goods or services, with the exception being in the period immediately prior to the adoption of a new Annual Budget and where the: i. proposed goods or services are required to fulfil a routine contract related to the day to day operations of the Local Government, ii. current supply contract expiry is imminent, iii. value of the proposed new contract has been included in the draft Annual Budget proposed for adoption, and iv. The tender specification includes a provision that the tender will only be awarded subject to the budget adoption by the Council. c. In accordance with s.5.43, tenders may only be accepted and panels of pre-qualified suppliers established where the total consideration under the resulting contract is \$150,000 or less and the expense is included in the adopted Annual Budget.			Policy 3.6 - Bank Account Policy All payments of monies from or transfers between, any Shire bank accounts whether by cheque, EFT or other online payment method, must be pre-approved by two authorising officers. The designated authorised positions for bank account payments are: 1. Chief Executive Officer; 2. Manager of Corporate & Community Services; 3. Manager Assets & Works; and 4. Finance Officer. Each payment made must be supported by invoice, receipt or other appropriate documentation	
8. Authority to evaluate tenders, by written evaluation, and decide which is the most advantageous [F&G r.18(4)]. 9. Authority to accept or reject tenders, only within the \$150,000 detailed as a condition on this Delegation and in accordance with the requirements of the Functions and General Regulations [F&G r.18(2) and (4)]. 10. Authority to determine that a variation proposed is minor in context of the total goods or services sought through the invitation to tender, subject to a maximum 10% variation and within the \$10,000 detailed as a condition on this Delegation, and to then negotiate minor variations with the successful tenderer before entering into a contract [F&G r.20(1) and (3)]. Shire of Dowerin - Delegations Register 29 Page 11. Authority to seek clarification from tenderers in relation to information contained in their tender submission [F&G r.18(4a)]. 12. Authority to decline any tender [F&G r.18(5)]. 13. If the chosen tenderer is unable or unwilling to form a contract OR the minor variation cannot be agreed with the successful tenderer, so that the tenderer ceases to be the chosen tenderer, authority to choose the next most advantageous tender to accept [F&G r.20(2)] Delegation to CEO, MCCS and MAW				

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Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form Purchase, Creditors and Cash Payments - Existence / Occurrence 1.1

31-250 1.1

Smart Review	0	Unanswered Questions	0
<p>15. Authority to accept another tender where within 6-months of either accepting a tender, a contract has not been entered into OR the successful tenderer agrees to terminate the contract [F&G r.18(6) & (7)]. Council Conditions on this Delegation: a. Sole supplier arrangements may only be approved where a record is retained that evidences: i. A detailed specification; ii. The outcomes of market testing of the specification; iii. The reasons why market testing has not met the requirements of the specification; and iv. Rationale for why the supply is unique and cannot be sourced through other suppliers; b. Tenders may only be called where there is an adopted budget for the proposed goods or services, with the exception being in the period immediately prior to the adoption of a new Annual Budget and where the: i. proposed goods or services are required to fulfil a routine contract related to the day to day operations of the Local Government, ii. current supply contract expiry is imminent, iii. value of the proposed new contract has been included in the draft Annual Budget proposed for adoption, and iv. The tender specification includes a provision that the tender will only be awarded subject to the budget adoption by the Council. c. In accordance with s.5.43, tenders may only be accepted and panels of pre-qualified suppliers established where the total consideration under the resulting contract is \$150,000 or less and the expense is included in the adopted Annual Budget.</p>		<p>Policy 3.9 - Petty Cash Policy, Issuing Petty Cash A petty cash voucher receipt must be completed before any cash is paid out of the petty cash float. All petty cash voucher receipts must be approved for payment by either the Manager Corporate & Community Services, Dowerin Home Care Coordinator, Chief Executive Officer or Manager Assets & Works. All petty cash vouchers must be supported by a supplier invoice or receipt to justify the expenditure. All completed vouchers must have the following details included: 1. Issue date of voucher; 2. Name of person issued the voucher; 3. Amount of monies disbursed; 4. Details of expense; 5. Invoice or receipt; and 6. Signature of approval person. Reconciling Petty Cash The petty cash float is to be reconciled monthly. This is the responsibility of the Petty Cash Custodian. The Manager Corporate & Community Services will review and sign off on monthly reconciliations. All petty cash expenditure must be entered into the financial system once reconciled.</p>	
<p>Delegation 4.3 Panel of Pre-Qualified Suppliers For Goods and Services. 1. Authority to determine that there is a continuing need for the goods or services proposed to be provided by a panel of pre-qualified suppliers [F&G r.24AC(1)(b)]. 2. Authority to, before inviting submissions, determine the written criteria for deciding which application should be for inclusion in a panel of pre-qualified suppliers should be accepted [F&G r.24AD(3)]. 3.. Authority to vary panel of pre-qualified supplier information after public notice inviting submissions has been given, taking reasonable steps to each person who has enquired or submitted an application is provided notice of the variation [F&G r.24AD(6)]. 4. Authority to reject an application without considering its merits, where it was submitted at a place and within the time specified, but fails to comply with any other requirement specified in the invitation [F&G r.24AH(2)].</p>		<p>Reconciling Petty Cash The petty cash float is to be reconciled monthly. This is the responsibility of the Petty Cash Custodian. The Manager Corporate & Community Services will review and sign off on monthly reconciliations. All petty cash expenditure must be entered into the financial system once reconciled. Petty Cash Float Reimbursement of the petty cash float will be authorised by the Manager Corporate & Community Services. The balance of monies and vouchers must equal the petty cash float before reimbursement. The Shire has the following two petty cash floats: Policy Manual 93 P a g e 1. Shire Administration Office for \$200; and 2. Dowerin Home Care for \$300. The petty cash float shall be locked in the safe in the related buildings. Forms Used 1. Petty cash voucher book receipt 2. Petty cash reconciliation voucher 3. Accounts payable reimbursement voucher Roles and Responsibilities Accounts Finance Officer - Petty Cash Custodian for the Shire Administration Office. Dowerin Home Care Coordinator - Petty Cash Custodian for the Dowerin Home Care. Manager Corporate & Community Policy to be updated to reflect deletion of petty cash float to Dowerin Home Care \$300 also noted that floats to Swimming Pool \$200 and Gentle Gym \$50 the Shire's financial records to be updated</p>	

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

331-250 1.1

Smart Review	0	Unanswered Questions	0
<p>5. Authority to assess applications, by written evaluation of the extent to which the submission satisfies the criteria for deciding which applicants to accept, and decide which applications to accept as most advantageous [F&G r.24AH(3)]. 6. Authority to request clarification of information provided in a submission by an applicant [F&G r.24AH(4)]. 7. Authority to decline to accept any application [F&G r.24AH(5)]. 8. Authority to enter into contract, or contracts, for the supply of goods or services with a pre-qualified supplier, as part of a panel of pre-qualified suppliers for those particular goods or services [F&G r.24AJ(1)]. Council Conditions on this Delegation: a. In accordance with s.5.43, panels of pre-qualified suppliers may only be established, where the total consideration under the resulting contract is \$150,000 or less Delegation to CEO, MCCS and MAW</p>			
<p>Delegation 4.4 Application of Regional Price Preference Policy Authority to decide when not to apply the regional price preference policy to a particular future tender [F&G r.24G]. Delegation to CEO, MCCS and MAW</p>			
<p>Policy 3.10 - Corporate Credit Card Policy, Authorised Use and Limits Shire of Dowerin Corporate Credit Cards are to be used only in Council business when no other standard purchasing options apply. Under this Policy, a Corporate Credit Card will be provided to the Chief Executive Officer (CEO) and may be issued to the following Senior Employees if advised by the CEO: 1. Manager Corporate & Community Services; and 2. Manager Works & Assets. The overall limit of the Shire's corporate credit card facility shall not exceed \$20,000.</p>			
<p>Policy 3.11-Purchasing Policy (1) Supplier Order of Priority The Shire will consider and apply, where applicable, the following Supplier Order of Priority: Priority 1: Existing Prequalified Supplier Panel or other Contract Current contracts, including a Panel of Prequalified Suppliers or contracted supplier, must be used where the Shire's supply requirements can be met through the existing contract. If the Shire does not have a current contract relevant to the required supply, then a relevant WALGA Preferred Supplier Arrangement (PSA) is to be used. Priority 2: Local Suppliers Where the Purchasing Value does not exceed the tender threshold and a relevant local supplier is capable of providing the required supply, the Shire will ensure that wherever possible quotations are obtained from local suppliers permanently located within the District as a first priority, and those permanently located within surrounding Districts as the second priority. If no relevant local supplier is available, then a relevant WALGA PSA may be used.</p>			

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

T31-250 1.1

Smart Review	0	Unanswered Questions	0
<p>Delegation 5.1 Payment from Municipal and Trust Manager Works & Assets CEO Conditions on this Sub-Delegation: 1. Delegates must comply with the Procedures approved by the CEO in accordance with Financial Management Regulation 5. 2. Payments by cheque and EFT transactions must be approved jointly by two Authorised Officers, one of whom must have Delegated Authority (CEO, Manager Corporate & Community Services or Manager Works & Assets). 3. The verification of incurring the liability via the purchase order, invoice and evidence of goods/service received must be approved jointly by two Authorised Officers, one of whom must have Delegated Authority (CEO, Manager Corporate & Community Services or Manager Works & Assets). 4. Conditions on</p>		<p>Priority 3: Tender Exempt - WALGA Preferred Supplier Arrangement (PSA) Use a relevant WALGA PSA regardless of whether or not the Purchasing Value will exceed the tender threshold. However, if a relevant PSA exists but an alternative supplier is considered to provide best value, then the CEO, or an officer authorised by the CEO, must approve the alternative supplier. Reasons for not using a PSA may include: Policy Manual 101 P a g e i. Local supplier availability (that are not within the PSA); or, ii. Social procurement – preference to use Aboriginal business or Disability Enterprise. If no relevant WALGA PSA is available, then a relevant State Government Common Use Agreement (CUA) may be used. Priority 4: Tender Exempt - WA State Government Common Use Arrangement (CUA) Use a relevant CUA regardless of whether or not the Purchasing Value will exceed the tender threshold. However, if a relevant CUA exists, but an alternative supplier is considered to provide best value for money, then the proposed alternative supplier must be approved by the CEO, or an officer authorised by the CEO. If no relevant CUA is available, then a Tender Exempt [F&G Reg.11(2)] arrangement may be used.</p>	
		<p>Priority 5: Other Tender Exempt arrangement [F&G Reg. 11(2)] Regardless of whether or not the Purchasing Value will exceed the tender threshold, the Shire will investigate and seek quotations from tender exempt suppliers and will specifically ensure that wherever possible quotations are obtained from a WA Disability Enterprise and / or an Aboriginal Owned Business that is capable of providing the required supply. Priority 6: Other Suppliers Where there is no relevant existing contract or tender exempt arrangement available, purchasing activity from any other supplier is to be in accordance with relevant Purchasing Value Threshold and Purchasing Practice specified</p>	

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Client Details			
Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

31-250 1.1

Smart Review	0	Unanswered Questions	0
		<p>practice to be applied to the Shire's purchasing activities. Purchase Value Threshold (ex GST) Purchasing Practice Up to \$5,000 (ex GST) Obtain at least one (1) verbal or written quotation from a suitable supplier in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1). The purchasing decision is to be evidenced in accordance with the Shire's Record Keeping Plan. From \$5,001 and up to \$20,000 (ex GST) Seek at least three (3) verbal or written quotations from suitable suppliers in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1). If purchasing from a WALGA PSA, CUA or other tender exempt arrangement, a minimum of one (1) written quotation is to be obtained. The purchasing decision is to be based upon assessment of the suppliers response to: • a brief outline of the specified requirement for the goods; services or works required; and • Value for Money criteria, not necessarily the lowest price. Policy Manual 102 Page Purchase Value Threshold (ex GST) Purchasing Practice The purchasing decision is to be evidenced using the Brief Evaluation Report Template retained in accordance with the Shire's Record Keeping Plan.</p>	
		<p>From \$20,001 and up to \$50,000 (ex GST) Seek at least three (3) written quotations from suitable suppliers in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1) except if purchasing from a WALGA PSA, CUA or other tender exempt arrangement, where a minimum of one (1) written quotation is to be obtained. The purchasing decision is to be based upon assessment of the suppliers' responses to: • a brief outline of the specified requirement for the goods; services or works required; and • Value for Money criteria, not necessarily the lowest quote. The purchasing decision is to be evidenced using the Brief Evaluation Report Template retained in accordance with the Shire's Record Keeping Plan. From \$50,001 and up to \$250,000 (ex GST) Seek at least three (3) written responses from suppliers by invitation under a formal Request for Quotation in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1). The purchasing decision is to be based upon assessment of the suppliers response to: • a detailed written specification for the goods, services or works required; and • pre-determined selection criteria that assesses all best and sustainable value considerations. The procurement decision is to be evidenced using the Evaluation Report template retained in accordance with the Shire's Record Keeping Plan.</p>	

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

T31-250 1.1

Smart Review	0	Unanswered Questions	0
		Over \$250,000 (ex GST) Tender Exempt arrangements (i.e. WALGA PSA, CUA or other tender exemption under F&G Reg.11(2)) require at least three (3) written responses from suppliers by invitation under a formal Request for Quotation in accordance with the Supplier Order of Priority detailed in clause 1.4.2(1). OR Public Tender undertaken in accordance with the Local Government Act 1995 and relevant Shire Policy and procedures. The Tender Exempt or Public Tender purchasing decision is to be based on the suppliers response to: • A detailed specification; and • Pre-determined selection criteria that assesses all best and sustainable value considerations. The purchasing decision is to be evidenced using the Evaluation Report template retained in accordance with the Shire's Record Keeping Plan. Emergency Purchases Where goods or services are required for an emergency response and are within scope of an established Panel of Pre-qualified Supplier or existing	
		(3) Authorised Officer Limits Position Amount Chief Executive Officer Unlimited Manager Works & Assets \$50,000 Manager Corporate & Community Services \$50,000 Executive & Governance Officer \$5,000 1.3.3 Waiver of Quotation Where quotes are not practical, e.g. due to limited suppliers, the Chief Executive Officer or Manager may, at their discretion, waive the requirements to obtain quotes providing that written, justifiable reasons for	
		Policy 3.15 Regional Price Preference Policy, Some or all of the goods or services are to be supplied from regional sources." The Shire of Dowerin recognises the following two regions for price preferences: Region 1- defined as a business or industry located within the district of the Shire of Dowerin; and Region 2 – defined as a business or industry located within the districts of the Shire of Cunderdin, Shire of Goomalling, Shire of Koorda, Shire of Wongan-Ballidu and Shire of Wyalkatchem. The Regional Price Preference to be given to either a Region 1 or Region 2 provider are outlined below and represents the amount at which the provider's price bids or quotations would be reduced for the purpose of assessing Tenders or quotations. Region 1: A price preference may be given to a Tenderer or supplier of a quotation from Region 1 by assessing the Tender or quote from that local business as if the price bids were reduced as follows	

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1

IS1-250 1.1

Smart Review	0	Unanswered Questions	0
		1. 10% - where the contract is for goods or services, up to a maximum price reduction of \$50,000; Policy Manual 116 Page 2, 5% - where the contract is for construction (building) services, up to a maximum price reduction of \$50,000; or 3. 10% - where the contract is for goods or services (including construction (building) services), up to a maximum price reduction of \$500,000, if the local government is seeking Tenders for the provision of those goods or services for the first time, due to those goods or services having been, until then, undertaken by the local government. Region 2: A price preference may be given to a Tenderer or supplier of a quotation from Region 2 by assessing the Tender or quote from that local business as if the price bids were reduced as follows: 1. 5% - where the contract is for goods or services, up to a maximum price reduction of \$25,000; 2. 2.5% - where the contract is for construction (building) services, up to a maximum price reduction of \$25,000; or 3. 5% - where the contract is for goods or services (including construction (building) services), up to a maximum price reduction of \$250,000, if the local government is seeking Tenders for the provision of those goods or services for the first time, due to	
		Policy 3.17 Contact Variations Policy Sample test of Vouchers for the months of Nov 2021, Jan 2022, Feb 2022, March 2022, Aug 2022 and Oct 2022 Total 31 sample tested 3%	
		BAS statements checked as to lodgement lodged on time from Nov 2021 to June 2022 For July to September 2022 BAS worksheets sighted BAS's lodged not sighted	
Sample check of signatories for cheques and EFT's in accordance with delegation		Synergy Creditors Procedure Manual is utilised	
Weaknesses		Impact on procedures	WIP
Delegations and Policies Update		Delegation 4.2 Tenders for Goods and Services consideration under contract can be increased from less than \$150,000 to \$250,000 in accordance with Regulation 11A of the Local Government (Functions and General) Regulations 1996 and Policy 3.9 - Petty Cash be amended by the deletion of \$300 float to Dowerin Home which was receipted back in the 2021-22 financial year. It is also noted that cash floats provided to the Swimming Pool \$200 and Gentle Gym Program \$50 are not recorded in the Shire's financial records	
Lodgement of BAS's		July to September BAS's not sighted and may have not met the lodgement requirements set by ATO	
Incorrect calculation		EFT 9328 GST posted \$5.64 should be \$5.16, EFT 9578 Invoice 378042 treated as GST Free Invoice stated GST as \$8.05	

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Client Details			
Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form		Purchases, Creditors and Cash Payments - Existence / Occurrence 1.1		T31-250 1.1
Smart Review	0	Unanswered Questions	0	

Has the control objective been met?			Y
Control Conditions	Status	Answer	
(a) Duties are segregated.	✓	Y	
(b) Receiving records are made of all goods received.	✓	N	
(c) Deliveries are checked, and claims are made for short shipments, etc.	✓	Y	
(d) All invoices and receiving records are directed to accounts payable, rather than purchasing.	✓	Y	
(e) Invoices are checked against purchase orders and receiving records.	✓	Y	
(f) Documentation is properly cancelled to avoid re-submission.	✓	Y	
(g) All documents which are not matched are investigated on a regular basis.	✓	Y	
(h) Only properly supported suppliers' invoices are processed.	✓	Y	
(i) Supervision is effective.	✓	Y	

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
				21-Nov-2022
Internal Control Evaluation Form				
Purchases, Creditors and Cash Payments - Existence / Occurrence 1.2				
T31-250 1.2				
Smart Review	0	Unanswered Questions		0
Audit assertion: 1. Existence / Occurrence				
Control objective: 1.2 All payments made are adequately supported.				
Key Controls	Control Risk	Planned Reliance	Notes	WIP
Sample Check 31 vouchers			Creditors Batch transaction listing are printed, filed and checked to invoices to be paid by Finance Admin Officer (Creditors/Debtors) but not reviewed by an alternative officer for EFT payments	
			Creditors Aged Trail Balance is printed and checked to the Creditors GL Control Account on a monthly basis and signed by Finance Admin Officer and reviewed by MCCC/DCEO	
			Internal Fund Transfer to be initiated in accordance with policy 3.6 - Bank Account Policy Bank Account Authorisation of Transactions. All payments of monies from or transfers between, any Shire bank accounts whether by cheque, EFT or other online payment method, must be pre-approved by two authorising officers. The designated authorised positions for bank account payments are: 1. Chief Executive Officer; 2. Manager of Corporate & Community Services; 3. Manager Assets & Works; and 4. Finance Officer. Each payment made must be supported by invoice, receipt or other appropriate	
			Reimbursement Request by the supply of original documentation by the completion of Claim For Reimbursements Form signed by officer requesting reimbursement and Authorising Officer	
			Electronic PO are raised for supplies and services utilising the ALTUS system for the issue of PO's and recording of quotes obtained in accordance with the purchasing policy 3.11	
			Statements received from creditors are reconciled monthly	
			Invoices are stamped with certification stamp and checked for goods and services received, price and to PO, Invoice is referenced to PO attached to Invoice, GST, Creditor No and Initialled for authorisation for payment, the Admin/Finance Officer (Creditors/Debtors) enters invoices in synergy Remittance Advice attached to Invoices for payment	
Weaknesses		Impact on procedures		WIP
Has the control objective been met? Y				
Control Conditions	Status	Answer		
(a) Duties are segregated.	✓	Y		
(b) Discounts are taken.	✓	N		
(c) Invoices are only paid when validating is complete.	✓	Y		
(d) Extensions, additions, discounts, taxes, etc are checked.	✓	Y		
(e) Correct coding is used for posting to general ledger.	✓	Y		
(f) Cheque requisition forms are used and properly authorised.	✓	Y		
(g) Authorised bank signatories are appropriate, ie independent from purchasing, receiving and accounts payable.	✓	Y		
(h) Documentation is properly cancelled to avoid re-submission.	✓	Y		
(i) A trial balance is prepared on a monthly basis.	✓	Y		
(j) Bank reconciliations are prepared regularly.	✓	Y		
(k) Reconciliations are approved by a responsible person.	✓	Y		
(l) Pre-numbered cheques are used and continuity is checked. Controls are in place to account for unused cheques.	✓	Y		
(m) Bank transfers are controlled.	✓	Y		
(n) No bearer or "cash" cheques are permitted.	✓	Y		
(o) Effective supervision exists.	✓	Y		

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Completeness / Classification

§31-270

Smart Review	0	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification

Control objective: 2.1 All purchases of goods or services made in the accounting period are recorded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Sample check of invoices conducted for payments made in November 2021, January 2022, February 2022, March 2022, August 2022 and October 2022, total of 31 vouchers checked	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
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Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) All unmatched documents are followed up and investigated.	✓	Y
(c) All documents are promptly and correctly processed.	✓	Y
(d) Suppliers' statements are reconciled on a regular basis.	✓	Y
(e) There are appropriate period-end procedures to detect and account for unprocessed invoices, receiving records etc.	✓	Y
(f) Subsidiary ledgers are regularly reconciled with control accounts.	✓	Y
(g) Goods delivered directly to customers are controlled promptly.	✓	X
(h) Supervision is effective.	✓	Y

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Client Details					
Client Name	Shire of Dowerin		Preparer	Dominic Carbone	
Client Code			Reviewer		
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Purchases, Creditors and Cash Payments - Ownership / Proprietary 3.1			31-300 3.1
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.1 All goods or services acquired are properly authorised.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Invoices are certified by responsible officers	
			Purchase Orders in almost all instances are issued and attached to the invoices to be processed for payment	
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) All purchase requisitions, purchase orders, and cheque requisitions are approved.	✓	Y
(c) Expenditure is maintained against authorised budget.	✓	Y
(d) Supervision is effective.	✓	Y

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Client Details				
Client Name	Shire of Dowerin	Preparer	Dominic Carbone	
Client Code		Reviewer		
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
				21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Purchases, Creditors and Cash Payments - Ownership / Proprietary 3.2			31-300 3.2
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.2 All claims made on suppliers are properly recorded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) Sequentially numbered goods returned notes are issued.			✓	X
(b) Unmatched documents are regularly investigated.			✓	Y
(c) Supervision is effective.			✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Purchases, Creditors and Cash Payments - Valuation / Measurement			
			¶31-330
Smart Review	0	Unanswered Questions	0

Audit assertion:

4. Valuation / Measurement

Control objective:

4.1 Amounts are correctly recorded and posted to correct accounts.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Sample check of posting conducted for Nov21,Jan 2022, Feb 2022, March 2022, Aug 2022 and Oct 2022	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
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Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Amounts are recorded in the purchases journal and cash payments journal.	✓	Y
(c) Journals are properly dissected and posted to the general ledger and subsidiary ledger.	✓	Y
(d) Stock records are properly updated for purchases of inventory.	✓	Y
(e) Supervision is effective.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Purchases, Creditors and Cash Payments - Cut-Off

¶31-350

Smart Review	0	Unanswered Questions	0
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Audit assertion:

5. Cut-Off

Control objective:

5.1 Transactions are recorded in the correct accounting period.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Sample check undertaken to verify invoices posted in the correct accounting period	
			Monthly analysis is undertaken when financial statements are prepared and reviewed	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?

Y

Control Conditions	Status	Answer
(a) The creditors listing is supported by goods received records.	✓	N
(b) Unprocessed invoices are reviewed at year end.	✓	Y
(c) Open orders are reviewed.	✓	X
(d) Variances from the budget are analysed.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Property, Plant and Equipment - Existence / Occurrence 1.1

32-250 1.1

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence

Control objective: 1.1 Assets are adequately safeguarded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Policy 4.7 Asset Management Policy			All keys for buildings and facilities kept in lockable cabinet a key register is maintained by the responsible officer BMO and WAO	
Policy 4.8 Replacement of Plant and Vehicle Policy			Accessability to the depot is restricted during working hours. Gates locked at end of day	
Reg 17B of the Financial Management Regulations 1996 requires a local government to take all reasonable steps to protect assets from theft or loss			No Security System installed for the office area of the Depot and Admin Centre	
Reg 17A(5) A non-financial asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5 000			Condition Report for buildings and other structures are undertaken internally by BMO and WAO on an annual basis residential buildings quarterly and on vacating	
			Insurance policies reviewed annually	
Reg 17A of the Financial Management Regulations 1996 requires a local government (4) A local government must revalue a non-financial asset of the local government referred to in subregulation (2)(a) — (a) whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and (b) in any event, within a period of no more than 5 years after the day on which the asset was last valued or revalued.				
Weaknesses		Impact on procedures		W/P

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Unauthorised movements of assets and access to plant are restricted.	✓	Y
(c) There are adequate physical safeguards against fire, theft etc.	✓	Y
(d) Regular physical inspections are carried out and agree to assets registers.	✓	Y
(e) Insurance covers are adequate and regularly reviewed.	✓	Y
(f) Supervision is effective.	✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Existence / Occurrence 1.2			32-250 1.2
Smart Review	0	Unanswered Questions	0

Audit assertion: 1. Existence / Occurrence
Control objective: 1.1 All assets recorded are adequately supported.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Asset register is updated at year end except for 2 items of plant one in Sept 21 and the other in Oct 21 based on postings to the GL and related source documents	
			Valuations of Assets undertaken on a 5 yearly rotational basis in 2022 the following assets were revalued waste water /sewer, parks and ovals and other	
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) There is a written record of receipt of assets.	✓	Y
(c) Adequate inspection occurs upon delivery.	✓	Y
(d) All invoices and receipt documents are directly forwarded to accounts payable.	✓	Y
(e) Documents are cancelled to prevent re-submission.	✓	Y
(f) Only properly supported suppliers' invoices are processed.	✓	Y
(g) Supervision is effective.	✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Completeness / Classification 2.1			132-270 2.1
Smart Review	0	Unanswered Questions	0

Audit assertion:

2. Completeness / Classification

Control objective:

2.1 All purchases of assets made in the accounting period are recorded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			For all assets in GL at the time of acquisition, in Asset Register for plant and equipment at time of acquisition all other asset classes at year end	
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) There is a regular investigation of unmatched documents.	✓	Y
(c) All documents are promptly and correctly processed.	✓	Y
(d) There are controls to ensure that unprocessed invoices and related documentation at year end are detected.	✓	Y
(e) Control accounts are regularly reconciled with subsidiary ledgers.	✓	Y
(f) Supervision is effective.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form Property, Plant and Equipment - Completeness / Classification 2.2

132-270 2.2

Smart Review	0	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification

Control objective: 2.2 All sales, transfers, losses and write-offs of assets made in the period are recorded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Shire utilises Synergy and RAMMs Software Systems to record its fixed assets	
			Asset Register updated Quarterly along with associated excel spreadsheets	

Weaknesses	Impact on procedures	W/P

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Unauthorised movement of assets and access to plant is prevented.	✓	Y
(c) There is adequate physical safeguards against fire, theft etc.	✓	Y
(d) There are regular physical inspections carried out and agree to assets registers. Any adjustments are authorised.	✓	Y
(e) Assets registers are regularly reconciled with control accounts.	✓	Y
(f) Supervision is effective.	✓	Y

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Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Completeness / Classification 2.3			¶32-270 2.3
Smart Review	0	Unanswered Questions	0

Audit assertion: 2. Completeness / Classification

Control objective: 2.3 All property, plant and equipment acquired properly recorded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Creditors invoices are processed fortnightly and assets are recorded at time of acquisition	
			Efts and direct debits are promptly recorded and reconciled	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Satisfactory mail opening procedures are in place, ie two people present, cheques restrictively crossed/stamped for "deposit only", remittances recorded for checking to subsequent deposits.	✓	Y
(c) Amounts received through the mail are handed promptly to the cashier.	✓	Y
(d) Cash sales including the use of pre-numbered cash sale documents are satisfactorily controlled.	✓	Y
(e) There are satisfactory controls over amounts received at branches and other outside locations.	✓	Y
(f) All receipts are sequentially pre-numbered and adequately accounted for.	✓	Y
(g) Unexpected cash counts are conducted.	✓	X
(h) All amounts received are deposited intact and promptly.	✓	Y
(i) Daily deposit totals, debtors postings and cash sales are reconciled.	✓	Y
(j) Bank reconciliations are regularly prepared and independently checked.	✓	Y
(k) Supervision is effective.	✓	Y

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Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Ownership / Proprietary 3.1			132-300 3.1
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.1 All purchases of assets are authorised.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Policy 3.11 - Purchasing Policy	
			Policy 3.15 Regional Price Preference Policy	
Sample check of invoices for certification stamp				
Weaknesses			Impact on procedures	W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) Duties are segregated.			✓	Y
(b) Purchase requisitions and purchase orders are properly authorised.			✓	Y
(c) Expenditure is monitored against budget and variations analysed and approved.			✓	Y
(d) Supervision is effective.			✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Ownership / Proprietary 3.2			132-300 3.2
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.2 All disposals of assets are authorised.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			As detailed in Annual Budget or with Council approval, MCCS/DCEO updates Fixed Asset Register	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
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Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Documentation evidencing the ownership of assets is stored in a safe place and unauthorised access to such documents is prevented.	✓	Y
(c) Assets held by third parties are properly controlled.	✓	X
(d) All sales, transfers and write-offs must be documented and properly authorised.	✓	Y
(e) Supervision is effective.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Property, Plant and Equipment - Valuation / Measurement

¶32-330

Smart Review	0	Unanswered Questions	0
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Audit assertion:

4. Valuation / Measurement

Control objective:

4.1 Amounts recorded are correct and posted to correct accounts.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Capitalisation threshold is \$5000 in accordance with Reg 17A(5) of the Financial Management Regulations 1996	
			Sample check of Creditor Batch Transaction listing for amounts recorded and GL accounts	
			Fixed Asset Register is update quarterly	
Fixed Asset Register Summary and associated excel worksheets checked as at 30/04/2022			Revaluations are undertaken in accordance with Regulation 17A(4)(b) every 5 years from the last revaluation	
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y

Control Conditions

	Status	Answer
(a) A detailed asset register is maintained.	✓	Y
(b) There are formal written policies and instructions regarding capitalisation of assets.	✓	Y
(c) Any revaluations are approved and supported by documentary evidence.	✓	Y
(d) Depreciation policies are consistent and properly approved.	✓	Y
(e) Postings to accounts, including revaluation adjustments if any, are reviewed and approved.	✓	Y
(f) The useful lives of assets are regularly appraised and any necessary adjustments approved.	✓	Y
(g) Depreciation calculations are checked.	✓	Y
(h) Supervision is effective.	✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Property, Plant and Equipment - Cut-Off			
		132-350	
Smart Review	0	Unanswered Questions	0

Audit assertion:

5. Cut-Off

Control objective:

5.1 Transactions are recorded in the correct accounting period.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Refer to 31-350			Creditors are paid promptly and transaction recorded in the correct accounting period	
Weaknesses				W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) Unprocessed invoices and other supporting documentation are reviewed at year end.			✓	Y
(b) Variances from budget are analysed and approved.			✓	Y
(c) Supervision is effective.			✓	Y

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Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Inventories and Cost of Sales - Existence / Occurrence 1.1			33-250 1.1
Smart Review	1	Unanswered Questions	0

Audit assertion:

1. Existence / Occurrence

Control objective:

1.1 Stocks and work-in-progress are adequately safeguarded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Policy 3.11 - Purchasing Policy			B Smart electronic software system is utilised to record the issue of diesel fuel form March 2021 At the end of month MCCC prints out report from B Smart for diesel fuel issued to plant .Fuel issues and entered into Synergy Store module for each item of plant Fuel purchases are entered in the Store module for quantity and cost Stores module calculates an average price which is used to cost the fuel issued to plant B Smart monthly reports sighted for the period Nov 2021 to June 2022 comprising of fuel issues readings from online fuel system, Diesel Fuel in litres, For unleaded Fuel Card System is used from local supplier Stock on hand represents Diesel	

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Inventories and Cost of Sales - Existence / Occurrence 1.1

T33-250 1.1

Smart Review	1	Unanswered Questions	0
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Audit assertion: **1. Existence / Occurrence**

Control objective: **1.1 Stocks and work-in-progress are adequately safeguarded.**

Key Controls	Control Risk	Planned Reliance	Notes	W/P
<p>Policy 4.1 - Fuel Stock Policy Receiving Fuel Stock When fuel stock is received from the supplier, it is the AWM or Leading Hand's responsibility to:</p> <ol style="list-style-type: none"> 1. Review delivered items to delivery docket, including quantity, quality and completeness of order; 2. Match delivery docket to purchase order; 3. Store the fuel stock securely and in allocated area; 4. Update all fuel stock records for receipt of goods; and 5. Inform or AWM or FCSM of any under/over-supply of fuel stock. <p>Managing Stock It is the AWM's responsibility to:</p> <ol style="list-style-type: none"> 1. Identify fuel stock and ensure that appropriate levels are held at all times; 2. Monitor all fuel stock levels and stock turns; <p>Policy Manual 122 Page</p> <ol style="list-style-type: none"> 3. Regularly review sales budgets and ensure that fuel stock is ordered in line with budgets; 4. Monitor re-order levels and ensure orders are placed in adequate time to reduce non availability of fuel stock; 5. Ensure that all staff are aware of new supplier, price changes and procedures for accurate recording of all fuel stock movements; 6. Ensure that there are adequate controls (physical and administrative) in place to minimise theft and/or waste of all stock items; and 7. Organise and oversee physical stock take twice a year and match records of stock take to administrative and financial records. 			<p>All fuel purchased for Diesel is recorded to into stock and allocated to plant on a monthly basis via general journal calculation is based on Diesel Fuel Allocation Quantities x the average price as calculated by Synergy Stores Module. For unleaded fuel dockets are posted direct to plant or expensed a Stock Issue Batch Transaction Listing is printed ,checked and posted in Synergy A GL Impact Statement is printed and all reports and supporting documentation is filed in Fuel Stock Receipts and Issues File</p>	
			<p>The Shire maintains fuel bowsers and issues are electronically down loaded from online fuel system The system provides stock readings electronically</p>	

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form		33-250 1.1
Inventories and Cost of Sales - Existence / Occurrence 1.1		
Smart Review	1	Unanswered Questions
		0

Audit assertion:

1. Existence / Occurrence

Control objective:

1.1 Stocks and work-in-progress are adequately safeguarded.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			No physical stock readings are required or undertaken, stock readings in B Smart software are reconciled to Stores Ledger and to GL control	
			Synergy Sock procedures utilised	
			It is noted that diesel fuel stock adjustment as at 30 June 2022 amounted to \$24,530.23 due to a different unit price being used to calculate the issues rather than the unit price calculated by synergy	
Weaknesses		Impact on procedures		W/P
Fuel Allocations not sighted for July- October 2022		Overstatement of of stock on hand and understating of expenditure in GL accounts		
Policy 4.1 - Fuel Stock Policy		To be reviewed to reflect current procedures and use of electronic fuel issue system		
Segregation of duties		No evidence sighted that fuel issue calculations were reviewed by another responsible officer		
Has the control objective been met?				N
Control Conditions			Status	Answer
(a) Duties are segregated.			✓	Y
(b) Unauthorised access is restricted. Valuable items are properly secured. There is a responsible storekeeper.			✓	Y
(c) There is adequate protection against fire and deterioration.			✓	Y
(d) Insurance cover is adequate and regularly reviewed.			✓	Y
(e) Items received into stock are properly controlled.			✓	Y
(f) Stock usage and transfers are properly controlled.			✓	Y
(g) Stocks held by third parties are properly controlled.			✓	X
(h) Supervision is effective.			✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Inventories and Cost of Sales - Existence / Occurrence 1.2

33-250 1.2

Smart Review	1	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence

Control objective: 1.2 All recorded stocks are supported by actual holdings.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			employees are provided with fuel card for unleaded fuel , For diesel fuel issues employees are provided with a smart phone app and unique log on BSMART , records issues electronically and are down loaded from software on a monthly and entered into Synergy Stores Module ,the suppliers invoices posted via Accounts Payable Module and an allocation journal is produced for posting in Synergy,MCCS/DCEO is responsible of the down loading of information from BSMART into EXCEL worksheet , reconciliation and posting to stores module and GL	
			Fuel stock readings can be obtained at any time via BMART system no manual dip stick readings required and reconciled to GL monthly	
Weaknesses		Impact on procedures		W/P
Discrepancy in value of fuel on hand		resulting from the wrong fuel price used		

Has the control objective been met?

Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Independent regular stock counts are performed.	✓	Y
(c) There are adequate stock take instructions issued.	✓	Y
(d) Results of stock counts are independently reviewed, differences are investigated and adjustments approved.	✓	Y
(e) Supervision is effective.	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Inventories and Cost of Sales - Completeness / Classification

¶33-270

Smart Review	1	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification

Control objective: 2.1 All transactions are accurately recorded in the stock records and posted to the correct accounts.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Fuel issues and purchases are properly recorded	
			Reconciliation undertaken as at 30 June 2022	
Weaknesses		Impact on procedures		W/P
Non recording of fuel allocations		Fuel allocation for the months July - October 2022 not sighted which may have resulted in the Monthly Financial Statements stating a high stock on hand value and less expenditure		
Segregation of Duties		No evidence sighted that fuel issue calculations were reviewed by another responsible office		
Has the control objective been met?				N

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Authorised documentation is used to update perpetual stock records.	✓	Y
(c) Posting summaries reflect all valid stock movements.	✓	Y
(d) Posting summaries are checked, authorised and posted correctly to the general ledger.	✓	N
(e) Stock in transit is properly controlled.	✓	X
(f) Supervision is effective.	✓	N

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Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Inventories and Cost of Sales - Ownership / Proprietary			
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.1 All stock included in inventories or sold is owned by the client.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) There are adequate cut-off procedures.			✓	Y
(b) Stocks on consignment to the client are properly identified and excluded from clients' own stocks.			✓	X
(c) Supervision is effective.			✓	Y

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Client Details					
Client Name	Shire of Dowerin			Preparer	Dominic Carbone
Client Code				Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Inventories and Cost of Sales - Valuation / Measurement 4.1

T33-330 4.1

Smart Review	1	Unanswered Questions	0
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Audit assertion: 4. Valuation / Measurement
Control objective: 4.1 Stocks are properly and accurately costed.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Diesel unit price utilised not the average price calculated by Synergy requiring an adjustment as at 30 June 2022 of \$24,530.23	

Weaknesses	Impact on procedures	W/P
Incorrect calculation of monthly fuel allocation	Under allocation of fuel stocks resulting in over statement of of Surplus at month end	

Has the control objective been met? N

Control Conditions	Status	Answer
(a) Finished goods are reconciled with purchases records and production records.	✓	X
(b) Stock costing summaries are prepared, checked and approved.	✓	Y
(c) Clerical procedures in relation to the preparation of inventory sheets are independently checked.	✓	Y
(d) Inventory sheets are properly approved.	✓	N
(e) The totals of inventory sheets are agreed with control accounts in the general ledger.	✓	Y
(f) Any differences between totals of inventory sheets and control accounts are investigated and any adjustments approved.	✓	Y
(g) The carrying amounts of inventory items are regularly reviewed.	✓	Y
(h) There is a correct and consistent basis for charging to production the cost of all inventory issues, requisitions and returns.	✓	N
(i) Labour and overheads are charged on a reasonable and consistent basis to work in progress.	✓	X
(j) Where standard costs are used:		
(i) they are reconciled with actual costs, and variances analysed	✓	X
(ii) they are regularly reviewed	✓	X
(iii) changes must be properly approved	✓	X
(k) Supervision is effective.	✓	Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Inventories and Cost of Sales - Valuation / Measurement 4.2			¶33-330 4.2
Smart Review	1	Unanswered Questions	0

Audit assertion:

4. Valuation / Measurement

Control objective:

4.2 Provisions are made where necessary to prevent over-valuation of inventories.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			The value for fuel on hand is calculated based on the average price calculated by Synergy Stores Module times the quantity on hand	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
-------------------------------------	---

Control Conditions	Status	Answer
(a) Controls are in existence to ensure that damaged, obsolete, and slow-moving inventory items are identified.	✓	X
(b) Work-in-progress expenditure is regularly reviewed for reasonableness.	✓	X
(c) Controls are in existence to ensure that necessary provisions are:	✓	Y
(i) made	✓	Y
(ii) independently checked	✓	Y
(iii) authorised	✓	Y

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Inventories and Cost of Sales - Cut-Off

¶33-350

Smart Review	0	Unanswered Questions	0
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Audit assertion:

5. Cut-Off

Control objective:

5.1 All stocks purchased and/or sold are recorded in the correct accounting period.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Purchases and Issues and adjustments to stock on hand are expensed in the same financial year	
			Stock reconciliation undertaken in June 2022 and adjustments made	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?

Y

Control Conditions

Refer to Sales, debtors and cash receipts (¶30-250 and following) and Purchases, creditors and cash payments (¶31-250 and following), general internal control evaluations

Status

Answer

✓

Y

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Client Details				
Client Name	Shire of Dowerin		Preparer	Dominic Carbone
Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Cash and Bank - Existence / Occurrence 1.1			34-250 1.1
Smart Review	0	Unanswered Questions	0

Audit assertion: 1. Existence / Occurrence
Control objective: 1.1 Recorded cash funds exist.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
<p>Policy 3.9 Petty Cash Policy Issuing Petty Cash</p> <p>A petty cash voucher receipt must be completed before any cash is paid out of the petty cash float.</p> <p>All petty cash voucher receipts must be approved for payment by either the Manager Corporate & Community Services, Dowerin Home Care Coordinator, Chief Executive Officer or Manager Assets & Works.</p> <p>All petty cash vouchers must be supported by a supplier invoice or receipt to justify the expenditure.</p> <p>All completed vouchers must have the following details included:</p> <ol style="list-style-type: none"> 1. Issue date of voucher; 2. Name of person issued the voucher; 3. Amount of monies disbursed; 4. Details of expense; 5. Invoice or receipt; and 6. Signature of approval person. <p>Reconciling Petty Cash</p> <p>The petty cash float is to be reconciled monthly. This is the responsibility of the Petty Cash Custodian. The Manager Corporate & Community Services will review and sign off on monthly reconciliations.</p> <p>All petty cash expenditure must be entered into the financial system once reconciled.</p> <p>Petty Cash Float</p> <p>Reimbursement of the petty cash float will be authorised by the Manager Corporate & Community Services.</p> <p>The balance of monies and vouchers must equal the petty cash float before reimbursement.</p>			Finance Admin Officer is responsible for petty cash advances to staff at the Administration Centre.	

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Existence / Occurrence 1.1

134-250 1.1

Smart Review	0	Unanswered Questions	0
The Shire has the following two petty cash floats: Policy Manual 93 Page 1. Shire Administration Office for \$200; and 2. Dowerin Home Care for \$300. The petty cash float shall be locked in the safe in the related building		Petty Cash Float- \$200 Cash count conducted cash held was \$56.10 and receipts of \$143.90	
		Cash Till Float- Office \$200 Swimming Pool \$200 and Gentle Gym \$50	
		Cash takings are stored in locked cash boxes and held in the safe, Swimming Pool takings are held by Swimming Pool Consultant and are receipted weekly, Gentle Gym takings are held by assistant coordinator and receipted monthly	
		Checked floats agree, don't agree to the GL insofar that the floats for the swimming pool \$200 and gentle gym \$50 have not been recorded	

Weaknesses	Impact on procedures	W/P
Policy 3.9 Petty Cash Policy to be reviewed	By the deletion of float to Dowerin Home Care and the insertion of floats to Swimming Pool \$200 and Gentle Gym \$50	
Synergy Financial to be updated	To include floats to the Swimming Pool \$200 and Gentle Gym \$50	

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Access to funds is restricted - funds held in secure locations.	✓	Y
(c) Authorisation is required for creation of new funds.	✓	Y
(d) An imprest system is used.	✓	Y
(e) Surprise counts are conducted.	✓	N
(f) Supervision is effective.	✓	Y

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Client Details			
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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Existence / Occurrence 1.2

T34-250 1.2

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence
Control objective: 1.2 Recorded bank accounts exist.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
<p>Policy 3.6 Bank Account Policy</p> <p>Opening Bank Accounts</p> <p>Any new bank accounts to be opened for the Shire must have the authorisation of the Chief Executive Officer and Manager Corporate & Community Services.</p> <p>For each new bank account opened, the Shire of Dowerin's financial system must be updated and the bank account registered by the Manager Corporate & Community Services.</p> <p>Bank Account Authorisation of Transactions</p> <p>All payments of monies from or transfers between, any Shire bank accounts whether by cheque, EFT or other online payment method, must be pre-approved by two authorising officers.</p>			<p>As at 31 October 2022 the following bank accounts are recorded Bank- NAB Muni Fund Cheque A/c, Cash Maximiser and LRCIP PHASE 2 FUNDING , Term Deposit 7096589 Bank -Westpac Term Deposit 279675 and Bank - Bendigo</p>	

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		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Existence / Occurrence 1.2

¶34-250 1.2

Smart Review	0	Unanswered Questions	0
<p>The designated authorised positions for bank account payments are:</p> <ol style="list-style-type: none"> 1. Chief Executive Officer; 2. Manager of Corporate & Community Services; 3. Manager Assets & Works; and 4. Finance Officer. <p>Each payment made must be supported by invoice, receipt or other appropriate documentation and the authorisations must be attached to this documentation prior to payment.</p> <p>Variations to Bank Account Terms and Conditions</p> <p>Any variations to banking arrangements can only be made or varied by the Chief Executive Officer and Manager Corporate & Community Services.</p> <p>Shire of Dowerin's financial system.</p> <p>Where a stop payment on a cheque is required, it will be authorised by the Chief Executive Officer or Manager Corporate & Community Services.</p> <p>The Manager Corporate & Community Services will be responsible for carrying out the following duties in regards to a stop payment on a cheque</p>		<p>Bank Reconciliations are prepared monthly sample check for Nov 2021, April 2022 and June 2022 performed</p>	

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Period Start		1-Nov-2021		Date Prepared	
Period End		31-Oct-2022		21-Nov-2022	

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Cash and Bank - Existence / Occurrence 1.2			
Smart Review		Unanswered Questions	
0		0	
Weaknesses		Impact on procedures	
Outstanding unrecorded transaction in GL		As at 30 June 2022 \$296,348.51 worth of transactions were not recorded resulting that cash at bank balance being understated	
		W/P	
Has the control objective been met?			Y
Control Conditions			
(a) Duties are segregated.		Status	Answer
(b) Authority is required for opening and closing bank accounts.		✓	Y
(c) Bank statements are received regularly for all bank accounts and independent reconciliations are prepared and subject to review.		✓	Y
(d) Supervision is effective.		✓	Y

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Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Cash and Bank - Existence / Occurrence 1.3			¶34-250 1.3
Smart Review	0	Unanswered Questions	0

Audit assertion:

1. Existence / Occurrence

Control objective:

1.3 All payments made from cash funds are properly supported.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) Duties are segregated regarding custody of funds and recording of transactions.			✓	Y
(b) Reimbursements are properly supported by vouchers which have been authorised by a responsible official.			✓	Y
(c) Advances and IOUs are properly controlled.			✓	X
(d) Vouchers are properly cancelled to prevent resubmission.			✓	Y
(e) Postings to general ledger accounts are properly controlled.			✓	Y
(f) Supervision is effective.			✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Existence / Occurrence 1.4

¶34-250 1.4

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence

Control objective: 1.4 All payments from bank accounts for goods and services are properly supported.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
Refer to Purchases, creditors internal control evaluation and cash payments (¶31-250)			✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Completeness / Classification

¶34-270

Smart Review	0	Unanswered Questions	0
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Audit assertion:

2. Completeness / Classification

Control objective:

2.1 All cash remittances received are deposited.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
Refer to Sales, debtors and cash receipt's internal control evaluation (¶30-270 2.4)			✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form		¶34-300	
Cash and Bank - Ownership / Proprietary			
Smart Review	0	Unanswered Questions	0

Audit assertion: 3. Ownership / Proprietary
Control objective: 3.1 Bank accounts are opened only in the client's name.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Policy 3.6 Bank Account Policy refer 34-250 12	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
-------------------------------------	---

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Appropriate authority is required for opening and closing bank accounts.	✓	Y
(c) Bank statements regularly received for all bank accounts and independent reconciliations are prepared and subject to review.	✓	Y

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Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Cash and Bank - Valuation / Measurement			
¶34-330			
Smart Review	0	Unanswered Questions	0

Audit assertion: 4. Valuation / Measurement
Control objective: 4.1 Bank accounts are correctly stated in the accounts.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Refer 34- 250 1.2	
Weaknesses		Impact on procedures		W/P
Has the control objective been met?				Y
Control Conditions			Status	Answer
(a) Duties are segregated.			✓	Y
(b) Bank reconciliations are prepared regularly and reviewed.			✓	Y
(c) Inter-bank transfers are properly controlled.			✓	Y
(d) Supervision is effective.			✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Cash and Bank - Cut-Off

134-350

Smart Review	0	Unanswered Questions	0
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Audit assertion: 5. Cut-Off

Control objective: 5.1 Cash and bank transactions are recorded in the correct accounting period.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
			Refer to 34-250 12	

Weaknesses	Impact on procedures	W/P

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Bank reconciliations are independently reviewed.	✓	Y
(c) Kiting is prevented.	✓	Y
(d) Supervision is effective.	✓	Y

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Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Existence / Occurrence 1.1

136-250 1.1

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence

Control objective: 1.1 Adequate security and authorisation over payroll transactions.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Pay rates in Award checked to Pay run ending 23/11/2022.	M	M	Employees are paid in accordance with the Municipal Employees Award 2021 and Local Government Industry Award 2020	
	L	N	Council Policies Policy 7.17 - Employee Housing - provision of housing for designated positions.	
Net pay amounts from pay report on 23/11/2022 matched to payment made via NAB Online.	M	M	Payment of salaries and wages via direct debits NAB Connect Online Banking	
Checked personnel files held in locked cabinet in Payroll officer office. Verified sample personnel files with	L	M	Employees have individual personnel files that contain the following information emergency contacts, new employee information, medical, payroll, reviews, training ,super and correspondence. Files are stored in the locked filing cabinet in payroll office.	
Sample Payroll tested for Fortnight ending 23/11/2022. As electronic timesheets are used, there is no verification report to test timesheet hours, rather most employees are on standard 76 hours, except for those that are part time or casual.	M	C	DCEO authorises inside staff timesheets electronically,Works Coordinator authorises outside staff including cleaners electronically. DCEO authorises any employee termination payments - calculated and entered manually.	
	M	M	All staff record their daily hours via the Altus payroll app on a smart phone or ipad, except for PEP works, some casual staff and others that struggle with IT . The app directly records the hours into the timesheet module in Altus. PO checks all timesheet have been approved by supervisor checks data to Team variance report. PO opens a pay run and calculates pays. DCEO checks and cetifies prior to pay run report. PO finalises pay run and generates various payroll reports from Altus. PO prints or emails payslips to employees. PO loads ABA File to NAB and requests authorisation for payment from CEO, DCEO, EGO - 2 authorisations required. PO updates universal journal in Synergy and reconciles.	
Weaknesses	Impact on procedures			W/P
Has the control objective been met?				Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Existence / Occurrence 1.1

T36-250 1.1

Smart Review	0	Unanswered Questions	0
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Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) There is written authorisation for:	✓	Y
(i) rates to pay	✓	Y
(ii) variations in rates of pay	✓	Y
(iii) bonuses	✓	X
(iv) payments for annual, long service and sick leave	✓	Y
(v) termination of employment	✓	Y
(c) Individual personnel files are maintained containing the above authorisations and employee specimen signatures.	✓	Y
(d) Authorised deduction forms are held by the employer.	✓	Y
(e) All overtime worked is authorised.	✓	Y
(f) Advances of pay are authorised.	✓	X
(g) There is adequate security over the handling and distribution of payroll.	✓	Y
(h) Supervision is effective.	✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Existence / Occurrence 1.2

136-250 1.2

Smart Review	0	Unanswered Questions	0
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Audit assertion: 1. Existence / Occurrence
Control objective: 1.2 Payroll cheques are issued only for individuals who work for the client.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Verified and signed fortnightly payroll report	M	M	Fortnightly payroll reviewed by DCEO prior to finalisation of pay. DCEO certifies and signs and dates Payroll Comparison Detail Report.	
	M	M	Timesheets are approved electronically by supervisor. If not approved, then they will sit in pending file until approved.	
Weaknesses		Impact on procedures		W/P

Has the control objective been met? Y

Control Conditions	Status	Answer
(a) Duties are segregated.	✓	Y
(b) Payroll transactions are regularly reviewed by an independent person.	✓	Y
(c) The recording of hours worked is adequately controlled.	✓	Y
(d) Time cards/sheets are approved.	✓	Y
(e) Employees are identified prior to payment.	✓	Y
(f) Adequate personnel files are maintained.	✓	Y
(h) Supervision is effective.	✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Existence / Occurrence 1.3

136-250 1.3

Smart Review	0	Unanswered Questions	0
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Audit assertion:

1. Existence / Occurrence

Control objective:

1.3 Employees are paid only for the time they actually worked.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
	M	M	As Per electronic timesheets, manual timesheets attached to payroll reports and standard pays	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
-------------------------------------	---

Control Conditions	Status	Answer
(a) Time cards/sheets are approved.	✓	Y
(b) Time clocks are used to record hours worked.	✓	N
(c) Supervision is effective.	✓	Y

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form Payroll - Completeness / Classification

136-270

Smart Review	0	Unanswered Questions	0
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Audit assertion: 2. Completeness / Classification

Control objective: 2.1 Recorded payroll transactions are correctly summarised and posted.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
	M	M	Gross pay report for Year matched to GL Gross Salaries Account for 30 June 2022. STP report does not match YTD Report - Errors found in STP - rent, child support payments, housing bond deductions flagged as pre-tax in error, resulting in under reporting of Gross Taxable payments for STP to ATO. Correction required, or FBT reported.	

Weaknesses	Impact on procedures	W/P

Has the control objective been met? N

Control Conditions	Status	Answer
(a) Payroll summary calculations are verified.	✓	Y
(b) Postings to general ledger are checked.	✓	Y
(c) Payroll transactions are recorded on a timely basis.	✓	Y
(d) Payroll transactions are properly included in the employee earnings record.	✓	N
(e) Supervision is effective.	✓	N

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Client Details

Client Name	Shire of Dowerin	Preparer	Dominic Carbone
Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Ownership / Proprietary

136-300

Smart Review	0	Unanswered Questions	0
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Audit assertion: 3. Ownership / Proprietary
Control objective: 3.1 All payroll transactions are properly authorised.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Electronic workflow approval process to authorise timesheets.	M	C	Employees file timesheets electronically. Reviewed by Supervisor and approved electronically.	
Letter of authorisation	M	M	Rates of pay changes are notified by letter to the employee, whether from Award increase or overaward payment approved by CEO. Letter of pay rate change kept on personnel file.	
Certified Termination calculation worksheet	M	M	Termination payments are calculated manually and verified by DCEO prior to entry into Altus Payroll.	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
-------------------------------------	---

Control Conditions	Status	Answer
(a) Written authorisation is obtained for:	✓	Y
(i) rates of pay	✓	Y
(ii) variations in rates of pay	✓	X
(iii) bonuses	✓	Y
(iv) payments for annual, long service and sick leave	✓	Y
(v) termination of employment	✓	Y
(vi) Overtime worked	✓	Y
(vii) Pay in advance	✓	X

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Client Code		Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022
		Date Prepared	21-Nov-2022

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form

Payroll - Valuation / Measurement

136-330

Smart Review	0	Unanswered Questions	0
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Audit assertion: 4. Valuation / Measurement

Control objective: 4.1 Recorded payroll transactions are calculated at the proper rates and withholdings are correctly calculated.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Sample check for Payroll ended 23/11/2022	L	M	As per Municipal Employees Award WA 2021 for outside workforce and the LG Industry Award WA 2021 and employee contracts and ATO withholding tax rates	
Team variance report to check employees have correct hours for fortnight by payroll officer and DCEO.	M	C	Timesheets completed electronically. No documentation to check timesheet entries against. Timesheet approval completed electronically.	
Certified Pay Comparison Detail Report - checked for pay run 23/11/2022.	M	M	DCEO reviews and verifies Pay Comparison Detail Report for each employee, checking allowances and deductions for pay run.	

Weaknesses	Impact on procedures	W/P
Has the control objective been met?		Y

Control Conditions	Status	Answer
(a) Payroll hours, calculations and additions are determined and checked.	✓	Y
(b) Payroll sheets and summaries are prepared and checked.	✓	Y
(c) The summary of net payroll is agreed to cheque drawn.	✓	Y
(d) Employees' earnings and deductions records are prepared and checked.	✓	Y
(e) Authorised deduction forms are available to support deductions made.	✓	Y
(f) Supervision is effective.	✓	Y

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Client Code			Reviewer	
Period Start	1-Nov-2021	Period End	31-Oct-2022	Date Prepared
		21-Nov-2022		

[Goto CoverSheet](#)

[Goto CheckList](#)

Internal Control Evaluation Form			
Payroll - Cut-Off			
			136-350
Smart Review	0	Unanswered Questions	0

Audit assertion:

5. Cut-Off

Control objective:

5.1 All payroll transactions are recorded in the correct period.

Key Controls	Control Risk	Planned Reliance	Notes	W/P
Supervisor to review & approve timesheets before submitted for inclusion in pay run.	M	M	Timesheets are completed electronically each day by employees ready for review by Supervisor.	
Certified Pay items Report. Universal Journal posted in Synergy.	M	M	Fortnightly pay run is completed and posted on day of payroll processing	
Certified Monthly Payroll Reconciliation	L	M	Payroll reconciliation is performed monthly and verified to GL. End of year STP reconciliation process needs to be strengthened to ensure STP balances to Gross Pay in GL, less any salary sacrifice amounts.	

Weaknesses	Impact on procedures	W/P

Has the control objective been met?	Y
-------------------------------------	---

Control Conditions	Status	Answer
(a) Payroll transactions are promptly posted.	✓	Y
(b) The payroll is reviewed prior to and subsequent to year end.	✓	Y
(c) Payroll is reconciled with budget and any variances are analysed.	✓	Y

ATTACHMENT 3
FLOWCHARTS/PROCESS MAPS

MAIL/CASHIERING
ACCOUNTS RECEIVABLE
ACCOUNTS PAYABLE
PAYROLL
PETTY CASH

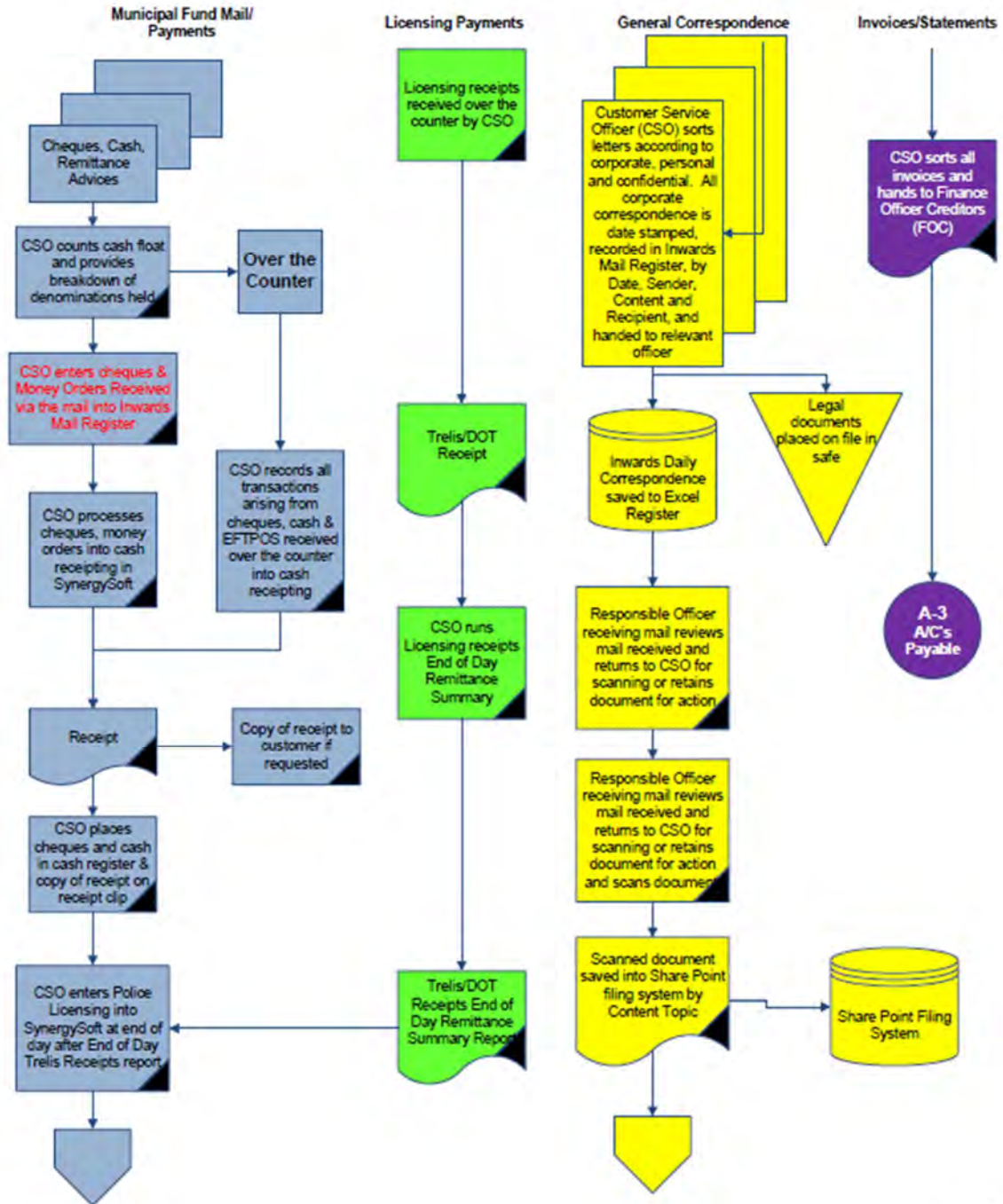
SHIRE OF DOWERIN

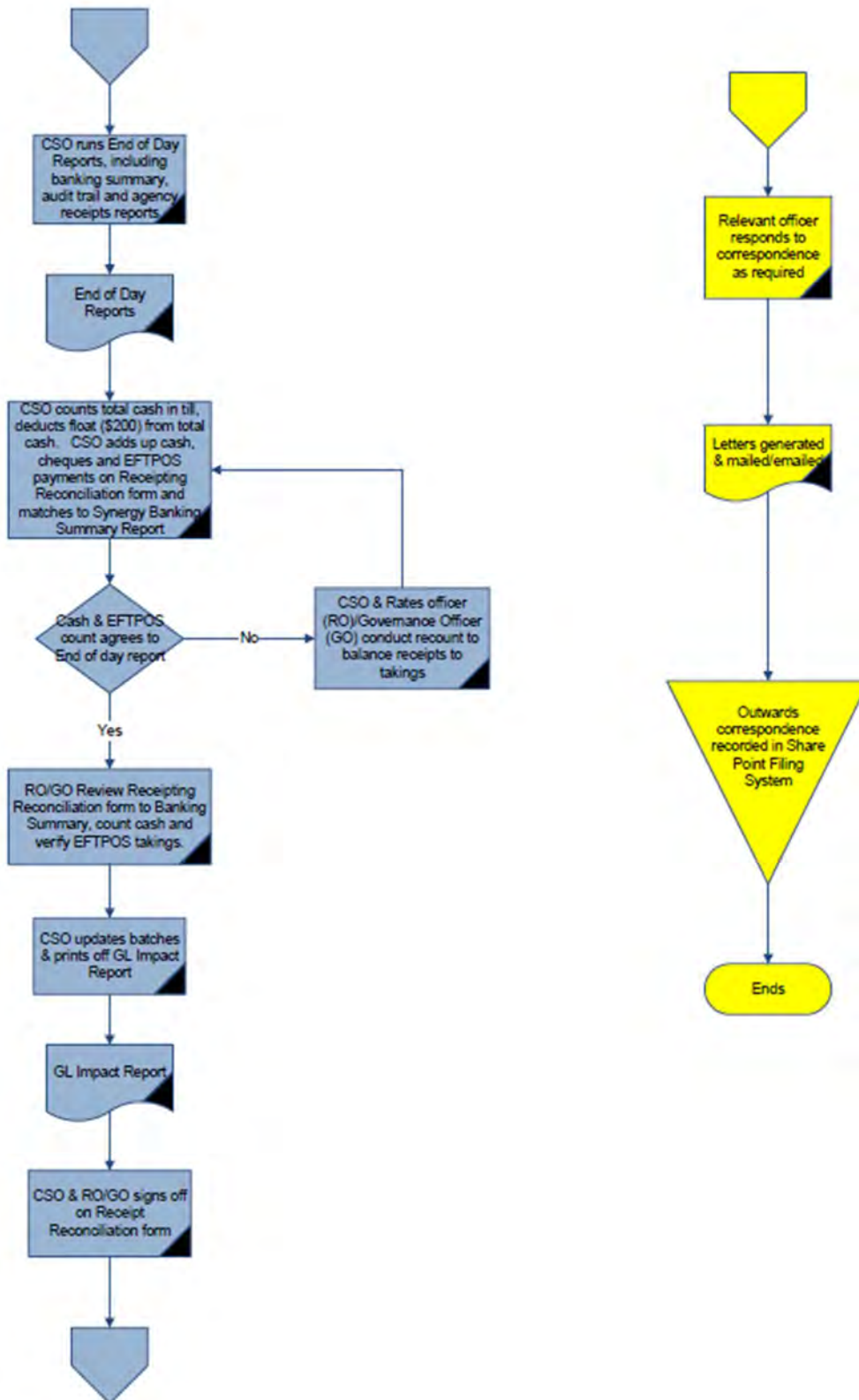
Mail/Cashiering

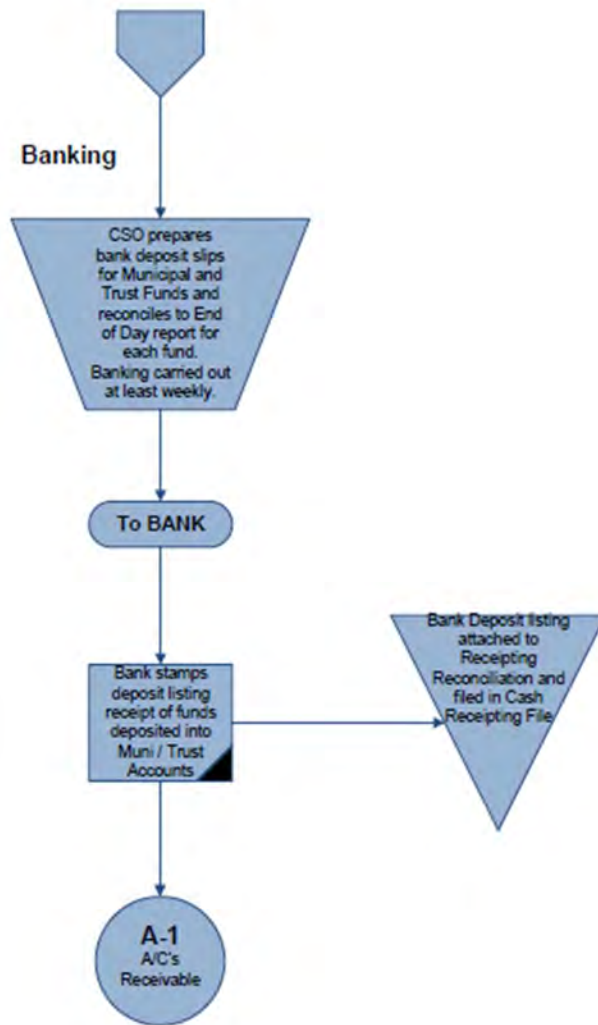
Flowchart

22/11/2022

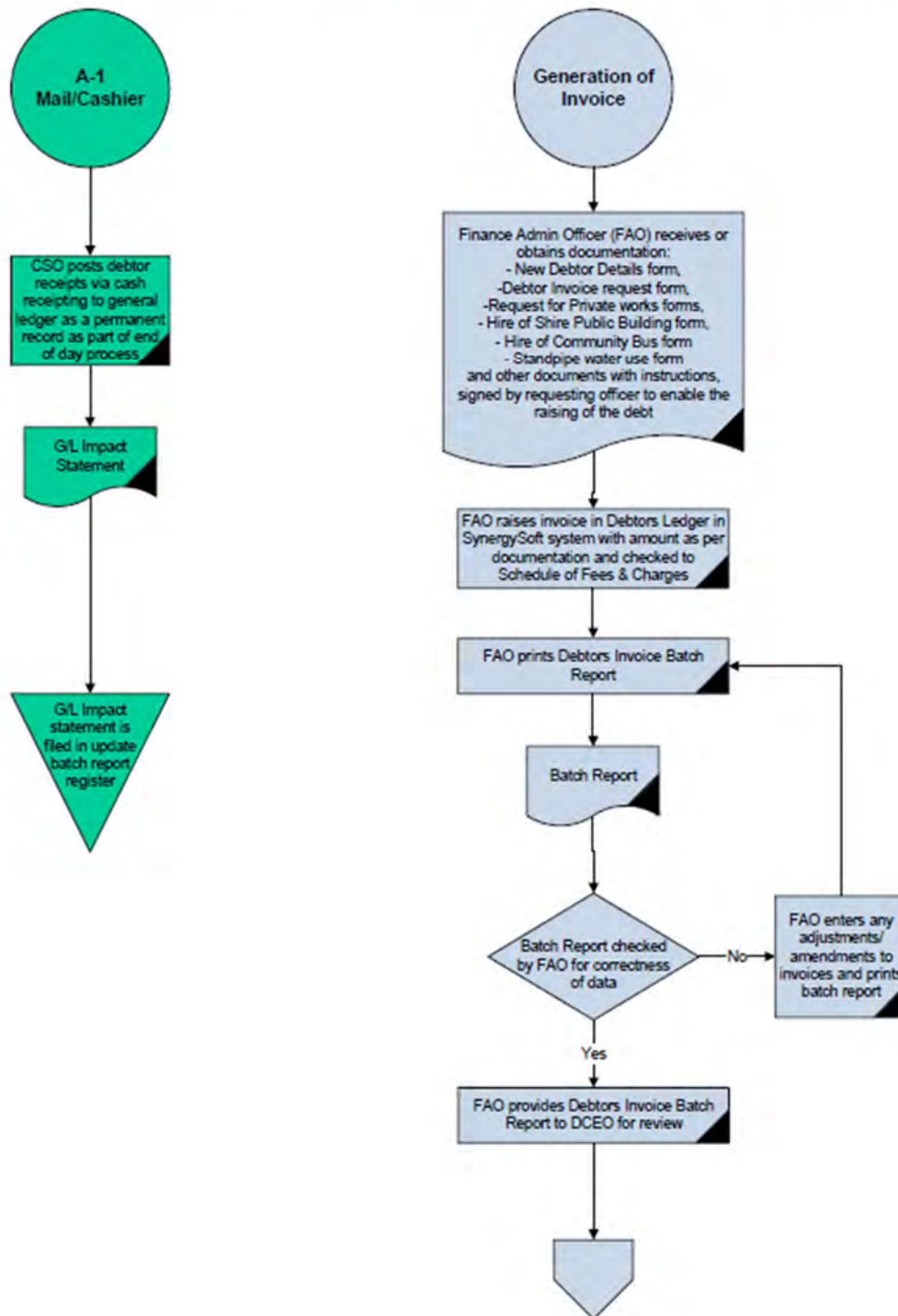
Council Officers collect mail from post office. Customer Services Officer (CSO) sorts all incoming correspondence into the categories listed below and records in Inwards Mail Register. All items of correspondence, including payments, are date stamped upon receipt.

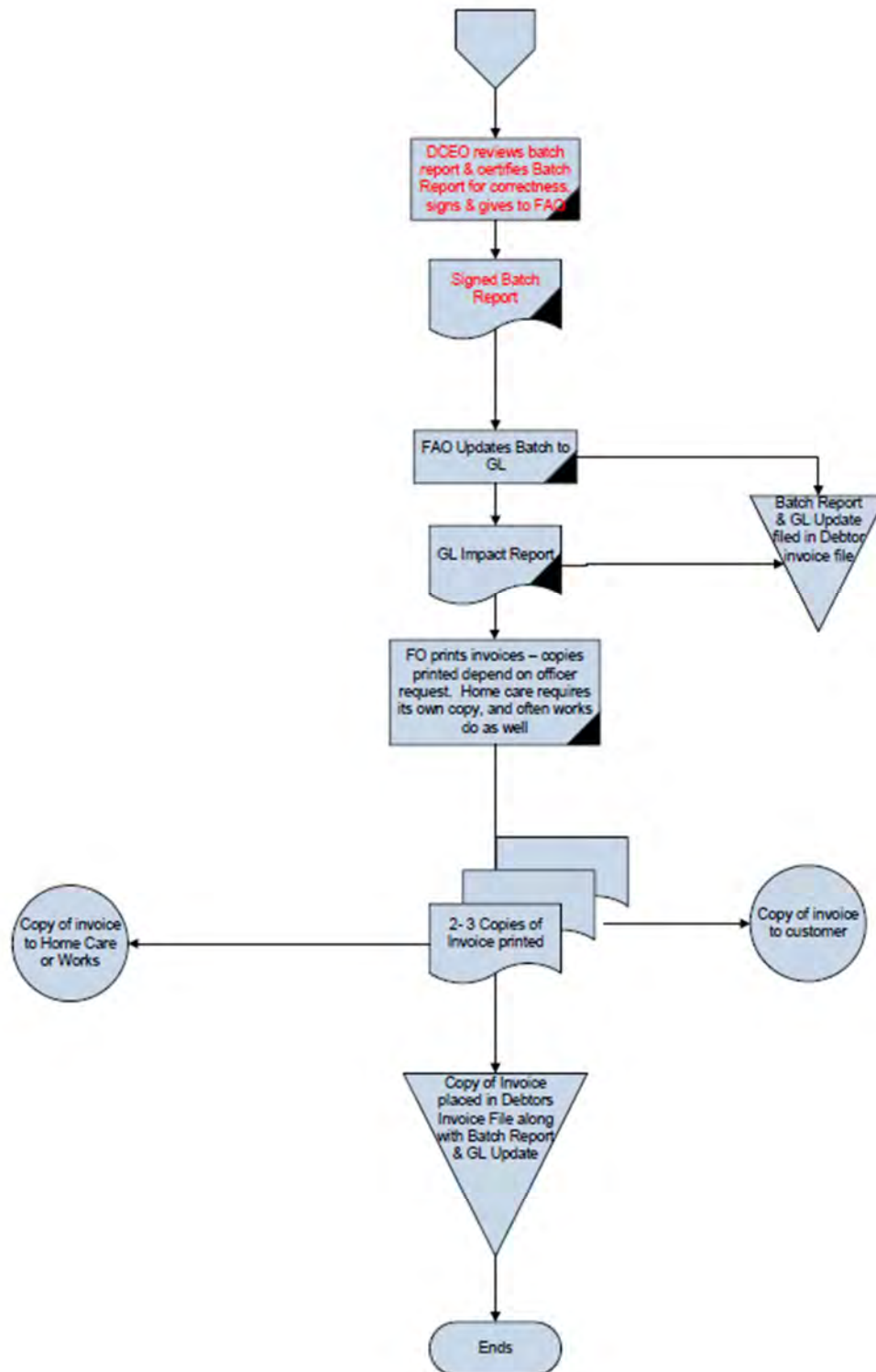




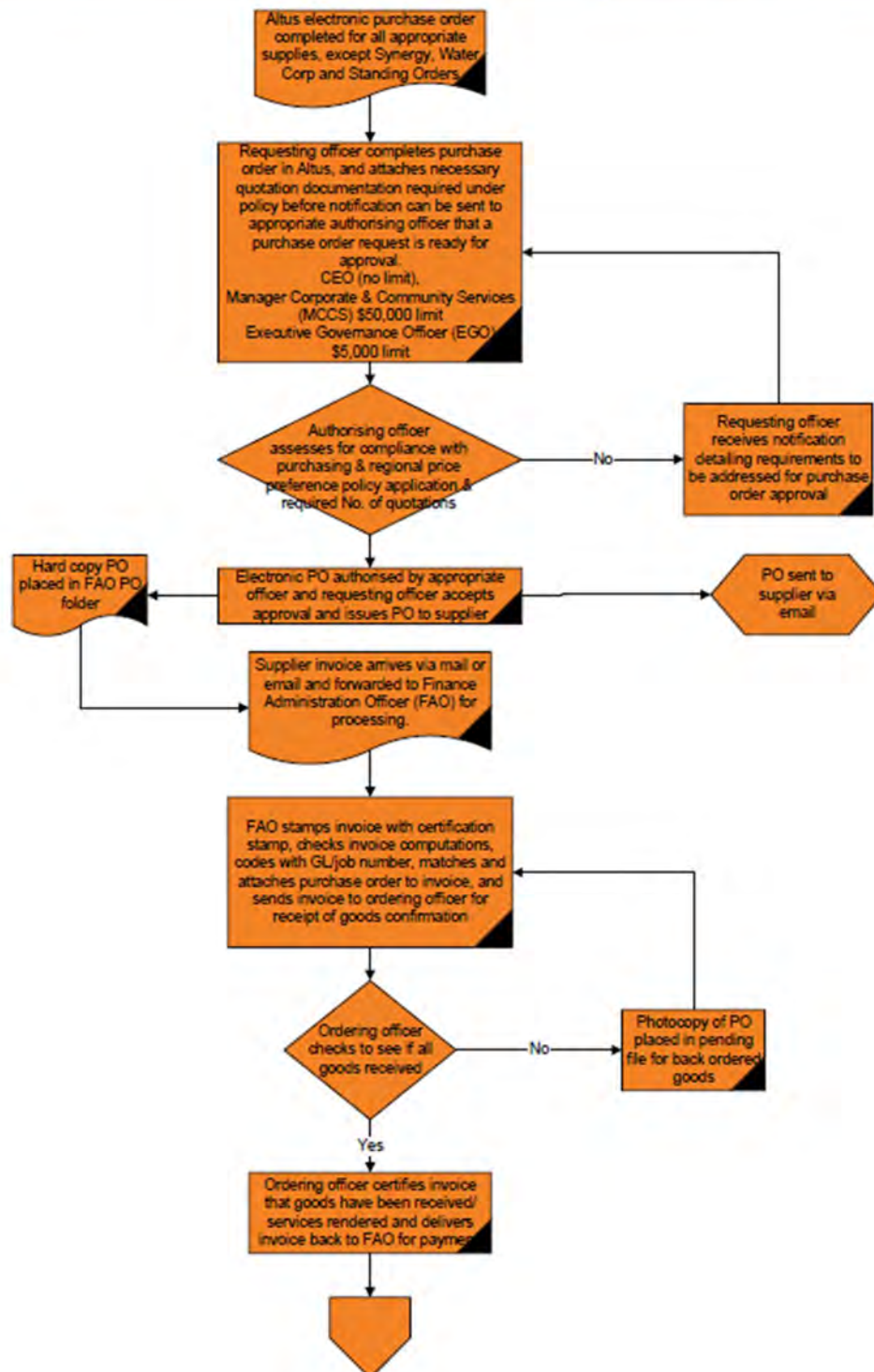


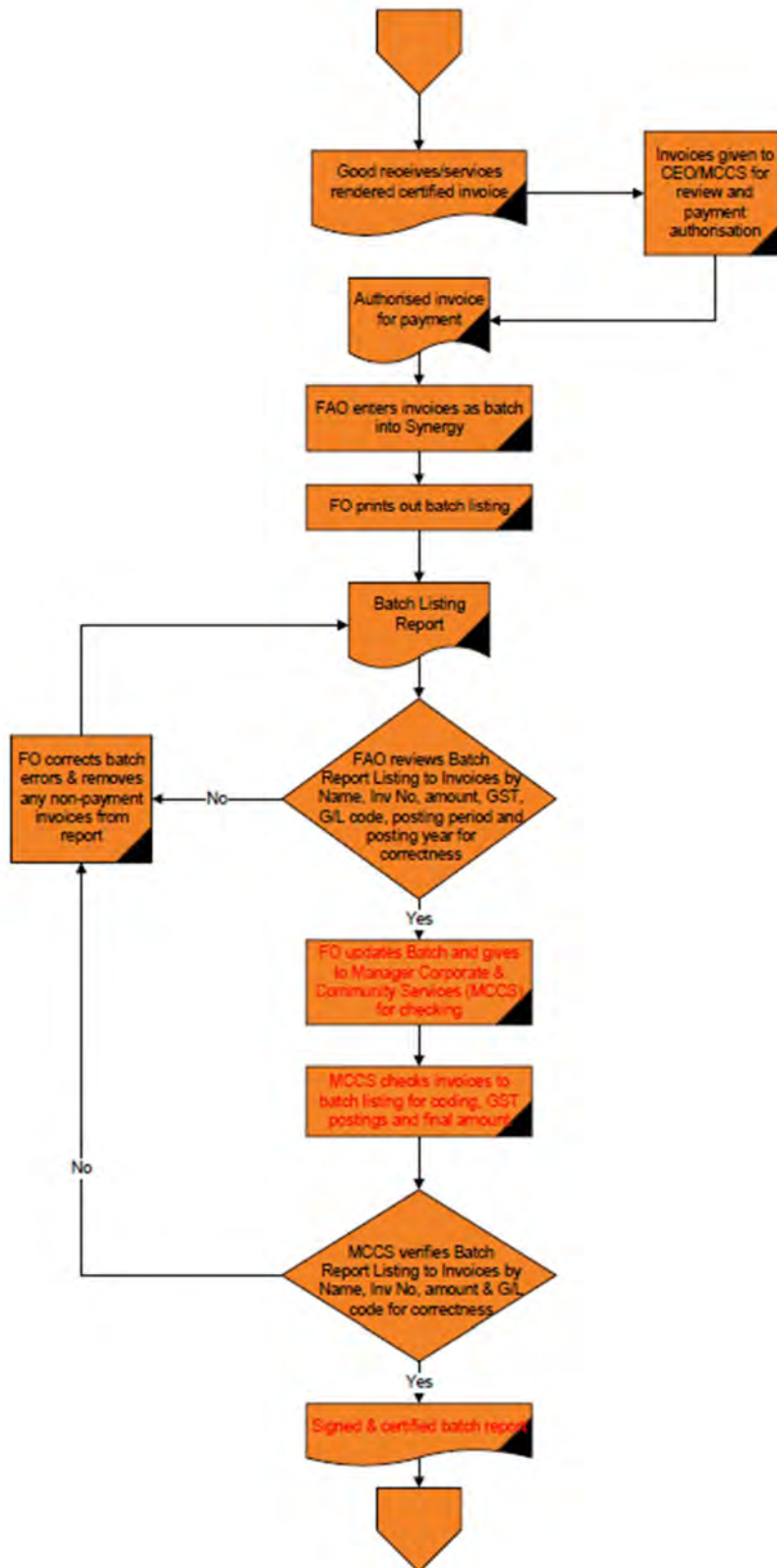
SHIRE OF DOWERIN		
Accounts Receivable	Flowchart	25/11/2022

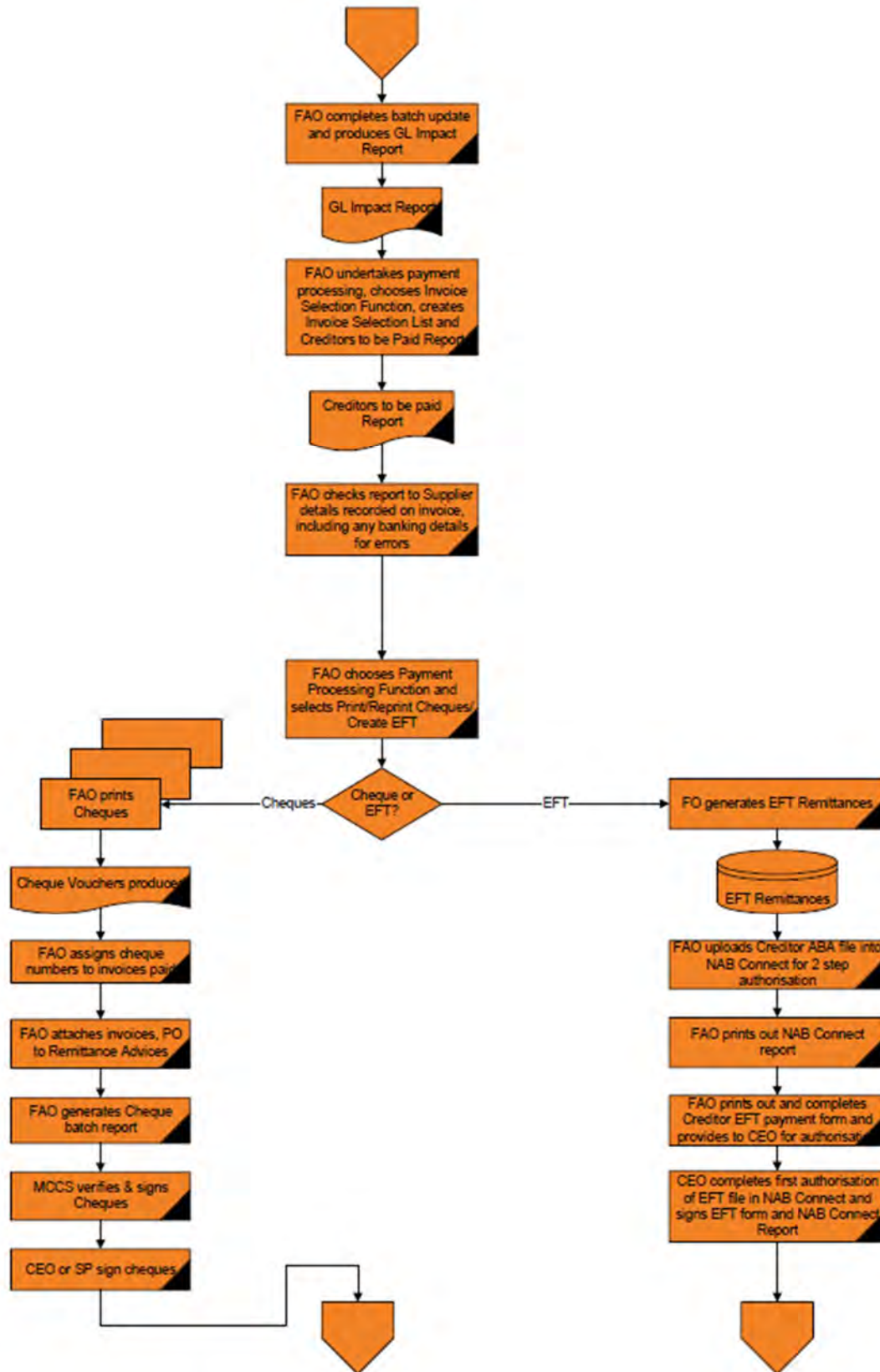


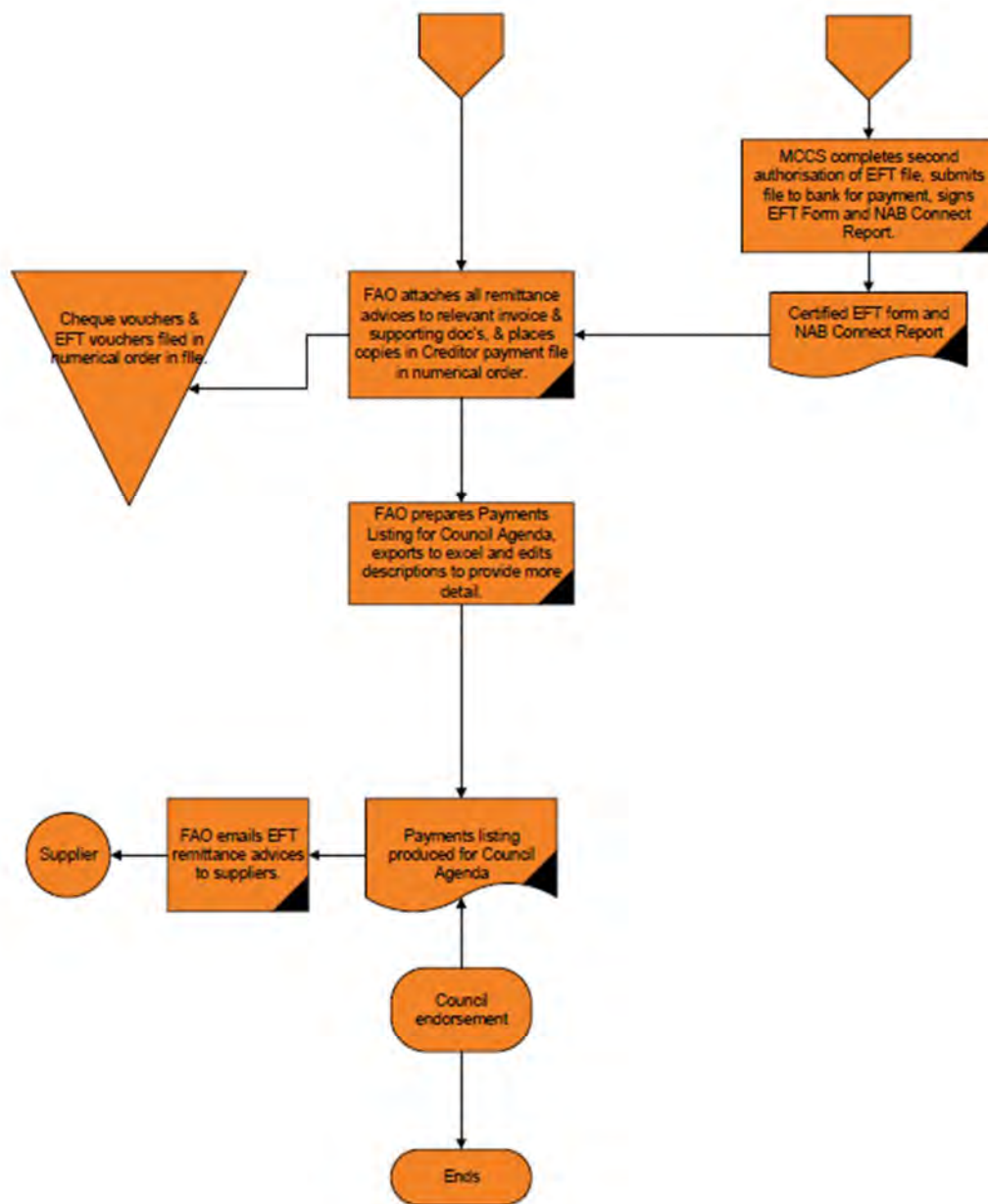


SHIRE OF DOWERIN		
Accounts Payable Flowchart		24/11/2022

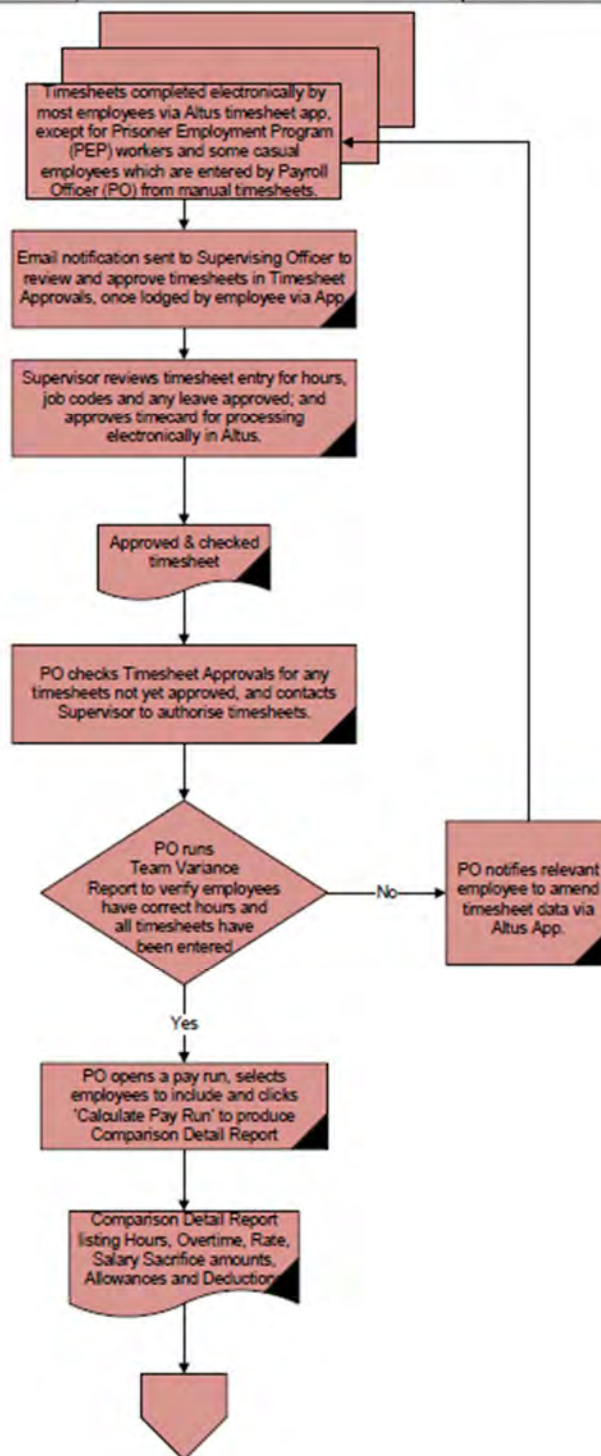


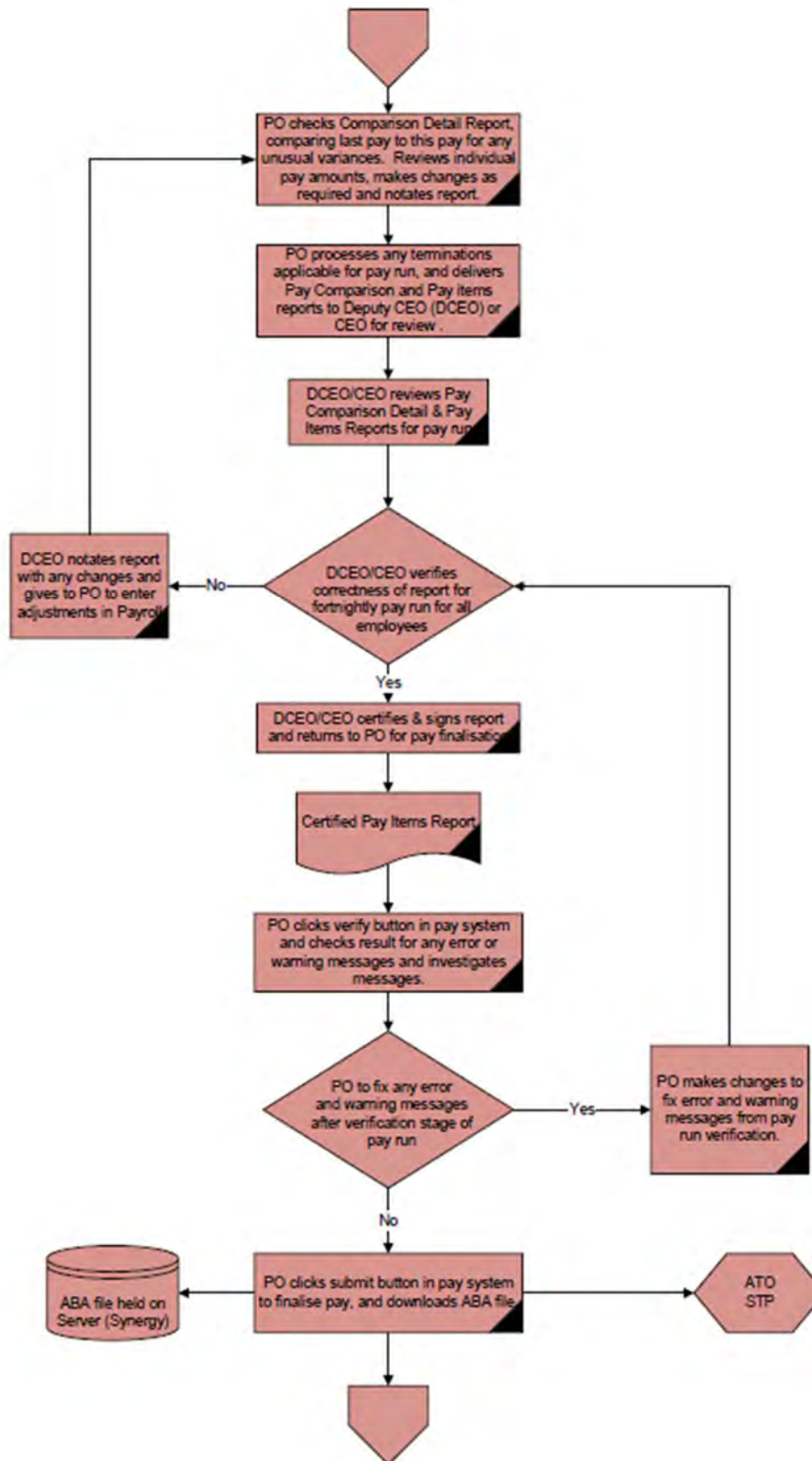


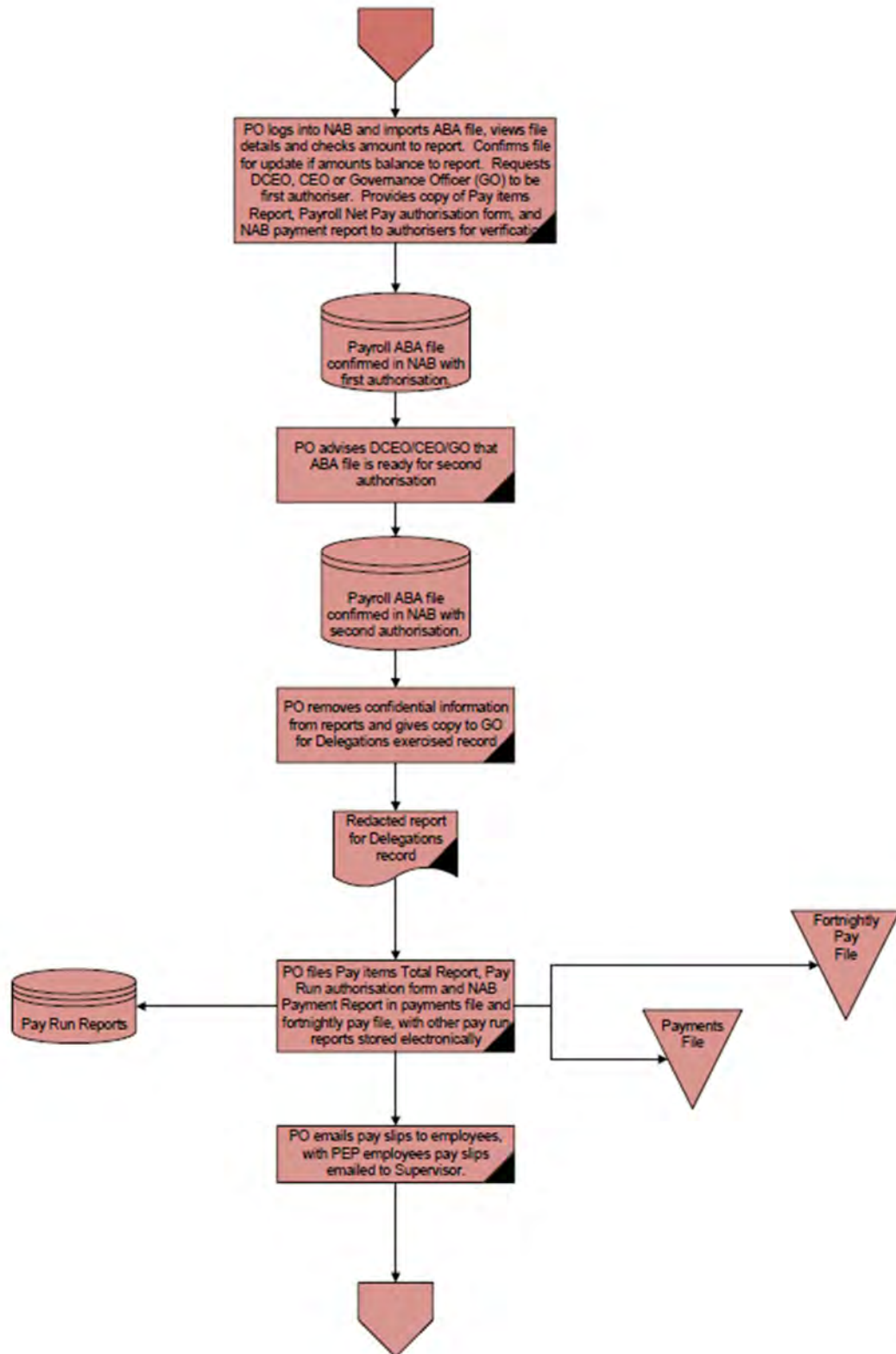


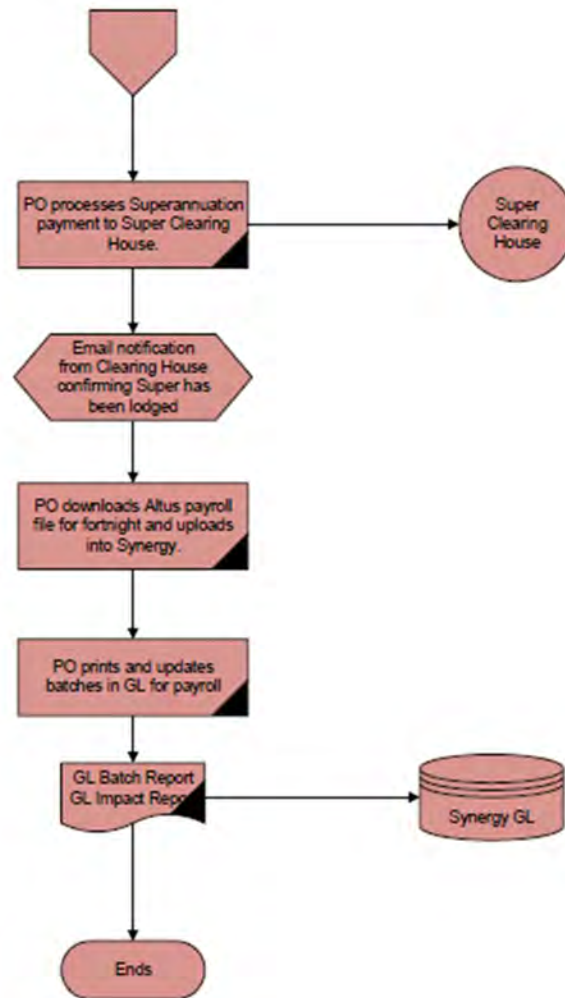


SHIRE OF DOWERIN		
Payroll Flowchart		22/11/2022

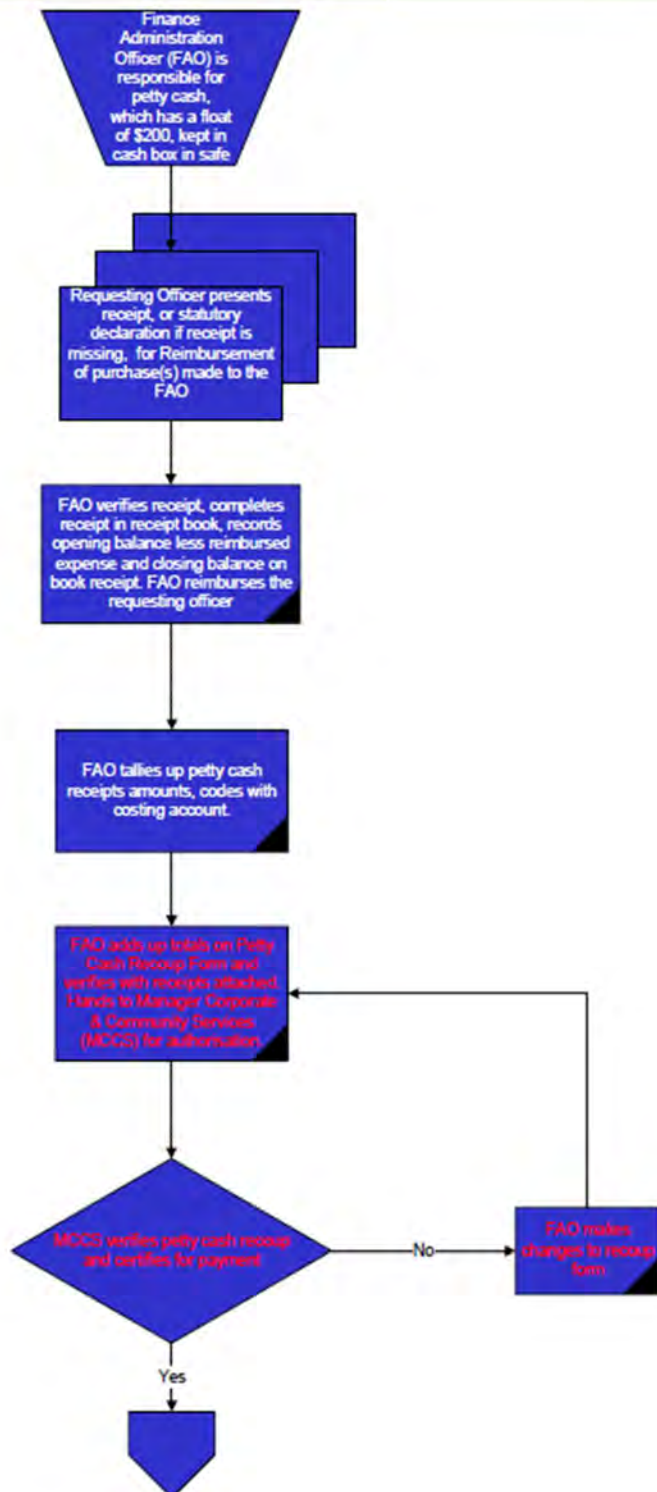




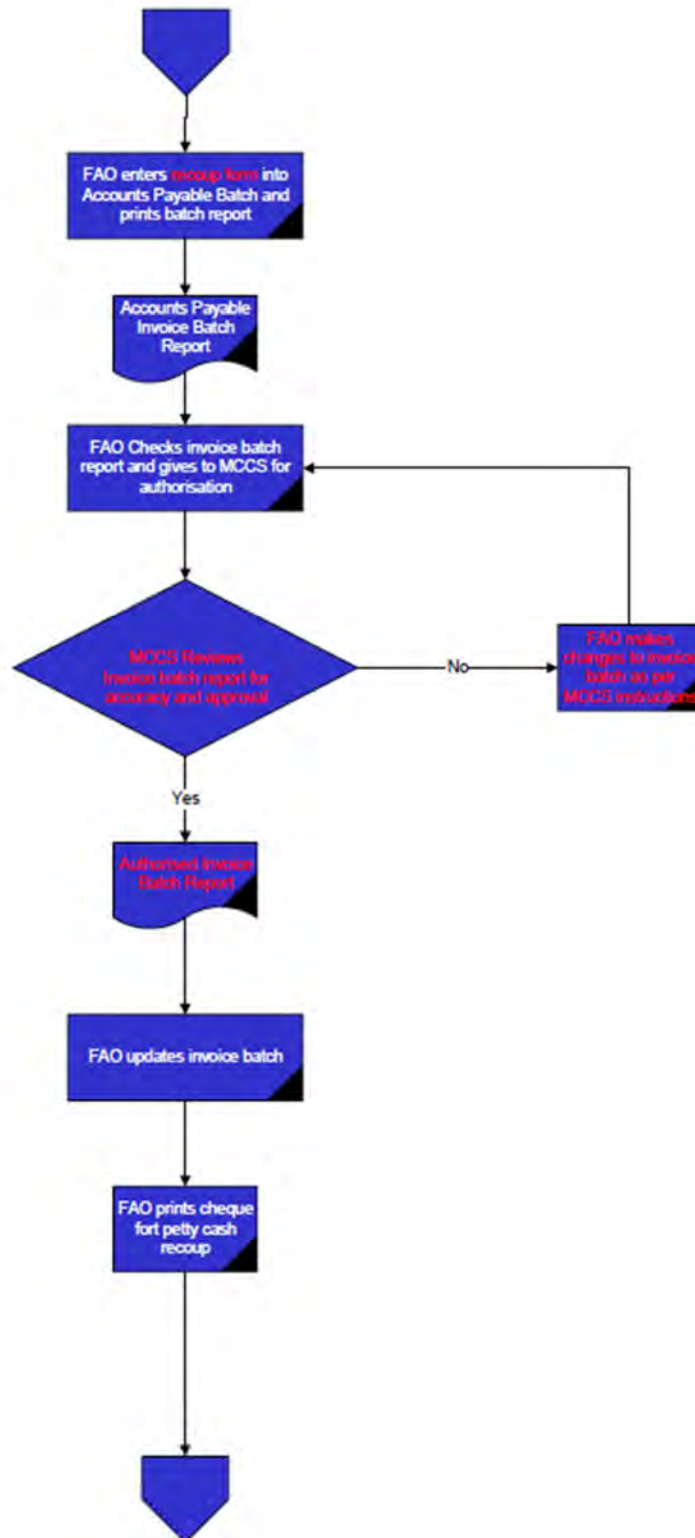


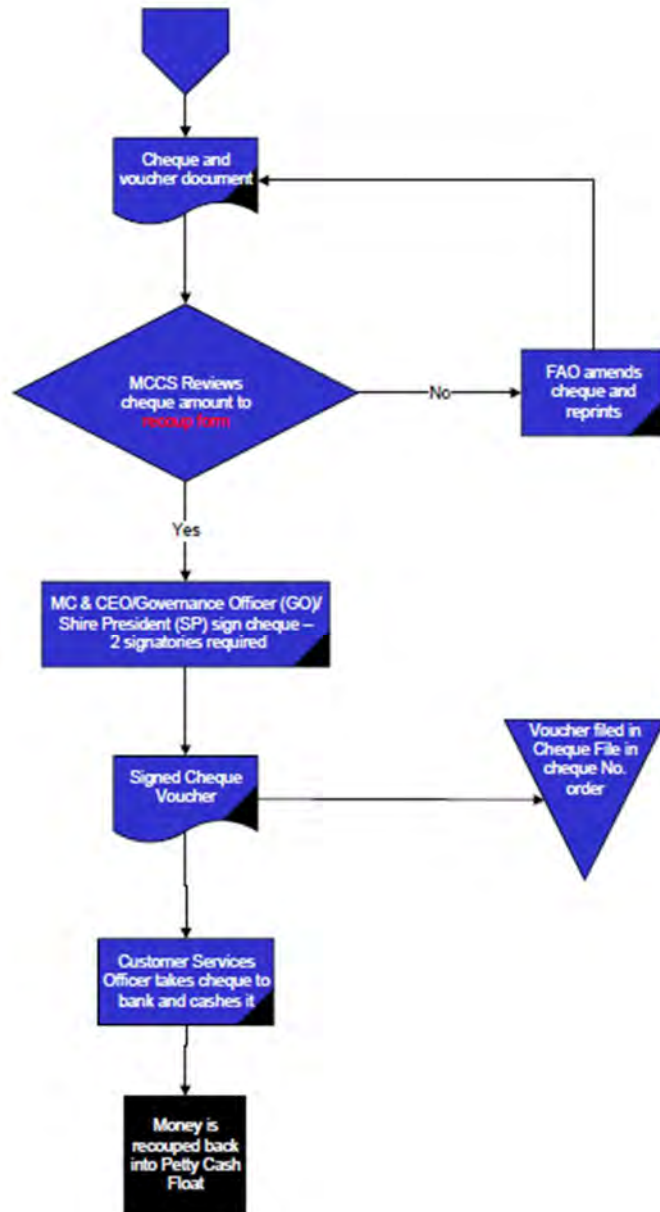


SHIRE OF DOWERIN		
Petty Cash Imprest System	Flowchart	24/11/2022



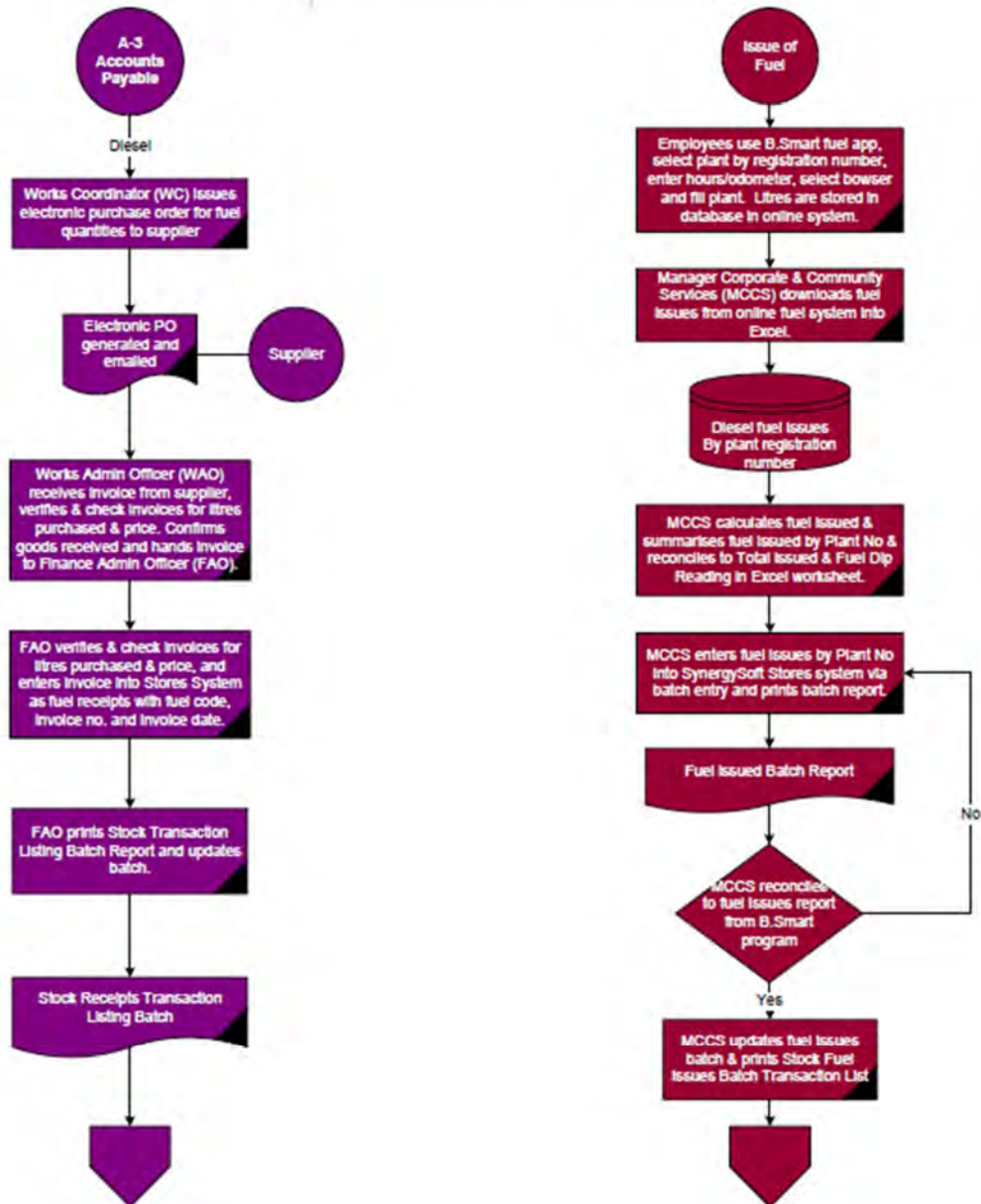
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SHIRE OF DOWERIN		
Fuel Stock	Process Map	24/11/2022

All Shire purchases are related to Fuel





Finding No.	Assessment	Summary of Finding	Improvement Recommendations	Management Comments	Responsible Officer Comments	Status	Expected Completion Date
1	Needing Improvement	* Periodic reviews of non-rateable properties to ensure exempt properties still meet the criteria under the Act * Rate Exemption Register should be developed	That the CEO implement new internal control procedures for the reviewing of rate exempt properties, including the establishment of a rate exemption register, to strengthen internal controls.	Management and staff will conduct annual review of non-rateable properties in line with the Act to ensure exempt properties criteria is met. A Rate Exemption Register will be developed and used as part of the annual review.		In Progress	30-Jun-23
2	Needing Improvement	* Petty Cash Policy updated to remove DHC float, add Gentle Gym and Pool floats	That the CEO review Council Policy 3.9 to incorporate the floats for the swimming pool and Dowerin Home Care.	Policy will be revised and incorporate the additional floats.		In Progress	31-May-23
3	Needing Improvement	* DHC Debtor Invoices for CHSP need to have documentation to show evidence of approval by a supervisor	That the CEO implement new internal control procedures for Commonwealth Home Support Package (CHSP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.	This will be addressed by staff to implement the recommended improvement.		In Progress	31-Mar-23
4	Needing Improvement	* Review CHSP structure to remove charging GST or reduce overall pricing	That the CEO review the fee structure for CHSP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.	Duplication Finding - Refer to finding 30 DHC staff is addressing the changes in the Schedule of Fees and Charges as part of new changes by Government as at 1 January 2023.		In Progress	31-Mar-23
5	Needing Improvement	* DHC Debtor Invoices for DHC need to have documentation to show evidence of approval by a supervisor	That the CEO implement new internal control procedures for Home Care Package (HCP) debtor invoices where the Deputy CEO reviews and certifies customer invoices generated from data entered into SynergySoft and the supporting documentation provided, via a debtor batch listing report, to strengthen internal controls.	DHC Staff have been advised to implement the new process as per recommendation.		In Progress	31-Mar-23
6	Needing Improvement	* Review HCP structure to remove charging GST or reduce overall pricing	That the CEO review the fee structure for HCP client fees charged and evaluate whether the fee charged is simply changed to be GST-free, or whether the fee should be reduced to the GST-free price.	Duplication Finding - Refer to finding 30 DHC staff is addressing the changes in the Schedule of Fees and Charges as part of new changes by Government as at 1 January 2023.		In Progress	31-Mar-23
7	Needing Improvement	* July 2021 HCP subsidy \$31,679.52 was receipted with GST \$2,879.96, Amendment BAS required to claim this GST back	That the CEO lodge a Business Activity Statement amendment for August 2021 to claim the GST overpayment related to the GST deducted from the HCP subsidy received on 17 August 2021.	Staff will address the GST component of \$31,679.52 in the next BAS return.		In Progress	31-Mar-23
8	Needing Improvement	* Accounts receivable requires approval from supervisor inclusive of debtor batch listing report to show GST is being appropriately raised	That the CEO implement new internal control procedures for Accounts Receivable, where the Deputy CEO reviews each debtor invoice batch report and certifies the report as being checked to strengthen internal controls.	Staff have been advised and new procedures have been implemented as per recommendation. (Duplication Finding - refer to finding 20)	This has now been implemented.	Complete	
9	Needing Improvement	* Cheques or money orders should be recorded in the Incoming Mail Register	That the CEO implement new internal control procedures for Mail/Cashiering, where the officer opening the mail records cheque and money order payments in the Excel Inwards Mail Register	Staff have implemented the recommendation as provided.	Noted that the incoming amount is very minimal	Complete	
10	Needing Improvement	* No record of swimming pool float in the balance sheet	That the CEO authorise the posting of a general journal entry to record the cash floats for the swimming pool of \$200 and Dowerin Home Care of \$50 in the balance sheet.	Staff will implement Pool Float on balance sheet for 23/24 and onwards.		In Progress	1-Jul-23
11	Needing Improvement	* No record of DHC gentle gym float in the balance sheet	That the CEO authorise the posting of a general journal entry to record the cash floats for the swimming pool of \$200 and Dowerin Home Care of \$50 in the balance sheet.	Staff will implement Gentle Gym Float on balance sheet for 23/24 and onwards.		In Progress	1-Jul-23
12	Needing Improvement	* Gentle gym takings not receipted on the day, held by DHC until the end of the month, then receipted	That the CEO implement new internal control procedures for Gentle Gym, where the cash taken at gentle gym classes is receipted on the day it is received at the office.	DHC Staff have been advised to implement the new process as per recommendation.	This has since been implemented, however it still occurs where DHC staff are not passing on the takings to the CSO for receipting	Complete	
13	Needing Improvement	* Investment Register does not meet regulation requirements	That the CEO implement an updated Investment Register that complies with the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 requirements.	Investment Register will be reviewed and updated accordingly by the DCEO.		In Progress	30-Jun-23
14	Needing Improvement	* Test and Validations of data backups not undertaken regularly	That the CEO obtain regular reports from the external IT provider that data backups have been validated and ensure an annual test of a full system restore is performed.	DCEO will engage with current IT Support provider to ensure regular backups are done.	Backups are completed before and after Rates Billing, could definitely be done more often	In Progress	31-Mar-23
15	Needing Improvement	* IT Disaster Recovery Plan/Strategy or ICT Data Backup and Recovery Guideline not in place	That the CEO implement an IT Disaster Recovery Plan/Strategy and an ICT Data backup and Recovery Guideline.	ICT Disaster Recovery Plan/Strategy have been in discussions between DCEO and IT Support Provider (Wallis Computing) and will be finalised in 2023.		In Progress	30-Sep-23
16	Needing Improvement	* No formal procedures for key financial tasks	That the CEO implement formalised procedures for key financial tasks that will allow any employee to temporarily fill a position in an emergency	Staff are reviewing, updating and implementing new procedures within their area of responsibility as part of an ongoing internal revamp.	Most of these are in process or being written as the process is being amended in line with audit findings	In Progress	31-Dec-23
17	Needing Improvement	* Bank Rec unbalanced to be amended as a matter of urgency. Unrecorded transaction \$296,348.51 listed on reconciliation to be recorded in Synergy System.	That the CEO arrange for the outstanding unrecorded transactions totalling \$296,348.51 listed on the Municipal Fund bank reconciliation be processed into the general ledger as a matter of urgency.	Staff are working on the solution with current system provider to correct and fix.	Staff has undertaken Bank Reconciliation training from ITVision and it's hoped that this will be amended soon.	In Progress	30-Jun-23
18	Needing Improvement	* Staff Training and Professional Development policy to be proposed and adopted	That the CEO consider developing a policy on employee training and professional development.	Policy 7.5 - Education and Assistance Policy was adopted 2018 and is due to be reviewed.		In Progress	30-Jun-23
19	Needing Improvement	* Accounts Payable batch reports should be reviewed and approved by a supervisor prior to updating	That the CEO implement new internal control procedures for Accounts Payable where the Deputy CEO reviews and certifies the supplier invoice batch listing to supplier invoices prior to batch update by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.	Duplication Finding - refer to finding 26.	This has now been implemented.	Complete	
20	Needing Improvement	* Debtor invoicing batch reports should be reviewed and approved by a supervisor prior to updating	That the CEO implement new internal control procedures for Accounts Payable where the Deputy CEO reviews and certifies the supplier invoice batch listing to supplier invoices prior to batch update by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.	Staff have been advised and new procedures have been implemented as per recommendation. (Duplication Finding - refer to finding 8)	This has now been implemented.	Complete	
21	Needing Improvement	* Petty Cash: a. Recoup form to be developed b. Recoup to be reviewed and certified by a supervisor c. Recoup batch report to be reviewed prior to updating	That the CEO implement new internal control procedures for Petty Cash where: (a) A petty cash recoup form is implemented to summarise petty cash receipts, code each expense transaction and provide a total for the amount of the recoup; and (b) the Deputy CEO reviews and certifies the amount of the reimbursement and recoup before it is performed; and (c) the Deputy CEO reviews and certifies the recoup reimbursement prior to entry into SynergySoft.	Staff are advised and aware the processing of petty cash recoup is done monthly as part of End of Month processes.	Complete	Complete	

Finding No.	Assessment	Summary of Finding	Improvement Recommendations	Management Comments	Responsible Officer Comments	Status	Expected Completion Date
22	Needing Improvement	* Creditor payments showed 2 errors of GST coding	That the CEO implement new internal control procedures for Accounts Payable where the Deputy CEO reviews and certifies the supplier invoice batch listing to supplier invoices prior to batch update by the Finance Administration Officer (FAO). This independent check prior to update would provide improved internal control measures and reduce the risk of errors and omissions that may go undetected.	Staff have implemented the recommendation as provided.	Batch report reviews already implemented to stop this issue from occurring.	Complete	
23	Needing Improvement	* Delegations and Policies to be amended to refer to correct position titles	That the CEO undertake a review of the Delegations Register and Policy Manual to ensure position titles reflect those of the recent organisational restructure.	Review is currently underway when audit review was conducted. Delegation Register updated and adopted in Dec 22. Policy review to reflect.		In Progress	30-Jun-23
24	Needing Improvement	* Tender Register does not contain particulars	NIL NIL		Noted already updated so NFA	Complete	
25	Needing Improvement	Review of the lodgement of BAS as they have all been lodged late		Staff have implemented improved procedures and current BAS lodgements have been brought up to date.	We have completed all BAS to date, however, there is a current BAS with prior period amendments to include. I have updated the procedure and hope to be submitted before the due date soon.	Complete	
26	Needing Improvement	* Accounts Payable batch reports should be reviewed and approved by a supervisor prior to updating		Duplication Finding - refer to finding 19.		Complete	
27	Needing Improvement	* Diesel Fuel Stock: a. Stock Valuation report not produced for opening and closing balances b. incorrect avg price was used, correct at 30 June 2022	That the CEO implement new internal control procedures for diesel fuel stock where the Deputy CEO reviews and certifies a monthly stock valuation report to verify opening balances plus stock movements equals fuel closing balance.	Monthly reconciliation of Stock done as part of End of Month by staff.	Fuel issues have been implemented and updated by staff.	Complete	
28	Needing Improvement	* STP data not correctly reconciled to SS gross salaries and wages data	That the CEO implement new internal control procedures for payroll to ensure the STP data file matches SynergySoft gross salaries and wages data.	Staff updated process and procedures as part of joint review with system provider.	Reviewed by staff and System provider personnel. One pay item updated to reflect correct ATO reporting code. New monthly sheet is being created.	Complete	
29	Needing Improvement	* Workforce Plan currently under review	That the CEO place a priority on the review of the Workforce Plan.	Review commenced and scheduled to complete by June 2023.		In Progress	30-Jun-23
30	Needing Improvement	* Schedule of the Fees and Charges includes GST for CHSP and HCP - they do not attracted GST		Duplication Finding - refer to findings 4 & 6. DHC staff is addressing the changes in the Schedule of Fees and Charges as part of new changes by Government as at 1 January 2023.		In Progress	30-Jun-23
32	Needing Improvement	*Internal Control Evaluation	That the CEO prepare a report for Council to consider what action, if any, needs to be taken to address the findings and weaknesses identified in relation to the Internal Control Evaluation.	All identified internal controls will be addressed and implemented as part of the findings and recommendations provided. Majority already been completed during the review as well as part of continuous improvement by staff and internal audit conducted in March 2021.		In Progress	31-Dec-23

Duplicated Findings
Duplicated Findings
Duplicated Findings



Regulation 17 Report

December 2022

Contents

INTRODUCTION	2
1.0 RISK MANAGEMENT	4
Review Area 1.1 – Effective Risk Management System.....	4
Review Area 1.2 – Material Operating Risks	4
Review Area 1.3 – Business Continuity Plan.....	5
Review Area 1.4 – Assessing Internal Processes (Non-Compliance)	5
Review Area 1.4A – Assessing Internal Processes (Litigation and Claims)	6
Review Area 1.4B - Assessing Internal Processes (Misconduct, Fraud & Theft) ..	7
Review Area 1.4C - Assessing Internal Processes (Business Risks).....	8
Review Area 1.5 – Risk Reports.....	8
Review Area 1.6 – Assessing Adequacy of Risk	9
Review Area 1.7 – Internal Control Systems.....	9
Review Area 1.8 – Assessing Transactional Risk	10
Review Area 1.9 – Assessing Procurement Framework	11
Review Area 1.10 – Risk Control Changes	12
Review Area 1.11 – Fraud and Misconduct Risk	16
2.0 INTERNAL CONTROLS.....	17
Review Area 2.1 – Separation of Roles	17
Review Area 2.2 – Approval Control.....	17
Review Area 2.3 – Direct Physical Access	18
Review Area 2.4 – Limit Access of Changes.....	18
Review Area 2.5 – Maintenance and Review	19
Review Area 2.6 – Comparison and Analysis	19
Review Area 2.7 – Approval of Financial Payments.....	19
Review Area 2.8 – Comparison of Physical Cash and Inventory	20
3.0 LEGISLATIVE COMPLIANCE	21
Review Area 3.1 – Review and Report of CAR.....	21
Review Area 3.2 – Monitoring and Recommending Compliance Change	21
Review Area 3.3 – Complaint Procedures	22
Review Area 3.4 – Adverse Trends.....	22
Review Area 3.5 – Management Disclosures	23
Review Area 3.6 – Compliance Framework Monitoring	23
Review Area 3.7 – Audit Committee Compliance	24
SUMMARY	26

INTRODUCTION

Regulation 17 of the *Local Government (Audit) Regulations* 1996 requires the Chief Executive Officer to review the appropriateness and effectiveness of the Council's systems and procedures as they relate to the following areas:

- Risk Management;
- Internal Controls; and
- Legislative Compliance.

The review may relate to any or all the matters in sub-regulation (1)(a), (b) and (c), however, each of those matters is to be subject of a review not less than every 3 financial years.

The Shire last review was in December 2019 and adopted by Council at its Meeting (CMRef 0310). This review covers the reporting period January 2020 to December 2022.

This report has been completed in accordance with that Regulation and details of the findings from the review are listed with Actions and Recommendations by the CEO for improvements.

The review aims to establish an ongoing level of accountability to ensure that Council's risk management, internal controls and legislative compliance is appropriate and effective.

The review undertaken looked at:

- Potential causes of risk to Council within each of the above areas;
- The key controls which currently exist to mitigate the risk;
- An assessment of the quality of the controls; and
- An overall assessment of the risk rating for the area.

The Department of Local Government, Sport & Cultural Industries provides an operational guideline (No. 9) which focuses on audit committees. As part of the guideline, appendix 3 provides a framework for Chief Executive Officers in conducting the required Regulation 17 review. This guideline has been used as the basis for undertaking this review.

1.0 RISK MANAGEMENT

Review Area 1.1 – Effective Risk Management System	
Reviewing whether the local government has an effective risk management system	
Officer Comment	The bi-annual review of the Risk Management Framework and Policy 2.2 Risk Management was carried and presented to the Audit & Risk Committee in March 2022 (Ref 0568).
Key Actions Implemented since 2019 Review	Introduction of risk implications that align with adopted risk profiling in Ordinary Council Meeting agendas and minutes.
Assessment	Appropriate
Recommended Further Action	Continue bi-annual review of Risk Management Framework. Continue bi-annual review of Policy 2.2 – Risk Management Policy. Continue quarterly reporting to the Audit & Risk Committee and Council on the Risk Dashboard Profiling Maxtix. Review profile key performance indicators.
Supplementary Documents	Risk Management Framework – March 2022 Policy 2.2 – Risk Management Policy Risk Dashboard Profiling Matrix & Report – September 2022

Review Area 1.2 – Material Operating Risks	
Reviewing whether the material operating risks to the local government are appropriately considered	
Officer Comment	The Shire of Dowerin maintains the adopted ‘Three Lines of Defence’ model for the management of risk. This model ensures responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. 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 and Service Plans.
Key Actions Implemented since 2019 Review	Risk Management Framework reviewed by the Audit & Risk Committee March 2022 (Ref 0568).
Assessment	Appropriate
Recommended Further Action	Review Risk Management Framework to appropriateness every two years.
Supplementary Documents	Risk Management Framework – March 2022

Review Area 1.3 – Business Continuity Plan	Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time
Officer Comment	The Business Continuity Plan (BCP) was developed to ensure the capability of the Shire of Dowerin to continue to deliver its services at an acceptable level following a disruptive incident or disaster. The BCP reinforces, and is reinforced by, the Shire's Risk Management Framework and Risk Management Policy.
Key Actions Implemented since 2019 Review	The Business Continuity Plan was adopted by Council in March 2020 (CMRef 0164) and implemented due to COVID 19 on 20 March 2020. A review of the Business Continuity Plan was carried out In July 2022 and presented to the Audit & Risk Committee in August 2022 (Ref 0636).
Assessment	Appropriate
Recommended Further Action	Consider testing the BCP in terms of IT/Records/Building loss.
Supplementary Documents	Business Continuity Plan

Review Area 1.4 – Assessing Internal Processes (Non-Compliance)	Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly potential non-compliance with legislation, regulations and standards and local government's policies
Officer Comment	<p>The Shire of Dowerin's Risk Management Framework, Risk Management Policy and relevant procedures clearly identify the risks associated with internal processes.</p> <p>Council Policy 2.2 – Risk Management outlines the definition of risk, risk management objectives, roles and responsibilities, risk assessment and acceptance criteria, monitoring and review.</p> <p>Councils' risk themes outlined in the Risk Management Framework document in detail all such risks and the Shire is improving processes and structures to mitigate and or minimise potential adverse effects, both financial and other.</p> <p>The organisation's Governance Calendar assists management and staff to quickly identify due dates for all statutory, legislation and compliance requirements.</p> <p>The Code of Conduct Council, Committee Members and Candidates sets out general principles to guide the behaviour of council members, committee members and candidates.</p> <p>The Shire's Code of Conduct provides employees with consistent guidelines for the standards of professional conduct expected of them in carrying out their functions and responsibilities.</p> <p>Policy 7.9 – Work Health Safety commits to achieving zero harm to all stakeholders whether internal or external, when engaged in any capacity with the Shire. The Shire understands and accepts responsibilities imposed under Work Health and Safety legislation and is committed to providing healthy and safe working conditions.</p>

	Council's Occupational Safety and Health Management Plan 2018 assists the Shire in providing a safe workplace. The Plan follows the layout of the Australian New Zealand Standard AS/NZ4801,
Key Actions Implemented since 2019 Review	<p>The Code of Conduct for Council, Committee Members and Candidates was adopted in March 2021 (CMRef 0396).</p> <p>Risk Management Framework reviewed by the Audit & Risk Committee March 2022 (Ref 0568).</p> <p>The Employee Code of Conduct was reviewed in July 2022.</p> <p>Policy 7.9 – Work Health Safety was reviewed in December 2022 (CMRef 0713).</p>
Assessment	Appropriate
Recommended Further Action	<p>Continue to carry out reviews of Code of Conducts and Risk Management Framework every 2 years.</p> <p>Carry out comprehensive review of Council's Occupational Safety and Health Management Plan 2018 to ensure appropriateness and alignment with the <i>Work Health and Safety Act 2020</i>, <i>Work Health and Safety (General) Regulations 2022</i> and <i>Australian Standard AS 4801</i>.</p>
Supplementary Documents	Policy 7.9 – Work Health Safety

Review Area 1.4A – Assessing Internal Processes (Litigation and Claims)	Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly litigation and claims
Officer Comment	<p>The Shire's Risk Dashboard profile 'Supplier/Contract Management' has an overall control rating of 'adequate' and overall risk rating of 'moderate'.</p> <p>The Shire's Risk Dashboard Profile includes Control Assurance - Fraud. Ratings for Fraud include:</p> <ul style="list-style-type: none"> • No • Yes • Partial <p>The following risk profiles and key controls rate Control Assurance – Fraud as Yes or Partial:</p> <p>'Supplier/Contract Management' rates key control Financial Management Framework is partially open to fraud. The likelihood measure for fraud is rated unlikely (2).</p>
Key Actions Implemented since 2019 Review	<p>The Shire's Risk Dashboard Profiling Tool was reviewed in December 2020 to include Control Assurance to rate the effectiveness of the identified key controls in alignment with the Risk Management Framework. The Control Assurance considers the effectiveness of the identified key controls and considers three perspectives:</p> <ul style="list-style-type: none"> • The design effectiveness of each key control • The operating effectiveness of each key control • The overall effectiveness of each key control <p>The Control Assurance considers the effectiveness</p> <ul style="list-style-type: none"> • Key Control documented • Key Control completed • Key Control accurate

	<ul style="list-style-type: none"> • Key Control timely • Key Control open to fraud
Assessment	Appropriate
Recommended Further Action	Develop centralised contract management system. Review key performance indicators to ensure KPI's are a quantifiable measure that helps the Shire track progress towards achieving key objectives.
Supplementary Documents	Risk Dashboard Profiling Matrix Report – September 2022

Review Area 1.4B - Assessing Internal Processes (Misconduct, Fraud & Theft)	
Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly misconduct, fraud and theft.	
Officer Comment	<p>The Shire's Risk Dashboard profiles 'External Theft & Fraud' and 'Misconduct' has an overall control rating of 'adequate' and overall risk rating of 'moderate'.</p> <p>The Shire's Risk Dashboard profile includes Control Assurance - Fraud. Ratings for Fraud include:</p> <ul style="list-style-type: none"> • No • Yes • Partial <p>The following risk profiles and key controls rate Control Assurance – Fraud as Yes or Partial:</p> <p>'External Theft & Fraud' rates key controls Delegation Register and Segregation of Duties to be partially open to fraud. The likelihood measure for fraud is rated unlikely (2).</p> <p>'Misconduct' rates several key controls to be partially open to fraud and theft. The likelihood measure for fraud is rated unlikely (2).</p>
Key Actions Implemented since 2019 Review	<p>The Shire's Risk Dashboard Profiling Tool was reviewed in December 2020 to include Control Assurance to rate the effectiveness of the identified key controls in alignment with the Risk Management Framework. The Control Assurance considers the effectiveness of the identified key controls and considers three perspectives:</p> <ul style="list-style-type: none"> • The design effectiveness of each key control • The operating effectiveness of each key control • The overall effectiveness of each key control <p>The Control Assurance considers the effectiveness</p> <ul style="list-style-type: none"> • Key Control documented • Key Control completed • Key Control accurate • Key Control timely • Key Control open to fraud
Assessment	Appropriate
Recommended Further Action	Review key performance indicators to ensure KPI's are a quantifiable measure that helps the Shire track progress towards achieving key objectives.
Supplementary Documents	Risk Dashboard Profiling Report – September 2022

Review Area 1.4C - Assessing Internal Processes (Business Risks)	Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly specific business risks, recognising responsibility for general or specific risk areas and how they are managed by the local government.
Officer Comment	<p>Key indicators are used for monitoring and validating key risks and controls. The following describes the process for the creation of reporting of key indicators;</p> <ul style="list-style-type: none"> • Identification • Validity of source • Tolerances • Monitor and review <p>Tolerances are set based on the Shire's Risk Appetite. They are set and agreed over 3 levels;</p> <ul style="list-style-type: none"> • Green – within appetite; no action required • Amber – the key indicator must be closely monitored, and relevant actions set and implemented to bring the measure back within the green tolerance. • Red – outside risk appetite, the key indicator must be escalated to the CEO and DCEO where appropriate management actions are to be set and implemented to bring the measure back within appetite. <p>All active active key indicators are updated as per their stated frequency of the data source.</p>
Key Actions Implemented since 2019 Review	Key indicators forms part of the quarterly Shire's Risk Dashboard Report.
Assessment	Appropriate
Recommended Further Action	Review key indicators, validity of sources and tolerances to ensure appropriateness and effectiveness.
Supplementary Documents	Risk Management Framework - March 2022

Review Area 1.5 – Risk Reports	Obtaining regular risk reports which identify key risks, the status and effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported.
Officer Comment	Risk Dashboard quarterly reporting is presented to the Audit & Risk Committee and Council.
Key Actions Implemented since 2019 Review	Ordinary Council Meeting agendas and minutes include risk implications aligned with adopted risk profiling
Assessment	Appropriate
Recommended Further Action	<p>Business cases and project plans to include risk assessments aligned with the Risk Management Framework.</p> <p>Review key indicators for appropriate and effectiveness against the criteria outlined in the Risk Management Framework.</p>
Supplementary Documents	Risk Dashboard Profiling Matrix and Reporting Tool

Review Area 1.6 – Assessing Adequacy of Risk	Assessing the adequacy of the local government's processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance.
Officer Comment	<p>The Shire of Dowerin has comprehensive insurance cover through Council's insurance broker, LGIS.</p> <p>LGIS presents an annual renewal report – scheme and non-scheme. The reports detail the renewal terms for the LGISWA Scheme Membership. These reports are referred to as part of the annual review for insurance.</p> <p>External valuations based on replacement values and adjusted accordingly.</p> <p>The Shire of Dowerin consults with LGIS to discuss matters on an ongoing basis and professional consultation is readily available. Through LGIS, resources and procedures are provided to assist processing the management of insurable risks.</p>
Key Actions Implemented since 2019 Review	<p>The following assets classes were inspected and valued by external valuers to determine the fair value and insurance value of each specified asset class:</p> <p>Land and Buildings - June 2022 Other Infrastructure (Drainage) – June 2020 Other Infrastructure (Footpaths) – June 2020 Other Infrastructure (Parks and Ovals) – June 2020 Other Infrastructure (Sewerage) – June 2022 Other Infrastructure (Other) – June 2022 Infrastructure (Roads) – June 2020</p>
Assessment	Appropriate
Recommended Further Action	<p>Continue to review insurance to ensure the Shire retains appropriate cover.</p> <p>Conduct annual desk-top valuation assessments in accordance with 17A(4) of the <i>Local Government (Financial Management) Regulations 1996</i>.</p>
Supplementary Documents	<p>Shire of Dowerin Insurance Renewal Report 2022-2023</p> <p>Shire of Dowerin Insurance Non-Scheme Renewal Report 2022-2023</p>

Review Area 1.7 – Internal Control Systems	Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors.
Officer Comment	<p>The Shire of Dowerin's internal control systems is reviewed and tested at regular intervals by the Management Team and annually by Council's External Auditors who conduct an interim and final audit.</p> <p>The Audit recommendation for the year ending 30 June 2022 audit findings provided recommendations that Management have considered and actioned.</p> <p>The Shire of Dowerin has completed the Compliance Audit Return for each reporting period. The CAR's identified non-compliant areas:</p> <ul style="list-style-type: none"> • 2021 CAR - 3 non-compliant areas • 2020 CAR - 3 partial non-compliant areas • 2019 CAR - 3 non-compliant areas

	<p>The Shire of Dowerin's Audit & Risk Committee Terms of Reference accommodates the appointment of external members. The current Audit & Risk Committee includes two external members.</p> <p>Actioning recommendations of the Financial Management System undertaken by an external auditor in December 2022 is progressing.</p>
Key Actions Implemented since 2019 Review	<p>The Audit & Risk Committee Terms of Reference was reviewed in 2020</p> <p>An comprehensive internal review was conducted in early 2021. The overarching objectives of the audit was o evaluate the Shire's systems of internal control over the identified four points of Council's November 2020 resolution (CMRef 0305) in order to provide assurance that:</p> <ol style="list-style-type: none"> 1. The Shire is achieving its goals and objectives efficiently, effectively and in an ethical manner; 2. Financial and operating information produced is accurate, timely and complete; 3. There is compliance with relevant laws regulations and other external requirements and with policies, protocols and other internal requirements; and 4. The Shire's assets and liabilities are competently managed and protected against loss or other negative consequences. <p>The Internal Audit Report 2021 was received by the Audit & Risk Committee in April 2021 (Ref 0402).</p> <p>The Annual Compliance Return was adopted and submitted for the 2019, 2020 and 2021 reporting periods.</p> <p>An external review of the Financial Management System took place in December 2022.</p>
Assessment	Appropriate
Recommended Further Action	<p>Finalise actioning recommendations of the Financial Management System undertaken.</p> <p>Review the Audit & Risk Committee Terms of Reference for appropriateness and effectiveness.</p>
Supplementary Documents	Nil

Review Area 1.8 – Assessing Transactional Risk	Assessing whether Management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk.
Officer Comment	<p>The Shire's Delegation Register clearly defines power of delegation, delegated duty, delegated to, sub-delegation, functions, and conditions.</p> <p>Notification of Delegations from the President to the CEO is provided in accordance with the <i>Local Government Act 1995, Section 5.42(2)</i>.</p> <p>Notification of Delegations from the CEO to employees is provided to offer guidance to those with delegated authority in carrying out delegated dutire as required and in accordance with the <i>Local Government Act 1995, Section 5.44(2)</i>.</p>

Key Actions Implemented since 2019 Review	<p>The Delegation Register was reviewed in;</p> <ul style="list-style-type: none"> • December 2022 • November 2021 • May 2020 • June 2019 <p>Notification of Delegation from the President to the CEO was provided in:</p> <ul style="list-style-type: none"> • 2019 <p>Notification of Delegation from the CEO to employees was provided in:</p> <ul style="list-style-type: none"> • 2021 • 2020 • 2019
Assessment	Appropriate
Recommended Further Action	<p>Include the requirement for the President to provide Notification of Delegation to the CEO in the Compliance Calendar.</p> <p>Include the requirement for the CEO to provide Notification of Delegation to employees in the Compliance Calendar.</p>
Supplementary Documents	Delegation Register

Review Area 1.9 – Assessing Procurement Framework	Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied.
Officer Comment	<p>The Shire of Dowerin is committed to delivering best practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance. The purchasing policy ensures that;</p> <ul style="list-style-type: none"> • best practice policies and procedures are followed in relation to internal purchasing for the Shire of Dowerin; • compliance with the <i>Local Government Act 1995</i> and the <i>Local Government Act (Function and General) Regulations 1996</i>; • compliance with the <i>State Records Act 2000</i> and associated record management practices and procedures of the Shire of Dowerin; • purchasing processes are followed that ensure value for money for the Shire of Dowerin by delivering the most advantageous outcome possible; • openness, transparency, fairness and equity through the purchasing process to all potential suppliers; and • efficient and consistent purchasing processes are implemented and maintained across the organisation. <p>The Shire of Dowerin also utilised the services of WALGA's Preferred Suppliers Panel in conjunction with the WALGA eQuotes system thus negating the requirement to call tenders notwithstanding the transaction value.</p> <p>Council Policy 4.11 – Purchasing Policy was last reviewed in June 2018 and outlines the objectives to ensure all purchasing activities are compliant.</p>

	<p>Council Policy 4.15 – Regional Price Preference Policy is designed to stimulate activity and growth within the Shire of Dowerin and the surrounding region by maximising the use of competitive local businesses in the supply of good and/or services purchased or contracted on behalf of the Shire of Dowerin.</p> <p>The findings identified during the interim audit for the year ended 30 June 2019 included the following:</p> <ul style="list-style-type: none"> • purchasing and payment procedures; • payroll exceptions; • reconciliation of investment balances and fixed assets; • review of month-end reconciliation; • receivable master file; and • invoice and credit note request forms. <p>The recruitment of an experienced local government practitioner to fulfil the position of Manager Corporate and Community Services in early June 2019 has assisted with addressing the issues raised by the Auditor.</p> <p>There is a lack of comprehensive, documented checklists and procedures. There is currently a key focus to develop adequate processes that are centralised.</p>
Key Actions Implemented since 2019 Review	A full review of the Procurement Policy Framework is currently underway to improve the purchasing process for Council.
Assessment	Appropriate
Recommended Further Action	Full review of the Procurement processes and framework to be undertaken.
Supplementary Documents	Policy 4.11 – Purchasing Policy Employee Code of Conduct

Review Area 1.10 – Risk Control Changes	Meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment.
Officer Comment	<p>The Audit and Risk Committee consists of 3 Elected Members and 2 External Member. The role and responsibilities of the Committee include:</p> <p>External Audits</p> <ol style="list-style-type: none"> 1. Provide guidance and assistance to Council as to the carrying out of the functions of the Shire in relation to external audits. 2. Provide an opportunity for the Committee to meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed. 3. Meet with the auditor annually to receive the audit report and make a recommendation to Council with respect to that report. 4. Examine the reports of the auditor after receiving a report from the CEO on the matters to:

- a. Determine if any matters raised require action to be taken by the Shire; and
 - b. Ensure that appropriate action is taken in respect of those matters.
5. Consider and recommend adoption of the Annual Report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the Annual Report is signed.
6. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that is within the parameters of the Committee's Terms of Reference.

Internal Audits

1. Provide guidance and assistance to Council as to the carrying out of the functions of the local government in relation to internal audits.
2. Review and recommend the annual internal audit plan for endorsement by the Council and all major changes to the plan. Monitor that the internal auditor's annual plan is linked with and covers the material business strategic risks and themes.
3. Monitor processes and practices to ensure that the independence of the internal audit function is maintained.
4. Annually review the performance of internal audits including the level of satisfaction with the internal audit function.
5. Review all internal audit reports and provide advice to Council on significant issues (i.e. high and extreme) identified in audit reports and the action to be taken on issues raised, including identification and dissemination of good practice.
6. Monitor management's implementation of internal audit recommendations.
7. Receive the findings of special internal audit assignments undertaken at the request of Council or CEO.
8. Review the annual Compliance Audit Return and report to Council the results of that review in accordance with Section 7.13(1)(i) of the *Local Government Act 1995*.
9. Consider the CEO's Biennial Reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to Council the results of those reviews in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*.
10. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
11. Consider the financial management systems and procedures in accordance with Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996* within the statutory timeframes.

Risk Management

1. Ensure that management has in place a current and comprehensive enterprise Risk Management Framework and associated procedures for effective identification and management of Shire's business and financial risks.
2. Determine whether a sound and effective approach has been followed in managing the Shire's major risks

	<p>including those associated with individual projects, program implementation, and activities.</p> <ol style="list-style-type: none">3. Ensure the Shire identifies, reviews and regularly updates the strategic and operational risk profiles.4. Understand and endorse the Shire's risk appetite.5. Oversee the periodic review of the Risk Management Framework. <p>Business Continuity</p> <ol style="list-style-type: none">1. Ensure a sound and effective approach has been followed in establishing the Shire's business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.2. Oversee the periodic review of the Business Continuity Framework. <p>Financial Reporting</p> <ol style="list-style-type: none">1. Review significant accounting and reporting issues, recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.2. Review with management and the external auditors the results of the audit, including any difficulties encountered.3. Review the Annual Financial Statements forming part of the Shire's Annual Report and consider whether it is complete, consistent with information known to Committee members, and reflects appropriate accounting principles.4. Review with management and the external auditors all matters required to be communicated to the Committee under the Australian Auditing Standards.5. Recommend the adoption of the Annual Financial Statements forming part of the Annual Report to Council. <p>Internal Control</p> <ol style="list-style-type: none">1. Ensure management's approach to maintaining an effective Internal Control Framework is sound and effective.2. Ensure management has in place relevant policies and procedures, including CEO's Instructions or their equivalent, and that these are periodically reviewed and updated.3. Ensure appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with.4. Ensure appropriate policies and supporting procedures are in place for the management and exercise of delegations.5. Review how management identifies any required changes to the design or implementation of key internal controls. <p>Fraud and Corruption Prevention</p> <ol style="list-style-type: none">1. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.2. Receive and consider information and advice presented by the CEO on the strategies and controls to manage fraud and corruption risks at the Shire.
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	<p>3. Provide oversight over the Shire's exposure and issues raised in relation to fraud and corruption.</p> <p>Legislative Compliance</p> <p>1. Oversee the effectiveness of the systems for monitoring compliance with relevant laws, regulations and associated government policies.</p> <p>Other Responsibilities</p> <p>1. Monitor the progress of the implementation of external audit recommendations made by the auditor, which have been accepted by the Shire.</p> <p>2. Receive recommendations arising from reviews of local government systems and procedures.</p> <p>3. At least once every two years review and assess the adequacy of the Committee's Terms of Reference, request Council approval for proposed changes, and ensure appropriate disclosure as required by legislation or regulation.</p>
Key Actions Implemented since 2019 Review	<p>The Audit & Risk Committee have met on 13 occasions since the last Regulation 17 review:</p> <p>2022 March 8 April 20 August 2 December 13</p> <p>2021 January 19 March 15 April 20 July 19 September 23 December 21</p> <p>2020 March 17 July 21 October 28</p> <p>The Audit & Risk Committee Chair and Management has participated in the exit meeting with Council's Auditor conducted upon the conclusion of the audited report via teleconference or video link.</p> <p>Receipt of the Interim Management Report was received by the Audit & Risk Committee and discussing</p>
Assessment	Appropriate
Recommended Further Action	Review the Audit & Risk Committee Terms of Reference to ensure appropriateness and effectiveness.
Supplementary Documents	Audit & Risk Committee Terms of Reference

Review Area 1.11 – Fraud and Misconduct Risk	Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated and monitored and there is regular reporting and ongoing management of fraud and misconduct risks.
Officer Comment	<p>The Shire's Risk Dashboard Profiling Tool includes Control Assurance to rate:</p> <ul style="list-style-type: none"> • Key Control documented • Key Control completed • Key Control accurate • Key Control timely • Key Control open to fraud <p>The Control Assurance considers the effectiveness of the identified key controls and considers three perspectives:</p> <ul style="list-style-type: none"> • The design effectiveness of each key control • The operating effectiveness of each key control • The overall effectiveness of each key control <p>The Control Assurance component of the profiling tool is re-evaluated as part of the overall Risk Dashboard quarterly review.</p>
Key Actions Implemented since 2019 Review	<p>The Shire's Risk Dashboard Profiling Matrix and Reporting Tool was reviewed in December 2020 to include Control Assurance to rate the effectiveness of the identified key controls in alignment with the Risk Management Framework.</p> <p>The Risk Dashboard Profiling Matrix and Reporting Tool is monitored and reviewed quarterly. Quarterly Reports are provided to the Audit & Risk Committee to be received and presented to Council for adoption.</p>
Assessment	Appropriate
Recommended Further Action	Management to share risk profile responsibilities with relevant staff.
Supplementary Documents	Risk Dashboard Profiling Matrix and Reporting Tool

2.0 INTERNAL CONTROLS

Review Area 2.1 – Separation of Roles		Separation of roles and functions, processing, and authorisation.
Officer Comment		<p>Appropriate separation of roles and functions for processing and authorisation include;</p> <ul style="list-style-type: none"> • Debtors and Creditors • Payroll • Receipting • Rates • Banking • Electronic payments and transfers • Health • Planning • Building
Key Actions Implemented since 2019 Review		<p>Improved policies and procedures have been updated and implemented since 2019 as well as staff awareness through staff training undertaken.</p> <p>Since the 2019 review, interim audits have also been conducted by the Shire's Auditors that have also contributed in tightening the segregation process of duties.</p>
Assessment		Appropriate
Recommended Further Action		Updating of templates and processes on approvals.
Supplementary Documents		Interim Audit Management Report

Review Area 2.2 – Approval Control		Control of approval of documents, letters and financial records.
Officer Comment		<p>The Shire of Dowerin's Recordkeeping Plan (RKP2008069) objectives are to ensure;</p> <ul style="list-style-type: none"> • Compliance with Section 28 of the <i>State Records Act 2000</i>; • Recordkeeping within the Shire of Dowerin is moved towards compliance with the State Records Commission Standards and Records Management Standard AS ISO 15489; • Processes are in place to facilitate the complete and accurate record of business transaction and decisions; • Recorded information can be retrieved quickly and accurately when required; and • Protection and preservation of the Shire of Dowerin's records. <p>Council Policy 2.4 – Information Management objectives are to:</p> <ul style="list-style-type: none"> • To ensure that the Shire of Dowerin meets the statutory requirements of the <i>State Records Act 2000</i>; • To ensure uniformity and consistency for the creation and maintenance of records withing the management systems within the Shire of Dowerin;

	<ul style="list-style-type: none"> Define the roles and responsibilities of those Officers who manage and perform record keeping processes for, or on the behalf of, the Shire of Dowerin. <p>The Shire of Dowerin maintains a digital information management system, utilising Sharepoint, part of Office 365, which is designed to accommodate all statutory and industry requirements for superior recordkeeping.</p> <p>All financial transactions are traceable and recorded through Council's application software suite, SynergySoft. Monthly statutory financial reports are provided to Council.</p>
Key Actions Implemented since 2019 Review	A review of the RKP was finalised in September 2022 and submitted to the State Records Office of WA for assessment. The RKP was registered with the State Records Office of WA and assigned a new number (RKP 2022025).
Assessment	Appropriate
Recommended Further Action	Review Policy 2.4 – Information Management Policy
Supplementary Documents	Nil

Review Area 2.3 – Direct Physical Access Limit of direct physical access to assets and records.	
Officer Comment	Compactus open Safes open during the day Key cabinet open during the day Fuel control @ Depot
Key Actions Implemented since 2019 Review	Improved fuel system implemented to control the issue of fuel stock. Key register in place to monitor and control utilisation of keys.
Assessment	Appropriate
Recommended Further Action	Monthly reconciliation of fuel and other stock control needs to be done regularly for consistency.
Supplementary Documents	Financial Management Review Report – November 2022

Review Area 2.4 – Limit Access of Changes Limit access to make changes in data files and systems.	
Officer Comment	<p>The Shire's IT Infrastructure has been rapidly improved since 2019 with an upgraded server, backup and malware systems, 3 tier redundancy system and software applications including a strong security processing framework.</p> <p>The security permissions allocated to staff (new or existing) are very robust with a streamlined approval system between management and external IT support providers.</p>
Key Actions Implemented since 2019 Review	Improved IT Infrastructure and security permissions supported by external IT providers.
Assessment	Appropriate
Recommended Further Action	Update IT framework and policy including an IT Disaster Recovery Plan.
Supplementary Documents	Financial Management Review Report – November 2022

Review Area 2.5 – Maintenance and Review		Regular maintenance and review of financial control accounts and trial balances.
Officer Comment		As part of end of month and end of year processes, staff are required to ensure review and balancing of all relevant account are completed including maintaining data within the controlled accounts.
Key Actions Implemented since 2019 Review		As part of a continuous improvement process within the financial environment, staff are reviewing and updating all current policies and procedures to ensure quality checks are in place as part of the end of month and year processes.
Assessment		Appropriate
Recommended Further Action		Review and implement Financial Management Policy and Procedure
Supplementary Documents		Nil

Review Area 2.6 – Comparison and Analysis		Comparison and analysis of financial results with budgeted amounts.
Officer Comment		Monthly and Annual Financial Statements are prepared and presented to Council and are audited by the OAG.
Key Actions Implemented since 2019 Review		An improved reporting framework for monthly financials was introduced in 2022-2023 with the continuous improvement on annual and mid-year budget reviews.
Assessment		Appropriate
Recommended Further Action		Review and implement Financial Management Policy and Procedures
Supplementary Documents		Nil

Review Area 2.7 – Approval of Financial Payments		Report, review and approval of financial payments and reconciliations.
Officer Comment		<p>Accounts Payable functions have been improved by staff and management since 2019 and from recent annual and interim audits.</p> <p>Improvements consisted of redeveloping the approval and review processes on procurement and payment functions by management. This allowed for minimal error on processing payment by the accounts officer as well as ensuring procurement processes are adhered to Council's Procurement Policy.</p> <p>As part of end of month processes, reconciliations are completed in accordance to financial audited requirements.</p> <p>There is a legislative reporting requirement that requires the CEO to report monthly the list of payments to Council, ensuring transparency and integrity on all payments made.</p>

Key Actions Implemented since 2019 Review	Updated policy, procedures and reporting requirements to improve transparency, ethical and integrity processes for Council.
Assessment	Appropriate
Recommended Further Action	Continuous improvement on duties and responsibilities of staff.
Supplementary Documents	Financial Management Review Report – November 2022

Review Area 2.8 – Comparison of Physical Cash and Inventory	
Comparison of the result of physical cash and inventory counts with accounting records.	
Officer Comment	<p>In recent years, stock control has been an issue with reconciling physical stock (including cash) with the current accounting records.</p> <p>Management has identified these areas and have put in place improvements on physical stock control by implementing an electronic fuel system to measure the receiving and issuing of fuel. This also allowed for accurate reporting from the system to our accounting record system during monthly reconciliations.</p> <p>Physical cash reconciliation has improved since 2019 due to the regular recoup of physical cash to accounting system.</p>
Key Actions Implemented since 2019 Review	Implemented electronic fuel system and regular reconciliations of physical stock to accounting records.
Assessment	Appropriate
Recommended Further Action	Update of financial procedures to coincide with new and updated systems.
Supplementary Documents	Financial Management Review Report – November 2022

3.0 LEGISLATIVE COMPLIANCE

Review Area 3.1 – Review and Report of CAR		Reviewing the annual Compliance Audit Return and reporting to Council the results of that review.
Officer Comment		The Compliance Audit Return is presented to the Audit & Risk Committee and received by Council with accordance the statutory requirements.
Key Actions Implemented since 2019 Review		Audit & Risk Committee recommend for Council to adopt the 2019 Compliance Audit Return in March 2020 (Ref 0151). Audit & Risk Committee recommend for Council to adopt the 2020 Compliance Audit Return in March 2021 (Ref 0388). Audit & Risk Committee recommend for Council to adopt the 2021 Compliance Audit Return in March 2022 (Ref 0573).
Assessment		Appropriate
Recommended Further Action		Nil
Supplementary Documents		Compliance Audit Return 2021

Review Area 3.2 – Monitoring and Recommending Compliance Change		How management is monitoring the effectiveness of its compliance and making recommendations for change as necessary.
Officer Comment		The Shire's Compliance Calendar is the tool Management utilises to monitor compliance requirements and is a standing item on the Management Meeting Agenda conducted fortnightly. The Shire is required to carry out a compliance audit relating to the prescribed statutory requirements in <i>Regulation 13 of the Local Government (Audit) Regulations 1996</i> .
Key Actions Implemented since 2019 Review		Audit & Risk Committee recommend for Council to adopt the 2019 Compliance Audit Return in March 2020 (Ref 0151). Audit & Risk Committee recommend for Council to adopt the 2020 Compliance Audit Return in March 2021 (Ref 0388). Audit & Risk Committee recommend for Council to adopt the 2021 Compliance Audit Return in March 2022 (Ref 0573).
Assessment		Appropriate
Recommended Further Action		Review appropriateness and effectiveness of Compliance Calendar.
Supplementary Documents		Compliance Calendar

Review Area 3.3 – Complaint Procedures		Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints.
Officer Comment		The Code of Conduct Council, Committee Members and Candidates outlines the process of dealing with complaint. Policy 7.5 – Grievances, Investigations and Resolution outlines the process of dealing with complaint.
Key Actions Implemented since 2019 Review		In February 2021 (CMRef 0372), Council authorised the Chief Executive Officer as an officer for the purposes of receiving complaints and withdrawals of complaints in accordance with new legislative requirements to Council, and the written form for such complaints, for consideration and, if satisfactory, authorisation. The Model Code of Conduct for Council, Committee Members and Candidates was adopted in March 2021 (CMRef 0396). Policy 7.5 – Grievances, Investigations and Resolution was reviewed in June 2022.
Assessment		Appropriate
Recommended Further Action		Review the Code of Conduct Council, Committee Members and Candidates every 2 years. Review Policy 7.5 – Grievances, Investigations and Resolution every 2 years.
Supplementary Documents		Model Code of Conduct Regulations, Explanatory Notes and Complaint Form Template (12.3A) Shire of Dowerin Complaint Form (12.3B) Policy 7.5 – Grievances, Investigations and Resolution

Review Area 3.4 – Adverse Trends		Obtaining assurance that adverse trends are identified and review Management's plans to deal with these issues.
Officer Comment		In accordance with the Shire's Risk Management Framework, the Audit & Risk Committee is to be provided with quarterly Risk Dashboard Reports. During the quarterly reporting process, management are required to review any risks within their area and follow up on controls and treatments/action that are mitigating those risks. Monitoring and reviewing of risks, controls and treatments also applies to any actions/treatments to come out of an internal audit. The audit report will provided recommendations that effectively are treatments for controls and risks that have been tested during an internal review.
Key Actions Implemented since 2019 Review		Quarterly Risk Dashboards Reports completed and provided to the Audit & Risk Committee.
Assessment		Appropriate
Recommended Further Action		Continue providing quarterly Risk Dashboards Reports completed and provided to the Audit & Risk Committee.
Supplementary Documents		Risk Dashboard Report – September 2022

Review Area 3.5 – Management Disclosures	Reviewing Management disclosures in financial reports of the effect of significant compliance issues.
Officer Comment	<p>In accordance with Section 7.9 of the <i>Local Government Act 1995</i>, 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:</p> <ol style="list-style-type: none"> 1. the Mayor or President; 2. the CEO of the local government; and 3. the Minister. <p>The Opinion Letter 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.</p> <p>Representatives from the OAG and the Auditor conduct the Exit Interview which discusses the Opinion Letter and other relevant matters with the President and Management.</p> <p>Management responds to the findings identified during the audit and treatments are included in the Risk Dashboard to be actioned.</p>
Key Actions Implemented since 2019 Review	<p>The Audit & Risk Committee accepted the 2021/22 Audited Financial Report in December 2022 (Ref 0699).</p> <p>The Audit & Risk Committee accepted the 2020/21 Audited Financial Report in December 2022 (Ref 0566).</p> <p>The Audit & Risk Committee accepted the 2019/21 Audited Financial Report in December 2019 (Ref 0121).</p>
Assessment	Appropriate
Recommended Further Action	Action identified treatments within the allocated timeline.
Supplementary Documents	Nil

Review Area 3.6 – Compliance Framework Monitoring	Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements.
Officer Comment	Currently there is no formal procedure in place for conducting Internal Audits.
Key Actions Implemented since 2019 Review	<p>A comprehensive internal review was conducted in early 2021. The overarching objectives of the audit was o evaluate the Shire's systems of internal control over the identified four points of Council's November 2020 resolution (CMRef 0305) in order to provide assurance that:</p> <ol style="list-style-type: none"> 1. The Shire is achieving its goals and objectives efficiently, effectively and in an ethical manner; 2. Financial and operating information produced is accurate, timely and complete; 3. There is compliance with relevant laws regulations and other external requirements and with policies, protocols and other internal requirements; and

	4. The Shire's assets and liabilities are competently managed and protected against loss or other negative consequences. The Internal Audit Report 2021 was received by the Audit & Risk Committee in April 2021 (Ref 0402).
Assessment	Appropriate
Recommended Further Action	Consider implementing a formal process for Internal Audits.
Supplementary Documents	Internal Audit Report 2021

Review Area 3.7 – Audit Committee Compliance	Complying with legislative and regulatory requirements imposed on Audit Committee members, including not misusing their position to gain an advantage for themselves or another, or to cause detriment to the local government and disclosing conflicts of interest.
Officer Comment	<p>Audit Regulation changes are brought to the attention of the Audit & Risk Committee as they arise. Audit & Risk Committee members are aware of their obligations in this regard.</p> <p>The Shire of Dowerin's Code of Conduct for Council, Committee Members and Candidates outlines for an acceptable standard of professional conduct. The Code of Conduct observes statutory requirements of the <i>Local Government Legislation Amendment Act 2019</i> (Amendment Act) were gazetted and took effect from 3 February 2021:</p> <ol style="list-style-type: none"> 1. <i>Local Government (Administration) Amendment Regulations 2021</i>; 2. <i>Local Government (Model Code of Conduct) Regulations 2021</i>; and 3. <i>Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021</i>. <p>The New Regulations bring into effect Sections 48-51 of the Amendment Act by introducing a mandatory code of conduct for council members, committee members and candidates.</p> <p>The Model CoC provide for:</p> <ol style="list-style-type: none"> 1. Overarching principles to guide behaviour; 2. Behaviours which are managed by local governments; and 3. Rules of conduct breaches which are considered by the Standards Panel. <p>The purpose of the Model CoC is to guide decisions, actions and behaviours. The CEO must publish the Model CoC on the local government's official website as required by Section 5.104(7) of the Act.</p>
Key Actions Implemented since 2019 Review	<p>The <i>Local Government (Model Code of Conduct) Regulations 2021</i> (the New Regulations) was gazetted on 2 February 2021 and took effect on 3 February 2021.</p> <p>The Shire was required to adopt a Code of Conduct for Council Members, Committee Members and Candidates that incorporates the Model CoC within three months, in accordance with the new Section 5.104 of the <i>Local Government Act 1995</i> (the Act).</p> <p>Local governments were required to take specific initial actions within three weeks of the New Regulations taking</p>

	<p>effect (by 24 February 2021). Subsequently, Council considered the appointment of an officer for the purposes of receiving complaints and withdrawals of complaints, in accordance with Clause 11(3) of the Model CoC, and approved a complaint form in accordance with Clause 11(2)(a) at its February 2021 meeting (CMRef 0372).</p> <p>It is further expected that local governments adopt the Model CoC and any other procedures and processes required for implementation within three months from the New Regulations taking effect (by 3 May 2021).</p> <p>The Code of Conduct for Council, Committee Members and Candidates was adopted in March 2021 (CMRef 0396).</p>
Assessment	Appropriate
Recommended Further Action	It is recommended to review the Code of Conduct for Council, Committee Members and Candidates every 2 years.
Supplementary Documents	The Code of Conduct for Council, Committee Members and Candidates is available on the Shire of Dowerin's website.

SUMMARY

A summary of the Chief Executive Officer’s assessment against the review areas is as follows:

Topic	Review Area	Assessment	Number of Recommended Further Actions	Status	Expected Completion Date
Risk Management	1.1	Appropriate	4	Not Commenced	March 2024
	1.2	Appropriate	1	Not Commenced	March 2024
	1.3	Appropriate	1	Not Commenced	June 2024
	1.4	Appropriate	2	Not Commenced	March 2024
	1.4A	Appropriate	2	In Progress	March 2024
	1.4B	Appropriate	1	In Progress	March 2024
	1.4C	Appropriate	1	In Progress	March 2024
	1.5	Appropriate	2	In Progress	March 2024
	1.6	Appropriate	1	Not Commenced	June 2023
	1.7	Appropriate	2	In Progress	September 2023
	1.8	Appropriate	2	Not Commenced	December 2023
	1.9	Appropriate	1	In Progress	December 2023
	1.10	Appropriate	1	Not Commenced	September 2023
	1.11	Appropriate	1	Not Commenced	June 2023
Internal Controls	2.1	Appropriate	1	In Progress	December 2023
	2.2	Appropriate	1	Not Commenced	December 2023
	2.3	Appropriate	1	In Progress	June 2023

Topic	Review Area	Assessment	Number of Recommended Further Actions	Status	Expected Completion Date
	2.4	Appropriate	1	Not Commenced	December 2023
	2.5	Appropriate	1	In Progress	December 2023
	2.6	Appropriate	1	In Progress	December 2023
	2.7	Appropriate	1	In Progress	December 2023
	2.8	Appropriate	1	In Progress	December 2023
Legislative Compliance	3.1	Appropriate	0	Not Applicable	
	3.2	Appropriate	1	In Progress	December 2023
	3.3	Appropriate	2	Not Commenced	June 2023
	3.4	Appropriate	1	In Progress	Quarterly
	3.5	Appropriate	1	In Progress	As Required
	3.6	Appropriate	1	Not Commenced	December 2023
	3.7	Appropriate	1	Not Commenced	June 2023
Total Number of Recommended Further Actions			37		

Compliance Audit Return Form

Start ✓
Details ✓
Commercial Enterprises ✓
Delegation ✓
Disclosure of Interest ✓
Disposal of Property ✓
Elections ✓
Finance ✓
IPR ✓
Employees ✓
Conduct ✓
Other ✓
Tenders ✓
Documents ✓
Review
Finalise

Print

Details

Local Government

Dowerin, Shire of

Created By

Linley Dreghorn

Year of Return

2022

Status

Draft

Commercial Enterprises by Local Governments

1. Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2022? *

N/A

☒ Add comments

Please enter comments *

No major business undertaking occurred during the reporting period.

2. Has the local government prepared a business plan for each major land transaction that was not exempt in 2022? *

N/A

☒ Add comments

Please enter comments *

No major business undertaking occurred during the reporting period.

3. Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2022? *

N/A

☒ Add comments

Please enter comments *

No major business undertaking occurred during the reporting period.

4. Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022? *

N/A

☒ Add comments

Please enter comments *

No major business undertaking occurred during the reporting period.

5. During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority? *

N/A

☒ Add comments

Please enter comments *

No major business undertaking occurred during the reporting period.

Delegation of Power/Duty

1. Were all delegations to committees resolved by absolute majority? *

Yes

☒ **Add comments**

Please enter comments *

The Council has delegated by Absolute Majority to the Audit & Risk Committee only. Delegations were reviewed at the Ordinary Council Meeting held on 20 December 2022, Item 12.4 (CMRef 0714).

2. Were all delegations to committees in writing? *

Yes

☒ **Add comments**

Please enter comments *

Register is available on the Shire website.

3. Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995? *

Yes

☐ **Add comments**

—

4. Were all delegations to committees recorded in a register of delegations? *

Yes

☒ **Add comments**

Please enter comments *

Register is available on the Shire website.

5. Has council reviewed delegations to its committees in the 2021/2022 financial year? *

Yes

☒ Add comments

Please enter comments *

Delegations were reviewed by Council on 16 November 2021 Item 12.1 CMRef 0520 and 20 December 2022, Item 12.4 (CMRef 0714).

6. Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995? *

Yes

☐ Add comments

7. Were all delegations to the CEO resolved by an absolute majority? *

Yes

☒ Add comments

Please enter comments *

See Minutes 16 November 2021 Item 12.1 (CMRef 0520) and 20 December 2022, Item 12.4 (CMRef 0714).

8. Were all delegations to the CEO in writing? *

No

☐ Add comments

9. Were all delegations by the CEO to any employee in writing? *

No

☐ Add comments

10. Were all decisions by the Council to amend or revoke a delegation made by absolute majority? *

Yes

☒ Add comments

Please enter comments *

On any occasion where delegations were reviewed or given during the year, minutes reflect that Council resolved by Absolute Majority refer to Minutes 20 December 2022, Item 12.4 (CMRef 0714).

11. Has the CEO kept a register of all delegations made under Division 4 of the Local Government Act 1995 to the CEO and to employees? *

Yes

☒ Add comments

Please enter comments *

Delegations made by the CEO or an employee are recorded and maintained under the one Delegations Register.

12. Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2020/2021 financial year? *

Yes

☒ Add comments

Please enter comments *

The Delegations Register is reviewed by management and Council on a monthly basis as part of the Information Report.

13. Did all persons exercising a delegated power or duty under the Local Government Act 1995 keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996 regulation 19? *

Yes

☒ Add comments

Please enter comments *

These are reported to Council on a monthly basis as part of the Information Report and recorded in the Delegation Register.

Disclosure of Interest

1. Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter? *

Yes

☒ Add comments

Please enter comments *

Declarations of Interest were made at the June, July and August Ordinary Council Meetings. On all occasions the minutes correctly recorded the nature of the interest with the action then required, being in accordance with the Act.

2. Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting? *

Yes

☒ **Add comments**

Please enter comments *

Refer to OCM Minutes:
21 June 2022 - Impartiality - Confidential Item 16.1
19 July 2022 - Proximity - Item 12.1
19 July 2022 - Impartiality - Confidential Item 16.1

3. Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made? *

Yes

☒ **Add comments**

Please enter comments *

Refer to OCM Minutes:
21 June 2022 - Impartiality - Confidential Item 16.1
19 July 2022 - Proximity - Item 12.1
19 July 2022 - Impartiality - Confidential Item 16.1

4. Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day? *

Yes

☒ **Add comments**

Please enter comments *

Refer to Register of Returns on the Shire website.

5. Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022? *

Yes

☒ **Add comments**

Please enter comments *

Refer to Register of Returns on the Shire website.

6. On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return? *

Yes

☐ Add comments

—

7. Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995? *

Yes

☒ Add comments

Please enter comments *

Refer to Register of Returns on the Shire website.

8. Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28? *

Yes

☒ Add comments

Please enter comments *

The register is available on the Shire website

9. When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person? *

Yes

☒ Add comments

Please enter comments *

Refer to the register on the Shire website

10. Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return? *

Yes

☒ Add comments

Please enter comments *

The hardcopy records are retained in the strongroom.

11. Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A? *

Yes

☒ **Add comments**

Please enter comments *

The register is available on the Shire website

12. Did the CEO publish an up-to-date version of the gift register on the local government’s website? *

Yes

☒ **Add comments**

Please enter comments *

The register is available on the Shire website

13. When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people? *

Yes

☒ **Add comments**

Please enter comments *

The hardcopy records are retained in the strongroom.

14. Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure? *

Yes

☒ **Add comments**

Please enter comments *

The hardcopy records are retained in the strongroom.

15. Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report? *

Yes

☒ **Add comments**

Please enter comments *

Refer to OCM Minutes 19 July 2022 - Proximity - Item 12.1 - CBH Installation of Auger Pit and Conveyor Loading System DA

16. Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application? *

N/A

☒ **Add comments**

Please enter comments *

No applications were required to be made.

17. Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered? *

N/A

☒ **Add comments**

Please enter comments *

No applications were required to be made or reported.

18. Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)? *

Yes

☒ **Add comments**

Please enter comments *

Refer to OCM Minutes 16 March 2021 - Item 12.2 - CMRef 0396.

19. Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995? *

N/A

☒ **Add comments**

Please enter comments *

No additional requirements were adopted.

20. Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government’s website? *

Yes

☒ **Add comments**

Please enter comments *

Available on the Shire website.

21. Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government? *

Yes

☒ **Add comments**

Please enter comments *

Available on the Shire website.

Has the CEO published an up-to-date version of the code of conduct for employees on the local government’s website? *

Yes

Disposal of Property

1. Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)? *

N/A

☒ **Add comments**

Please enter comments *

There were no occasions where the Shire of Dowerin disposed of property over the prescribed amount where a tender process was not used.

2. Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property? *

Yes

☒ **Add comments**

Please enter comments *

Local Public Notice was given for the disposal of the 2020 Hilux and 2020 Fortuner via Dowerin Despatch advert published 2 September 2022 and Farm Weekly advert published 25 August 2022.

Local Public Notice was given for the disposal of the 2005 Hilux via Dowerin Despatch advert published 11 November 2022.

Elections

1. Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulation 30G(1) and regulation 30G(2) of the Local Government (Elections) Regulations 1997? *

Yes

☒ **Add comments**

Please enter comments *

No gifts were received

2. Did the CEO remove any disclosure of gifts forms relating to unsuccessful candidates, or successful candidates that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997? *

N/A

☒ **Add comments**

Please enter comments *

No gifts were received.

3. Did the CEO publish an up-to-date version of the electoral gift register on the local government’s official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997? *

Yes

☒ **Add comments**

Please enter comments *

No gifts were received.

Finance

1. Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995? *

Yes

☒ **Add comments**

Please enter comments *

Refer to Council Meeting October 2021 Item 13.1 CMRef 0496. Members are nominated for the term to be reviewed at the next LG Elections in October 2023.

2. Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority? *

Yes

☒ **Add comments**

Please enter comments *

Delegation 1.1 - Refer to Council Meeting 20 December 2022 - Item 12.3 - CMRef 0714.

3. Was the auditor’s report for the financial year ended 30 June 2022 received by the local government by 31 December 2022? *

Yes

☒ **Add comments**

Please enter comments *

Auditor's Report was received 5 December 2022.

4. Where the local government determined that matters raised in the auditor’s report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters? *

Yes

☒ **Add comments**

Please enter comments *

Actions taken are detailed in the Interim Management Comment of the auditor's report and presented at the December 2022 A&R Committee meeting.

5. Where matters identified as significant were reported in the auditor’s report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government? *

N/A

☒ **Add comments**

Please enter comments *

No significant matters were raised and no report was required to be provided.

6. Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government’s official website? *

No

☒ Add comments

FIN-AR-Publish14DaysComments *

No significant matters were raised and no report was required to be provided.

7. Was the auditor’s report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit? *

Yes

☒ Add comments

Please enter comments *

Final Auditor's Report was received 5 December 2022.

Integrated Planning and Reporting

1. Has the local government adopted by absolute majority a strategic community plan? *

Yes

☒ Add comments

Please provide the adoption date or the date of the most recent review *

20/07/2021

Please enter comments *

Item 12.2 - CMRef 0443. The Shire of Dowerin adopted the Intergrated Strategic Plan which incorporated the Strategic Community Plan and the Corporate Business Plan.

2. Has the local government adopted by absolute majority a corporate business plan? *

Yes

☒ Add comments

Please provide the adoption date or the date of the most recent review *

20/07/2021

Please enter comments *

Item 12.2 - CMRef 0443. The Shire of Dowerin adopted the Intergrated Strategic Plan which incorporated the Strategic Community Plan and the Corporate Business Plan.

3. Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)? *

Yes

☐ Add comments

—

Local Government Employees

1. Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A? *

N/A

☒ Add comments

Please enter comments *

There was no recruitment during the reporting period.

2. Was all information provided in applications for the position of CEO true and accurate? *

N/A

☒ Add comments

Please enter comments *

There was no recruitment during the reporting period.

3. Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995? *

N/A

☒ Add comments

Please enter comments *

There was no recruitment during the reporting period.

4. Did the CEO inform council of each proposal to employ or dismiss senior employee? *

N/A

☒ Add comments

Please enter comments *

There was no recruitment during the reporting period.

5. Where council rejected a CEO’s recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so? *

N/A

☒ **Add comments**

Please enter comments *

There was no recruitment during the reporting period.

Official Conduct

1. Has the local government designated an employee to be its complaints officer? *

Yes

☒ **Add comments**

Please enter comments *

The CEO is the authorised Complaints Officer. February 2021 CMRef 0372.

2. Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995? *

Yes

☒ **Add comments**

Please enter comments *

The register is available on the Shire's website. There were no complaints received during the reporting period.

3. Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995? *

Yes

☒ **Add comments**

Please enter comments *

The register is available on the Shire's website.

4. Has the CEO published an up-to-date version of the register of the complaints on the local government’s official website? *

Yes

☒ Add comments

Please enter comments *

There have been no complaints for the reporting period.

Other

1. Did the CEO review the appropriateness and effectiveness of the local government’s financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2022?

Yes

☒ Add comments

Please provide the date of council’s resolution to accept the report. *

26/11/2019

Please enter comments *

Refer to OCM Minutes 26 November 2019 - Item 11.4 CMRef 0082.
An external contractor completed the Financial Management Review in November 2022.

2. Did the CEO review the appropriateness and effectiveness of the local government’s systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2022?

Yes

☒ Add comments

Please provide the date of council’s resolution to accept the report. *

26/11/2019

Please enter comments *

Refer to OCM Minutes 26 November 2019 - Item 11.5 CMRef 0083.

3. Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?

N/A

☒ Add comments

Please enter comments *

No gifts were received during the reporting period.

4. Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government’s website, a policy dealing with the attendance of council members and the CEO at events?

No

☒ **Add comments**

Please enter comments *

Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.16 - Attendance at Events & Functions Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.

5. Did the CEO publish information on the local government’s website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?

Yes

☒ **Add comments**

Please enter comments *

Refer to Shire website.

6. Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?

No

☒ **Add comments**

Please enter comments *

Council at its 20 December 2022 Ordinary Council Meeting adopted Policy 1.15 - Councillors Training & Continuing Professional Development Policy - Item 12.1 CMRef 0712, however this was completed by Simple Majority and not Absolute. All Councillors in attendance voted for the motion.

7. Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government’s official website by 31 July 2022?

No

☐ **Add comments**

—

8. By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022?

Yes

☒ Add comments

Please enter comments *

This report was provided in August 2022.

9. When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?

Yes

☒ Add comments

Please enter comments *

Annual budget is available on the Shire website.

Tenders for Providing Goods and Services

1. Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less? *

Yes

☒ Add comments

Please enter comments *

Refer Policy 3.11 - Purchasing Policy available in the Policy Manual on the Shire's website.

2. Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations? *

Yes

☒ Add comments

Please enter comments *

T2022-01 - Gravel Re-sheeting Road Works

3. When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)? *

Yes

☒ Add comments

Please enter comments *

One tender was advertised during the reporting period with Statewide public notice given in the West Australian – Saturday 4 June 2022.

4. Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract? *

N/A

☒ **Add comments**

Please enter comments *

The Shire of Dowerin did not enter into any multiple contracts during the reporting period.

5. If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation? *

Yes

☒ **Add comments**

Please enter comments *

Addendums were issued via email and requested written acknowledgement of receipt of such amendments.

6. Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16? *

Yes

☒ **Add comments**

Please enter comments *

All tenders were submitted to a locked email account that can only be accessed after the closure of the tender submission period.

7. Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website? *

Yes

☒ **Add comments**

Please enter comments *

Refer to the Shire's website.

8. Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender? *

No

☒ **Add comments**

Please enter comments *

There were no tenders received which did not comply with the requirements.

9. Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept? *

Yes

☒ **Add comments**

Please enter comments *

The evaluation was undertaken in accordance with the Internal Tender Checklist.

10. Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted? *

Yes

☒ **Add comments**

Please enter comments *

The evaluation was undertaken in accordance with the Internal Tender Checklist.

11. Did the local government’s advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22? *

N/A

☒ **Add comments**

Please enter comments *

There were no EOI processes conducted during the reporting period for tenders.

12. Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice? *

N/A

☒ **Add comments**

Please enter comments *

There were no EOI processes conducted during the reporting period for tenders.

13. Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer? *

N/A

☒ **Add comments**

Please enter comments *

There were no EOI processes conducted during the reporting period for tenders.

14. Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24? *

N/A

☒ **Add comments**

Please enter comments *

There were no EOI processes conducted during the reporting period for tenders.

15. Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions and General) Regulations 1996, Regulations 24AD(4) and 24AE? *

N/A

☒ **Add comments**

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

16. If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation? *

N/A

☒ **Add comments**

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

17. Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application? *

N/A

☒ Add comments

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

18. Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG? *

N/A

☒ Add comments

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

19. Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications? *

N/A

☒ Add comments

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

20. Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept? *

N/A

☒ Add comments

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

21. Did the CEO send each applicant written notice advising them of the outcome of their application? *

N/A

☒ Add comments

Please enter comments *

There was no panel of pre-qualified suppliers invited during the reporting period.

22. Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F? *

Yes

☒ Add comments

Please enter comments *

Refer Policy 3.15 - Regional Price Preference Policy available in the Policy Manual on the Shire's website.

Documents

There are no notes to display.

Close

Previous

Next

SHIRE OF DOWERIN

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
FOR THE PERIOD ENDED 28 FEBRUARY 2023

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

TABLE OF CONTENTS

Summary Information	2
*Statement of Financial Activity by Nature or Type	4
* Explanation of Material Variances	6
Statement of Financial Activity by Program	7
Explanation of Material Variances	9
Basis of preparation	10
*Note 1 Statement of Financial Activity Information	11
Note 2 Cash and Financial Assets	12
Note 3 Receivables	13
Note 4 Other Current Assets	14
Note 5 Payables	15
Note 6 Rate Revenue	16
Note 7 Disposal of Assets	17
Note 8 Capital Acquisitions	18
Note 9 Borrowings	21
Note 10 Cash Reserves	22
Note 11 Other Current Liabilities	23
Note 12 Operating grants and contributions	24
Note 13 Non operating grants and contributions	25
Note 14 Budget Amendments	26

* Indicates report is required by Legislation.

These Statements are prepared with data available at the time of preparation.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$1.25 M	\$1.01 M	\$1.01 M	\$0.00 M
Closing	\$0.00 M	\$0.52 M	\$1.19 M	\$0.67 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$4.66 M	% of total
Unrestricted Cash	\$2.19 M	46.9%
Restricted Cash	\$2.48 M	53.1%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.54 M	% Outstanding
Trade Payables	\$0.16 M	
Over 30 Days		(16.4%)
Over 90 Days		-5.8%

Refer to Note 5 - Payables

Receivables		
	\$0.07 M	% Collected
Rates Receivable	\$0.18 M	85.4%
Trade Receivable	\$0.07 M	
Over 30 Days		60.9%
Over 90 Days		12.2%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.35 M)	\$0.81 M	\$0.91 M	\$0.10 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$1.51 M	% Variance
YTD Budget	\$1.51 M	(0.2%)

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions		
YTD Actual	\$1.02 M	% Variance
YTD Budget	\$0.99 M	3.0%

Refer to Note 12 - Operating Grants and Contributions

Fees and Charges		
YTD Actual	\$0.60 M	% Variance
YTD Budget	\$0.61 M	(1.6%)

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.41 M)	(\$1.25 M)	(\$0.68 M)	\$0.57 M

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.10 M	%
Adopted Budget	\$0.12 M	(15.8%)

Refer to Note 7 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$2.01 M	% Spent
Adopted Budget	\$4.00 M	(49.7%)

Refer to Note 8 - Capital Acquisition

Non-Operating Grants		
YTD Actual	\$1.23 M	% Received
Adopted Budget	\$3.47 M	(64.6%)

Refer to Note 8 - Capital Acquisition

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.49 M)	(\$0.05 M)	(\$0.05 M)	\$0.00 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.05 M
Interest expense	\$0.02 M
Principal due	\$1.21 M

Refer to Note 9 - Borrowings

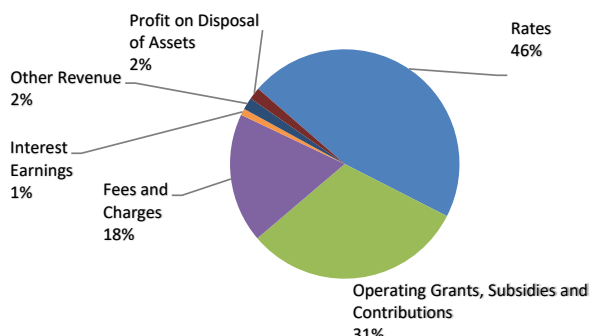
Reserves	
Reserves balance	\$2.48 M
Interest earned	\$0.00 M

Refer to Note 10 - Cash Reserves

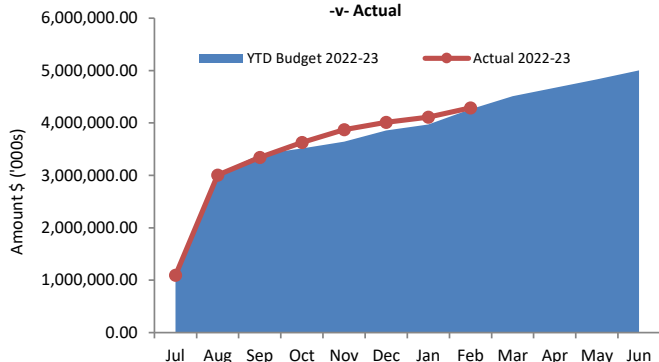
This information is to be read in conjunction with the accompanying Financial Statements and notes.

OPERATING ACTIVITIES

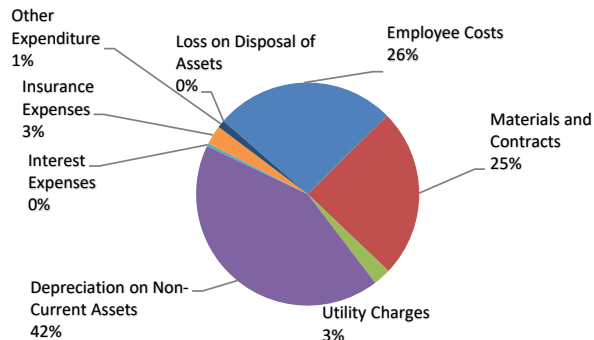
OPERATING REVENUE



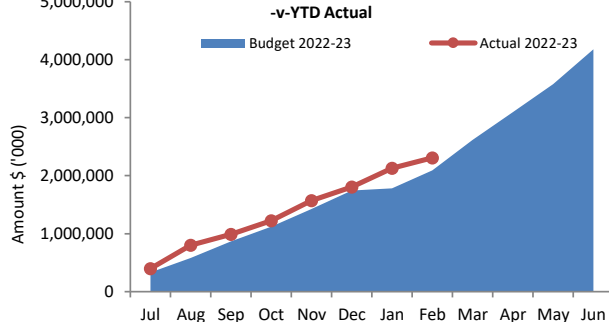
Budget Operating Revenues incl Bfwd Surplus -v- Actual



OPERATING EXPENSES

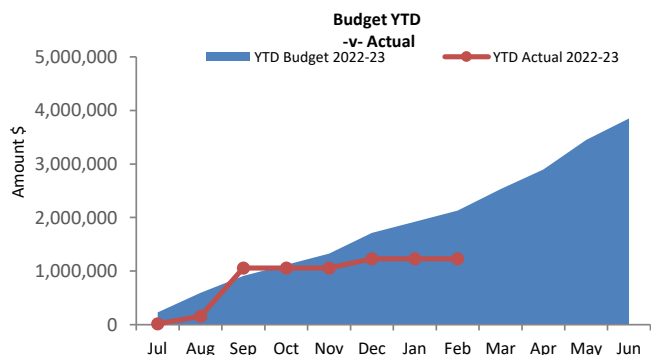


Budget Operating Expenses Excl depreciation -v- YTD Actual

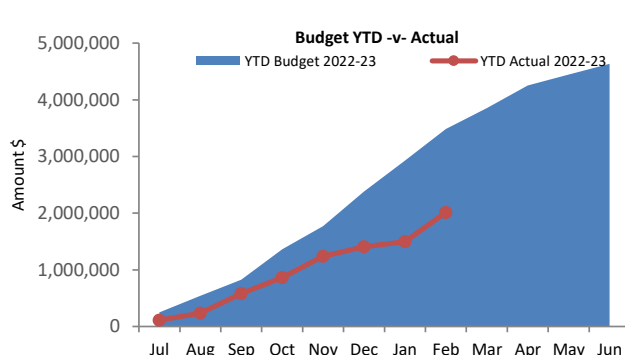


INVESTING ACTIVITIES

Non-operating grants, subsidies and contributions



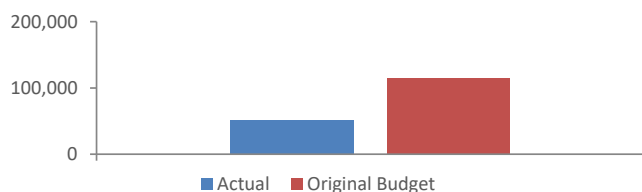
Payments for property, plant and equipment and infrastructure



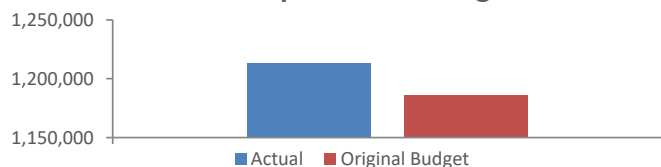
FINANCING ACTIVITIES

BORROWINGS

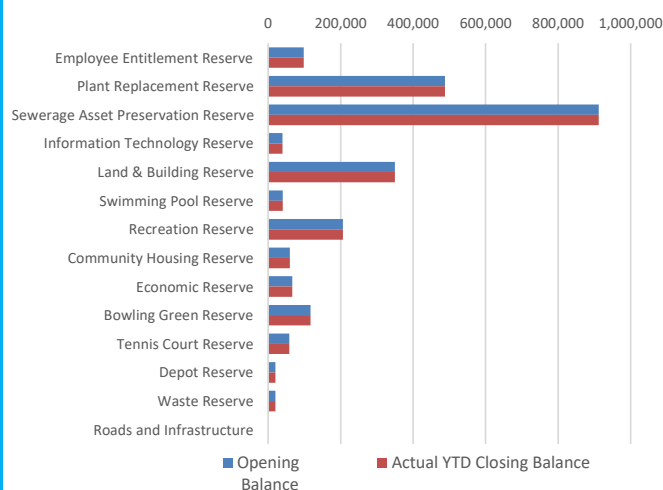
Principal Repayments



Principal Outstanding



RESERVES



KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 28 FEBRUARY 2023

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

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

NATURE OR TYPE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance

agreements, communication expenses, advertising expenses,

membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

BY NATURE OR TYPE

	Ref	Adopted Budget	Current Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
	Note	\$		\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	1,251,657	1,013,936	1,013,936	1,013,936	0	0.00%	
Revenue from operating activities								
Rates	6	1,514,214	1,514,214	1,514,214	1,510,515	(3,699)	(0.24%)	
Operating grants, subsidies and contributions	12	1,252,739	1,521,024	994,507	1,024,529	30,022	3.02%	
Fees and charges		669,810	746,650	608,189	598,383	(9,806)	(1.61%)	
Interest earnings		47,000	47,000	26,484	30,280	3,796	14.33%	
Other revenue		84,500	84,000	38,976	56,166	17,190	44.10%	😊
Profit on disposal of assets		42,120	77,120	63,620	55,594	(8,026)	(12.62%)	
		3,610,383	3,990,008	3,245,990	3,275,466	29,476		
Expenditure from operating activities								
Employee costs		(1,796,711)	(1,501,526)	(986,584)	(1,051,402)	(64,818)	(6.57%)	
Materials and contracts		(1,651,443)	(1,758,681)	(1,086,997)	(982,094)	104,903	9.65%	
Utility charges		(179,674)	(182,358)	(121,216)	(102,205)	19,011	15.68%	😊
Depreciation on non-current assets		(2,135,767)	(2,135,767)	(1,423,704)	(1,701,584)	(277,880)	(19.52%)	😞
Interest expenses		(32,281)	(32,281)	(19,714)	(16,406)	3,308	16.78%	
Insurance expenses		(164,857)	(164,857)	(104,319)	(112,063)	(7,744)	(7.42%)	
Other expenditure		(107,925)	(105,977)	(50,479)	(44,096)	6,383	12.64%	
Loss on disposal of assets		0	0	0	0	0	0.00%	
		(6,068,658)	(5,881,449)	(3,793,013)	(4,009,850)	(216,837)		
Non-cash amounts excluded from operating activities	1(a)	2,108,647	2,073,647	1,360,084	1,645,990	285,906	21.02%	😞
Amount attributable to operating activities		(349,628)	182,206	813,061	911,606	98,545		
Investing activities								
Non-operating grants, subsidies and contributions	13	3,470,765	3,850,259	2,131,261	1,230,278	(900,983)	(42.27%)	😞
<i>Net Non- Operating grants recognised as revenue</i>	13	3,470,765	3,850,259	2,131,261	1,230,278	(900,983)	(42.27%)	
Proceeds from disposal of assets	7	121,000	209,500	101,864	101,864	0	0.00%	
Payments for property, plant and equipment and infrastructure	8	(4,000,142)	(4,633,610)	(3,486,046)	(2,012,294)	1,473,752	42.28%	😊
Amount attributable to investing activities		(408,377)	(573,851)	(1,252,921)	(680,152)	572,769		
Financing Activities								
Transfer from reserves	10	102,561	370,620	0	0	0	0.00%	
Repayment of debentures	9	(113,975)	(113,975)	(51,721)	(51,721)	0	0.00%	
Transfer to reserves	10	(482,238)	(878,936)	0	0	0	0.00%	
Amount attributable to financing activities		(493,652)	(622,291)	(51,721)	(51,721)	0		
Closing funding surplus / (deficit)	1(c)	0	0	522,355	1,193,669	671,314	(128.52%)	

KEY INFORMATION



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

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

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is a value of more or less than \$10,000 or 10.00%.

By Nature or Type	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Rates	(3,699)	(0.24%)		Within Variance
Operating grants, subsidies and contributions	30,022	3.02%		Within Variance
Fees and charges	(9,806)	(1.61%)		Within Variance
Sewerage charges	0	0.00%		Within Variance
Interest earnings	3,796	14.33%		Within Variance
Other revenue	17,190	44.10%	😊 Timing	Other revenue and reimbursements are higher than YTD budget.
Profit on disposal of assets	(8,026)	(12.62%)		Within Variance
Expenditure from operating activities				
Employee costs	(64,818)	(6.57%)		Within Variance
Materials and contracts	104,903	9.65%		Within Variance
Utility charges	19,011	15.68%	😊 Timing	Utility costs are lower than YTD budget. This is likely a timing issue with the receipt and payment of invoices.
Depreciation on non-current assets	(277,880)	(19.52%)	😞 Permanent	Swimming areas and Sewerage depreciation are higher than YTD budget. Staff need to review depreciation rates before year end to determine the impacts of revaluations.
Interest expenses	3,308	16.78%		Within Variance
Insurance expenses	(7,744)	(7.42%)		Within Variance
Other expenditure	6,383	12.64%		Within Variance
Loss on disposal of assets	0	0.00%		Within Variance
Investing activities				
Non-operating grants, subsidies and contributions	(900,983)	(42.27%)	😞 Timing	Refer to Note 13 , the main variance is in receipt of WSNF funds which are recouped as milestone works are completed
Proceeds from disposal of assets	0	0.00%		Within Variance
Payments for property, plant and equipment and infrastructure	1,473,752	42.28%	😊 Timing	Refer to Note 8 for Project Details
Financing Activities				
Transfer from reserves	0	0.00%		Within Variance
Repayment of debentures	0	0.00%		Within Variance
Transfer to reserves	0	0.00%		Within Variance
Opening funding surplus / (deficit)	0	0.00%		

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

STATUTORY REPORTING PROGRAMS

	Ref	Adopted Budget	Current Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Note								
Opening funding surplus / (deficit)	1(c)	\$ 1,251,657	1,013,936	\$ 1,013,936	\$ 1,013,936	\$ 0	% 0.00%	
Revenue from operating activities								
Governance		3,000	7,000	4,664	4,027	(637)	(13.66%)	
General purpose funding		1,596,014	2,015,799	1,823,746	1,858,621	34,875	1.91%	
Law, order and public safety		37,356	37,356	25,572	28,576	3,004	11.75%	
Health		3,300	2,500	2,500	2,497	(3)	(0.12%)	
Education and welfare		797,481	622,581	358,475	349,223	(9,252)	(2.58%)	
Housing		131,081	153,081	100,040	100,241	201	0.20%	
Community amenities		270,973	271,473	264,941	271,094	6,153	2.32%	
Recreation and culture		47,650	48,550	35,512	52,107	16,595	46.73%	😊
Transport		419,658	419,658	313,814	299,940	(13,874)	(4.42%)	
Economic services		213,100	224,740	149,808	152,028	2,220	1.48%	
Other property and services		90,770	187,270	166,918	157,112	(9,806)	(5.87%)	
		3,610,383	3,990,008	3,245,990	3,275,466	29,476		
Expenditure from operating activities								
Governance		(594,780)	(538,222)	(339,432)	(339,010)	422	0.12%	
General purpose funding		(207,328)	(180,682)	(96,583)	(88,982)	7,601	7.87%	
Law, order and public safety		(151,556)	(157,053)	(97,335)	(86,492)	10,843	11.14%	😊
Health		(60,504)	(60,712)	(43,537)	(39,041)	4,496	10.33%	
Education and welfare		(585,233)	(553,024)	(369,703)	(279,614)	90,089	24.37%	😊
Housing		(307,140)	(302,399)	(217,881)	(166,756)	51,125	23.46%	😊
Community amenities		(394,647)	(420,581)	(266,979)	(388,629)	(121,650)	(45.57%)	😞
Recreation and culture		(983,900)	(1,006,428)	(679,700)	(793,842)	(114,142)	(16.79%)	😞
Transport		(2,174,714)	(1,987,746)	(1,324,336)	(1,427,736)	(103,400)	(7.81%)	
Economic services		(536,244)	(491,591)	(320,321)	(301,804)	18,517	5.78%	
Other property and services		(72,612)	(183,011)	(37,206)	(97,945)	(60,739)	(163.25%)	😞
		(6,068,658)	(5,881,449)	(3,793,013)	(4,009,850)	(216,837)		
Non-cash amounts excluded from operating activities	1(a)	2,108,647	2,073,647	1,360,084	1,645,990	285,906	21.02%	😞
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Investing Activities								
Non-operating grants, subsidies and contributions	13	3,470,765	3,850,259	2,131,261	1,230,278	(900,983)	(42.27%)	😞
Proceeds from disposal of assets	7	121,000	209,500	101,864	101,864	0	0.00%	
Payments for property, plant and equipment and infrastructure	8	(4,000,142)	(4,633,610)	(3,486,046)	(2,012,294)	1,473,752	42.28%	😊
Amount attributable to investing activities		(408,377)	(573,851)	(1,252,920)	(680,152)	572,768		
Financing Activities								
Transfer from reserves	10	102,561	370,620	0	0	0	0.00%	
Repayment of debentures	9	(113,975)	(113,975)	(51,721)	(51,721)	0	0.00%	
Transfer to reserves	10	(482,238)	(878,936)	0	0	0	0.00%	
Amount attributable to financing activities		(493,652)	(622,291)	(51,721)	(51,721)	0		
Closing funding surplus / (deficit)	1(c)	0	0	522,355	1,193,669	671,314		😊

KEY INFORMATION

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

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

The material variance adopted by Council for the 2022-23 year is a value of more or less than \$10,000 or 10.00%.

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 28 FEBRUARY 2023

STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

To provide a decision making process for the efficient allocation of resources

To include the activities of members of Council and the administration support available to the Council for the provision of governance of the district. Other costs relate to assisting elected members and ratepayers on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

Supervision and enforcement of various local laws relating to fire prevention, animal control, community crime prevention and other aspects of public safety including emergency services.

HEALTH

To provide an operational framework for environmental and community health.

Inspection of food premises and food control.

EDUCATION AND WELFARE

To provide services to disadvantaged persons including the elderly, children and youth.

Maintenance and operational costs of the Dowerin Child Care Centre; Dowerin Home Care, Commonwealth Home Support Program (CHSP), community nursing and other support services.

HOUSING

To provide and maintain housing for staff, aged and community housing projects operated by Joint Venture with the Department of Housing.

Provision and maintenance of all Shire responsible housing.

COMMUNITY AMENITIES

To provide necessary services as required by the community.

Rubbish collection and recycling, operation of disposal sites, administration, maintenance & operation of the Dowerin Townsite Sewerage Scheme. Administration of the Shire of Dowerin Town Planning Scheme. Administration, maintenance & operation of the Dowerin & Minnivale public cemeteries, public toilets & the Dowerin Community Bus.

RECREATION AND CULTURE

To establish & effectively manage infrastructure and resources which will help the social wellbeing of the community.

Maintenance and operation of public halls, sporting pavilions, parks and gardens, recreation centre, sports playing surface areas and reserves including football oval, hockey oval, tennis courts, bowling greens and golf course. Contribution to the operation of the Dowerin Public Library.

TRANSPORT

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of streets, roads, footpaths, drainage & signs. Maintenance and operation of street lights, works depot and aerodrome. Cleaning of streets and provision and maintenance of street trees. Purchase, maintenance and operation of plant.

ECONOMIC SERVICES

To help promote the Shire and its economic wellbeing.

Tourism and area promotion including the maintenance and operation of the Shire of Dowerin Short Stay Accommodation facilities. Provision of rural services including building control, standpipes, noxious weeds and vermin control. Assistance with the operations of the annual Dowerin Field Day. Maintenance costs associated with the Dowerin Community Resource Centre.

OTHER PROPERTY AND SERVICES

To monitor and control Council's overheads operating accounts.

Private works, plant repairs and operations. Works and administration overheads. Materials and stores.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is a value of more or less than \$10,000 or 10.00%.

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Governance	(637)	(13.66%)		Within Variance
General purpose funding	34,875	1.91%		Within Variance
Law, order and public safety	3,004	11.75%		Within Variance
Health	(3)	(0.12%)		Within Variance
Education and welfare	(9,252)	(2.58%)		Within Variance
Housing	201	0.20%		Within Variance
Community amenities	6,153	2.32%		Within Variance
Recreation and culture	16,595	46.73%	😊 Permanent	Various higher than YTD budget revenue received of less than \$10K.
Transport	(13,874)	(4.42%)		Within Variance
Economic services	2,220	1.48%		Within Variance
Other property and services	(9,806)	(5.87%)		Within Variance
Expenditure from operating activities				
Governance	422	0.12%		Within Variance
General purpose funding	7,601	7.87%		Within Variance
Law, order and public safety	10,843	11.14%	😊 Timing	ESL Bush Fire Brigade expenses are \$11K lower than YTD budget, it is anticipated that these costs will even out during the year.
Health	4,496	10.33%		Within Variance
Education and welfare	90,089	24.37%	😊 Timing	Aged Services expenditure is \$76K lower than YTD budget. This is offset by lower revenue. Other welfare Events is \$25K lower than YTD Budget. These items are expected to be timing issues that may even out over the year.
Housing	51,125	23.46%	😊 Timing	Staff and Other Housing maintenance in \$55 lower than YTD budget. This is expected to even out over the year.
Community amenities	(121,650)	(45.57%)	😞 Permanent	Depreciation is \$75K higher than YTD budget, this has no cash impact in the Shires financial position. Sanitation and Sewerage maintenance is \$57K higher than budget. These are expected to be timing variances.
Recreation and culture	(114,142)	(16.79%)	😞 Permanent/ Timing	Depreciation is \$186K higher than YTD budget due to revaluation processes. This has no cash impact in the Shires financial position, but staff will review rates before year end. General maintenance within the program is \$71K lower than budget, this is made up of variances of more or less than \$10K. These are expected to be timing variances that will even out during the year.
Transport	(103,400)	(7.81%)		Within Variance
Economic services	18,517	5.78%		Within Variance
Other property and services	(60,739)	(163.25%)	😞 Timing	Admin expenses are \$48K higher than YTD budget , including employee expenses of \$27K. These are expected to be timing variances that will even out before year end.

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996*, Regulation 34. Note: The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

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

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 00 January 1900

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

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

(a) Non-cash items excluded from operating activities

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

	Notes	Adopted Budget	YTD Actual
Non-cash items excluded from operating activities		\$	\$
Adjustments to operating activities			
Less: Profit on asset disposals	7	(42,120)	(55,594)
Movement in liabilities associated with restricted cash		15,000	0
Add: Depreciation on assets		2,135,767	1,701,584
Total non-cash items excluded from operating activities		2,108,647	1,645,990

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation* 32 to agree to the surplus/(deficit) after imposition of general rates.

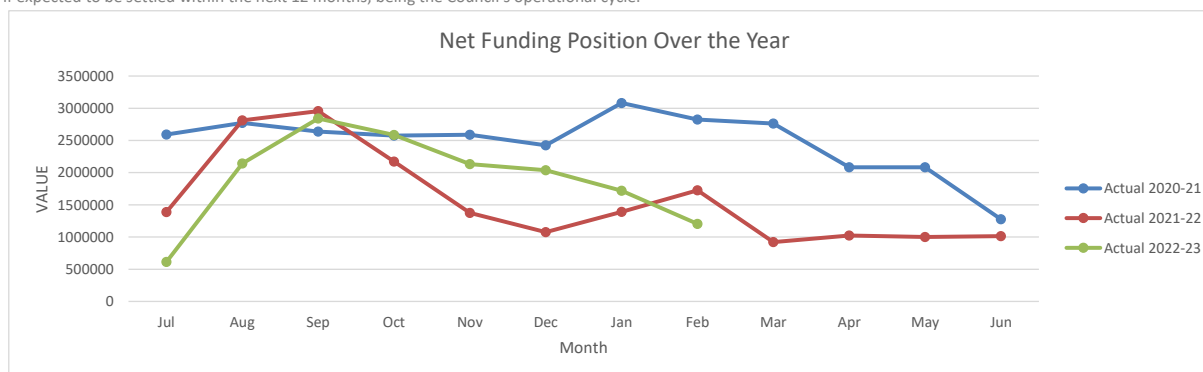
		Adopted Budget	Last Year UnAudited Actual 30 June 2022	This Time Last Year 28 February 2022	Year to Date 28 February 2023
Adjustments to net current assets					
Less: Reserves - restricted cash	10	(2,413,691)	(2,475,964)	(2,282,998)	(2,475,964)
Add: Borrowings	9	113,975	113,970	98,942	62,249
Add: Provisions funded by Reserve		97,883	97,883	77,864	97,883
Total adjustments to net current assets		(2,201,833)	(2,264,111)	(2,106,192)	(2,315,832)

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

Current assets					
Cash and cash equivalents	2	3,553,086	3,518,379	3,886,139	4,676,439
Rates receivables	3	119,592	119,592	227,565	237,358
Receivables	3	849,018	857,489	271,387	9,348
Stock on Hand	4	37,337	5,266	21,776	46,087
Total Current Assets		4,559,033	4,500,726	4,406,867	4,969,232
Less: Current liabilities					
Payables	5	(383,329)	(472,643)	(250,747)	(544,990)
Borrowings	9	(113,975)	(113,970)	(98,942)	(62,249)
Contract liabilities	11	(436,394)	(433,769)	52,648	(650,193)
Provisions	11	(171,845)	(202,298)	(171,845)	(202,298)
Total Current Liabilities		(1,105,543)	(1,222,680)	(468,886)	(1,459,730)
		3,453,490	3,278,046	3,937,981	3,509,501
Less: Total adjustments to net current assets	1(b)	(2,201,833)	(2,264,111)	(2,106,192)	(2,315,832)
Closing funding surplus / (deficit)		1,251,657	1,013,936	1,831,789	1,193,669

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.



Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Cash on hand								
Floats	Cash and cash equivalents	400	0	400	0	On-hand		
Cash Deposits								
Municipal Bank Account	Cash and cash equivalents	2,187,743	0	2,187,743	0	NAB	0.05%	At Call
Term Deposits								
709-6589	Financial assets at amortised cost	0	1,000,000	1,000,000	0	NAB	2.55%	25/06/2023
27-9675	Financial assets at amortised cost	0	1,000,000	1,000,000	0	Westpac	3.26%	4/07/2023
	Financial assets at amortised cost	569	475,964	476,533		Bendigo	0.45%	1/07/2023
Total		2,188,712	2,475,964	4,664,676				
Comprising								
Cash and cash equivalents		2,188,143	0	2,188,143	0			
Financial assets at amortised cost		569	2,475,964	2,476,533	0			
		2,188,712	2,475,964	4,664,676	0			

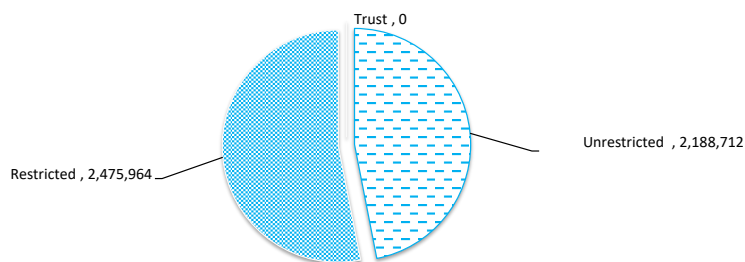
KEY INFORMATION

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

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

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

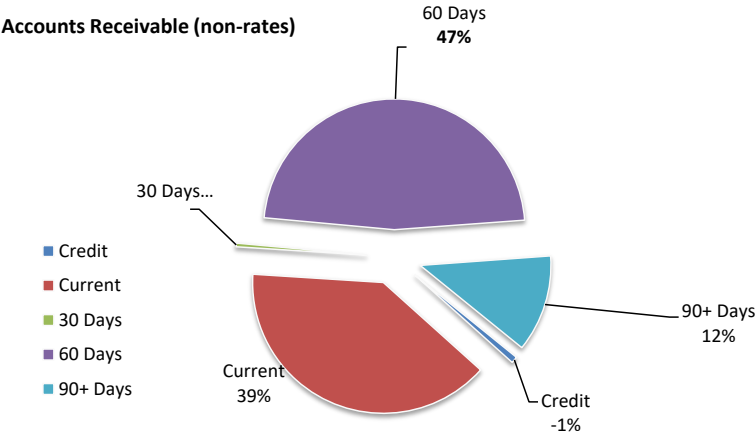
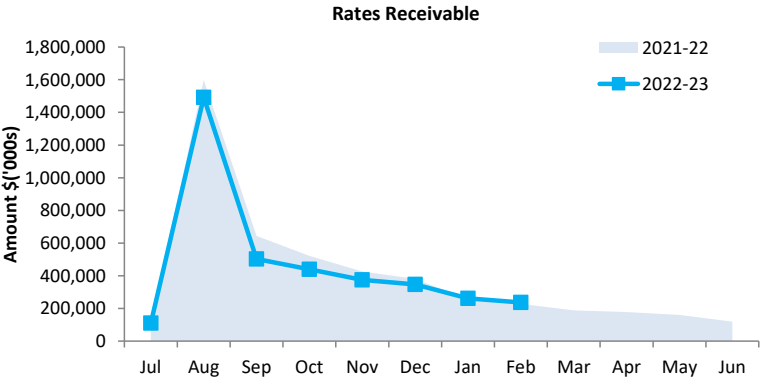
OPERATING ACTIVITIES
NOTE 3
RECEIVABLES

Rates receivable	30 June 2022	28 Feb 2023
	\$	\$
Opening arrears previous years	133,185	119,592
Levied - Rates revenue	1,402,771	1,510,515
Less - collections	(1,416,364)	(1,392,749)
Equals current outstanding	119,592	237,358
Less allowance for impairment of receivables		(59,782)
Net rates collectable	119,592	177,576
% Collected	92.2%	85.4%

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(201)	9,720	111	11,700	2,962	24,291
Percentage	(0.8%)	40%	0.5%	48.2%	12.2%	
Balance per trial balance						
Sundry receivable	(201)	9,720	111	11,700	2,962	24,291
GST receivable	0	33,930	0	0	0	33,930
Allowance for impairment of receivables	0	(138)	0	0	0	(138)
Accrued Income	0	0	0	0	0	0
Total receivables general outstanding						69,130
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**OPERATING ACTIVITIES
NOTE 4
OTHER CURRENT ASSETS**

	Opening Balance 1 July 2022	Asset Increase/(Decrease)	Closing Balance 28 February 2023
Other current assets	\$	\$	\$
Inventory			
Stock On Hand	5,266	40,821	46,087
Total other current assets	5,266	40,821	46,087
Amounts shown above include GST (where applicable)			

KEY INFORMATION

Inventory

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

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

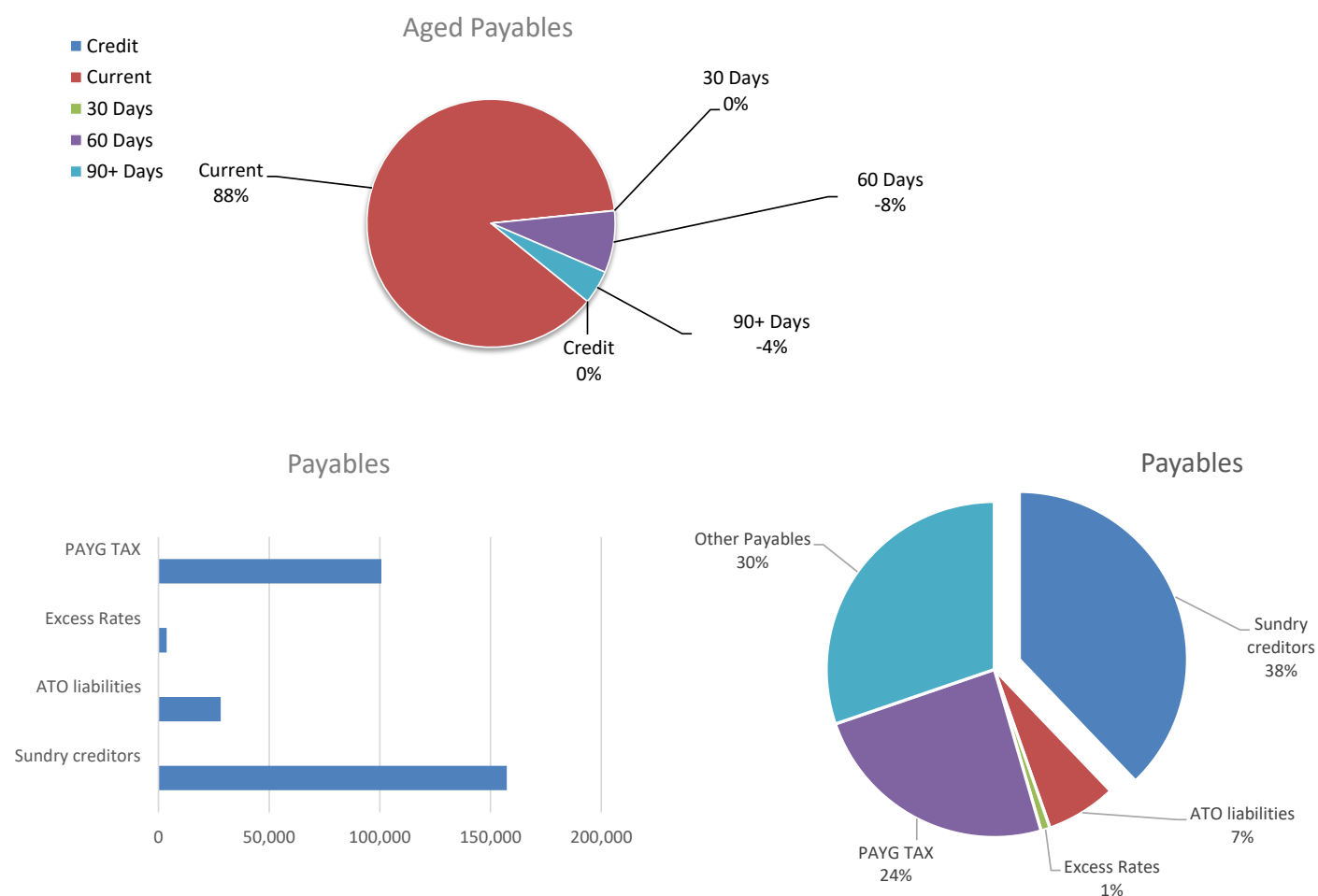
**OPERATING ACTIVITIES
NOTE 5
Payables**

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	634,851	311	(58,469)	(31,704)	544,990
Percentage	0%	116.5%	0.1%	-10.7%	-5.8%	
Balance per trial balance						
Sundry creditors	0	247,235	311	(58,469)	(31,704)	157,374
ATO liabilities	0	28,140	0	0	0	28,140
Excess Rates	0	3,702	0	0	0	3,702
PAYG TAX	0	100,708	0	0	0	100,708
Other Payables	0	125,781	0	0	0	125,781
Payroll Creditors	0	171,872	0	0	0	171,872
Accrued Loan Interest	0	7,141	0	0	0	7,141
Total payables general outstanding						544,990

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

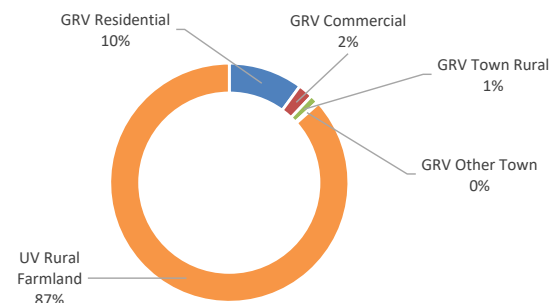
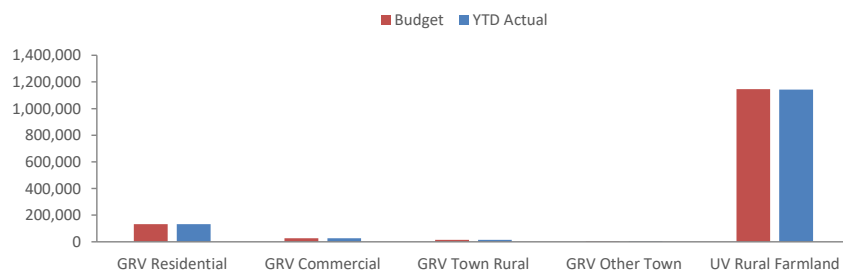


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

General rate revenue	Original Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
Gross rental value											
GRV Residential	0.10450	131	1,269,347	132,647	0	0	132,647	132,646	0	0	132,646
GRV Commercial	0.10450	15	256,474	26,802	0	0	26,802	26,802	0	0	26,802
GRV Town Rural	0.10450	12	138,892	14,514	0	0	14,514	14,514	0	0	14,514
GRV Other Town	0.10450	8	33,384	3,489	0	0	3,489	3,489	0	0	3,489
Unimproved value											
UV Rural Farmland	0.00676	223	169,617,000	1,146,611	0	0	1,146,611	1,146,611	(3,748)	0	1,142,863
Sub-Total		389	171,315,097	1,324,062	0	0	1,324,063	1,324,062	(3,748)	0	1,320,314
Minimum payment	Minimum \$										
Gross rental value											
GRV Residential	824	48	292,295	39,552	0	0	39,552	39,552	0	0	39,552
GRV Commercial	824	17	65,470	14,008	0	0	14,008	14,008	0	0	14,008
GRV Town Rural	824	16	38,685	13,184	0	0	13,184	13,184	0	0	13,184
GRV Other Town	241	20	7,974	4,820	0	0	4,820	4,820	0	0	4,820
Unimproved value											
UV Rural Farmland	824	64	4,190,300	52,736	0	0	52,736	52,736	0	0	52,736
UV Commercial	824	4	400	3,296	0	0	3,296	3,296	0	0	3,296
UV Town Rural	824	4	109,500	3,296	0	0	3,296	3,296	0	0	3,296
UV Mining	241	15	99,452	3,615	0	0	3,615	3,615	0	0	3,615
Sub-total		188	4,804,076	134,507	0	0	134,507	134,507	0	0	134,507
Amount from general rates							1,458,570	1,458,569	(3,748)	0	1,454,821
Ex-gratia rates							55,644				55,694
Total general rates							1,514,214				1,510,515

KEY INFORMATION



**NOTES TO THE STATEMENT OF BUDGET REVIEW
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

INVESTING ACTIVITIES

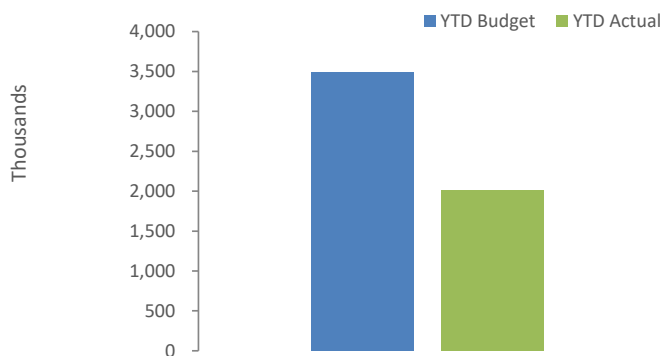
NOTE 8

CAPITAL ACQUISITIONS

Capital acquisitions	Original Budget	Current Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$		\$	\$	\$
Buildings	10,000	10,000	10,000	1,127	(8,873)
Plant and equipment	62,000	280,059	62,000	78,925	16,925
Infrastructure - roads	3,710,766	4,055,890	3,295,070	1,807,909	(1,487,161)
Infrastructure - sewerage	0	50,000	50,000	43,244	(6,756)
Infrastructure -Parks And Ovals	122,000	140,085	22,000	20,293	(1,707)
Infrastructure - other	95,376	97,576	46,976	60,796	13,820
Payments for Capital Acquisitions	4,000,142	4,633,610	3,486,046	2,012,294	(1,473,752)
Total Capital Acquisitions	4,000,142	4,633,610	3,486,046	2,012,294	(1,473,752)
Capital Acquisitions Funded By:					
	\$		\$	\$	\$
Capital grants and contributions	3,470,765	3,850,259	2,131,261	1,230,278	(900,983)
Other (disposals & C/Fwd)	121,000	121,000	101,864	101,864	0
Cash backed reserves					
Plant Replacement Reserve	32,000	32,000	0	0	0
Swimming Pool Reserve	40,561	40,561	0	0	0
Recreation Reserve	30,000	30,000	0	0	0
Contribution - operations	305,816	559,790	1,252,921	680,152	(572,769)
Capital funding total	4,000,142	4,633,610	3,486,046	2,012,294	(1,473,752)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.



Account Description		Original Budget	Current Budget	YTD Budget	YTD Actual	Variance Under/(Over)	Comments
Land and Buildings							
BC042	Dowerin Town Hall - Building (Capital)	0	0	0	79	(79)	Costing to be corrected
BC068	Short Term Accommodation - Common Area (Other) - Building (0	0	0	(90)	90	Costing to be corrected
BC001B	Admin Building - Refurbishment - Building (Capital)	10,000	10,000	10,000	1,138	8,862	Completed, expenditure not finalised.
Total		10,000	10,000	10,000	1,127	8,873	
Plant & Equipment							
PE201	Cemetery Grave Shoring Box	10,000	10,000	10,000	16,686	(6,686)	
PE206	Ride On Mower	0	0	0	10,532	(10,532)	PO from FY 22, to be funded from operational budget.
PE100	Diesel Fuel Bowser - Shire Depot	10,000	10,000	10,000	0	10,000	Not continuing in 22/23, to be addressed in 23/24 Budget.
PE105	Dual Cab 4x2 Team Leader	42,000	42,000	42,000	43,341	(1,341)	Complete.
PE704	Hino WaterCart	0	0	0	8,365	(8,365)	Services to fit upgraded pump to P704 Hino Watercart, to be funded from operational budget.
PE146	Purchase New Slasher	0	28,000	0	0	0	Funded by Plant Reserve
PE202	Light Hino Truck 500 Series	0	108,700	0	0	0	Funded by Plant Reserve
PE203	Light Hino Truck 300 Series	0	81,359	0	0	0	Funded by Plant Reserve
Total		62,000	280,059	62,000	78,925	(16,925)	
Infrastructure - Roads							
RCR025	Commodity Route - Dowerin - Koorda Road	248,220	248,220	248,220	227,409	20,811	Completed, expenditure not finalised.
LRC006	LRCIP - Nambling Road	90,000	90,000	90,000	62,440	27,560	Completed, expenditure not finalised.
LRC013	LRCIP - Berring East Road	200,000	200,000	200,000	34	199,966	Scheduled for QTR 4
LRC023	LRCIP - Wongan-Koorda Road	242,000	242,000	242,000	9,784	232,216	Scheduled for QTR4; expenses to date are for stockpile of gravel
LRC162	LRCIP - Nambling South Road	170,000	170,000	170,000	212,128	(42,128)	Completed, expenditure not finalised
R2R004	Hindmarsh Road (R2R)	0	0	0	69	(69)	Costing to be corrected
R2R026	Minnivale North East Road (R2R)	72,130	72,130	48,080	55,431	(7,351)	Completed, expenditure not finalised
R2R042	McHugh Road (R2R)	45,000	45,000	45,000	43,110	1,890	Works completed.
R2R056	Quelagetting West Road (R2R)	62,050	62,050	62,050	52,654	9,396	Completed, expenditure not finalised
R2R162	Nambling South Road (R2R)	202,000	202,000	202,000	176,228	25,772	Completed; expenditure not finalised
RRG001	Cunderdin-Minnivale Road (RRG)	195,252	195,252	130,168	98,708	31,460	Works completed, expenses not finalised.
RRG003	Koombekine North Road (RRG)	358,128	358,128	358,126	27,855	330,271	Works scheduled to commence QTR3 Mar; expenses to date is for road signage
BS183	Dowerin-Meckering Road (BS)	104,344	104,344	104,344	15,160	89,184	Budgeted works are for survey preliminaries; expenses to date are survey costs
WFN182E	WSFN Dowerin-Kalannie Road SLK27.28 to SLK30.89	1,144,238	1,002,176	676,737	578,868	97,869	Works near complete.
WFN182F	WSFN Dowerin-Kalannie Road SLK12.28 to SLK15.70	577,404	1,064,590	718,345	248,031	470,314	Works near complete.
Total		3,710,766	4,055,890	3,295,070	1,807,909	1,487,161	

Account Description		Original Budget	Current Budget	YTD Budget	YTD Actual	Variance Under/(Over)	
Infrastructure -Parks And Ovals							
PC070	Centenary Park Capital Works	22,000	22,000	22,000	20,293	1,707	Works completed, expenses not finalised.
PC075	Town Site Greening Water Scheme	100,000	100,000	0	0	0	
PC076	Replace Goal Posts	0	8,085	0	0	0	
PC078	Shade Sails	0	10,000	0	0	0	
Total		122,000	140,085	22,000	20,293	1,707	
Infrastructure -Sewerage							
SC002	Sewerage Pump	0	50,000	50,000	43,244	6,756	Emergency works completed.
Total		0	50,000	50,000	43,244	6,756	
Infrastructure - Other							
OC003	Town Oval Reticulation Upgrade (Inc Dam)	0	0	0	3,151	(3,151)	21/22 project; final payments expended in 22/23
OC017	Dowerin Community Club Infrastructure Improvements	40,000	40,000	0	0	0	
OC007	Main Street Improvements	10,600	10,600	0	0	0	
OC010	Tin Dog Walk Stage 2	14,500	16,700	16,700	19,770	(3,070)	
OC016	Short Stay Accommodation Improvements	5,276	5,276	5,276	324	4,952	Project completed in 21/22. Carry over underbudget.
OC102	Information Bays	0	0	0	0	0	
OC008	Street Lighting LED Upgrade	25,000	25,000	25,000	25,106	(106)	Works completed
OC043	Swimming Pool - Repair Leaks - Infrastructure Other	0	0	0	12,445	(12,445)	21/22 project; works completed in 22/23
Total		95,376	97,576	46,976	60,796	(13,820)	
TOTALS		4,000,142	4,633,610	3,486,046	2,012,294	1,473,752	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

FINANCING ACTIVITIES
NOTE 9
BORROWINGS

Repayments - borrowings

Information on borrowings			Principal Repayments			Principal Outstanding			Interest Repayments		
Particulars	Loan No.	1 July 2022	Actual	Original Budget	Current Budget	Actual	Original Budget	Current Budget	Actual	Original Budget	Current Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing											
Government Regional Officer Housing	100	244,136	5,496	11,090	11,090	238,640	233,046	233,046	4,358	8,618	8,618
Recreation and culture											
Dowerin Community Club	97	0	0	0	0	0	0	0	0	0	0
Dowerin Swimming Pool	101	143,716	9,678	19,444	19,444	134,038	124,272	124,272	1,293	2,500	2,500
DEM Interest Free Swimming Pool Loan	LP000	35,000	0	10,000	10,000	0	25,000	25,000	0	0	0
Transport											
Multi Tyre Roller	103	138,981	10,426	20,895	20,895	128,555	118,086	118,086	580	926	964
Smooth Drum Tyre Roller	104	122,625	9,199	18,437	18,437	113,426	104,188	104,188	511	793	1,137
Economic services											
Short Stay Accommodation	99	615,516	16,922	34,109	34,109	598,594	581,407	581,407	9,664	19,062	19,062
Total		1,299,974	51,721	113,975	113,975	1,213,253	1,185,999	1,185,999	16,406	31,899	32,281
Current borrowings		113,975				62,249					
Non-current borrowings		1,185,999				1,151,004					
		1,299,974				1,213,253					

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Budget did not provide for any new borrowing during the year.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

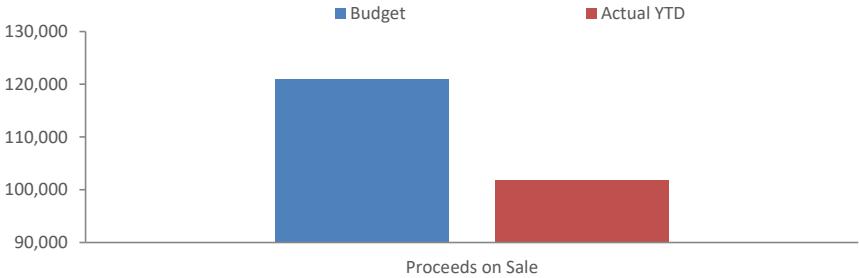
**FINANCING ACTIVITIES
NOTE 10
CASH RESERVES**

Cash backed reserve

Reserve name	Opening Balance	Original Budget Transfers In (+)	Current Budget Transfers In (+)	Actual Transfers In (+)	Original Budget Transfers Out (-)	Current Budget Transfers Out (-)	Actual Transfers Out (-)	Original Budget Closing Balance	Current Budget Closing Balance	Actual YTD Closing Balance
	\$	\$		\$	\$		\$	\$		\$
Employee Entitlement Reserve	97,883	16,217	16,217	0	0	0	0	114,100	114,100	97,883
Plant Replacement Reserve	487,477	138,617	227,117	0	(32,000)	(250,059)	0	594,094	464,535	487,477
Sewerage Asset Preservation Reserve	912,088	45,336	45,336	0	0	(50,000)	0	957,424	907,424	912,088
Information Technology Reserve	39,651	20,493	20,493	0	0		0	60,144	60,144	39,651
Land & Building Reserve	349,816	13,574	13,574	0	0	0	0	363,390	363,390	349,816
Swimming Pool Reserve	40,561	0	0	0	(40,561)	(40,561)	0	0	0	40,561
Recreation Reserve	206,109	53,066	53,066	0	(30,000)	(30,000)	0	229,175	229,175	206,109
Community Housing Reserve	60,005	746	746	0	0	0	0	60,751	60,751	60,005
Economic Reserve	66,971	832	832	0	0	0	0	67,803	67,803	66,971
Bowling Green Reserve	117,245	11,457	11,457	0	0	0	0	128,702	128,702	117,245
Tennis Court Reserve	58,128	6,722	6,722	0	0	0	0	64,850	64,850	58,128
Depot Reserve	20,015	50,249	50,249	0	0	0	0	70,264	70,264	20,015
Waste Reserve	20,015	20,249	20,249	0	0	0	0	40,264	40,264	20,015
Roads and Infrastructure	0	104,680	412,878	0	0	0	0	104,680	412,878	0
	2,475,964	482,238	878,936	0	(102,561)	(370,620)	0	2,855,641	2,984,280	2,475,964

KEY INFORMATION

		Original Budget				Current Budget				YTD Actual			
Asset Ref.	Asset description	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment												
	Transport												
*	Single Cab - Light Utility - 1GIL668	650	1,000	350	0	650	1,000	350	0	625	1,637	1,012	0
	Other property and services					0	0						
*	Toyota Hilux SR5 4WD Turbo	36,500	50,000	13,500	0	36,500	50,000	13,500	0	20,414	52,273	31,859	0
*	Passenger Vehicle; MCCS	21,730	50,000	28,270	0	21,730	50,000	28,270	0	25,230	47,954	22,724	0
**	Dual Cab 4x2; D002; Team Leader	20,000	20,000	0	0	20,000	20,000	0	0	0	0	0	0
BR	Light Hino Truck 500 Series	P0090	0	0	0	20,000	32,000	12,000	0	0	0	0	0
BR	Light Hino Truck 300 Series	P0050	0	0	0	19,000	31,000	12,000	0	0	0	0	0
BR	Ford Ranger Crew Cab D002 - P002	P0020	0	0	0	14,000	22,000	8,000	0	0	0	0	0
BR	Toyota Hilux D018 - P18	P180	0	0	0	500	3,500	3,000	0	0	0	0	0
		78,880	121,000	42,120	0	132,380	209,500	77,120	0	46,269	101,864	55,594	0



** Item will not be disposed as budgeted

Other current liabilities	Note	Opening Balance 1 July 2022	Liability Increase	Liability Reduction	Closing Balance 28 February 2023
		\$	\$	\$	\$
Contract liabilities					
Unspent grants, contributions and reimbursements		433,769	216,424	0	650,193
Total unspent grants, contributions and reimbursements		433,769	216,424	0	650,193
Provisions					
Annual leave		135,872	0	0	135,872
Long service leave		66,426	0	0	66,426
Total Provisions		202,298	0	0	202,298
Total other current assets		636,067	216,424	0	852,491
Amounts shown above include GST (where applicable)					

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contract liabilities

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

OPERATING ACTIVITIES

NOTE 12

OPERATING GRANTS AND CONTRIBUTIONS

Operating grants, subsidies and contributions revenue

Provider	Original Budget Revenue	YTD Budget	Current Budget	Budget Variations	YTD Revenue Actual
	\$	\$	\$	\$	\$
Operating grants and subsidies					
General purpose funding					
GEN PUR - Financial Assistance Grant - General	0	191,344	287,023	(287,023)	215,267
GEN PUR - Financial Assistance Grant - Roads	0	88,504	132,762	(132,762)	99,572
Law, order, public safety					
ESL BFB - Operating Grant	34,000	22,668	34,000	0	24,902
Education and welfare					
AGED OTHER - Grant Funding - CHSP	226,260	94,275	226,260	0	110,169
WELFARE - Grants	3,000	7,400	11,100	-8100	0
AGED OTHER - Grant Funding - HCP	549,721	233,144	349,721	200,000	218,061
Recreation and culture					
OTH CUL - Grants - Other Culture	12,000	2,600	3,900	8,100	15,300
Transport					
ROADC - Other Grants - Flood Damage	0	0	0	0	0
ROADM - Direct Road Grant (MRWA)	153,588	153,588	153,588	0	156,892
ROADC - Other Grants - Roads/Streets	248,220	148,220	248,220	0	132,384
Other property and services					
ADMIN - Reimbursements	0	0	0	0	1,736
PWO - Other Reimbursements	0	0	0	0	423
POC - Reimbursements	1,000	664	1,000	0	0
	1,227,789	942,407	1,447,574	(219,785)	974,705
Operating contributions and reimbursements					
Governance					
MEMBERS - Contributions & Donations	3,000	2,000	3,000	0	0
General purpose funding					
Education and welfare					
AGED OTHER - Contributions	500	328	500	0	0
AGED OTHER - Reimbursements	0	11,328	17,000	(17,000)	16,531
Housing					
OTH HOUSE - Rental Reimbursements	0	14,664	22,000	(22,000)	15,923
Recreation and culture					
REC - Contributions & Donations	8,750	8,496	8,750	0	7,071
REC - Reimbursements - Other Recreation	0	0	0	0	559
LIBRARY - Other Grants	1,200	4,128	6,200	(5,000)	5,000
OTH CUL - Contributions & Donations - Other Culture	1,500	1,500	1,500	0	64
Other property and services					
POC - Fuel Tax Credits Grant Scheme	10,000	6,664	10,000	0	0
	24,950	52,100	73,450	(48,500)	49,823
TOTALS	1,252,739	994,507	1,521,024	(268,285)	1,024,529

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

INVESTING ACTIVITIES

NOTE 13

NON-OPERATING GRANTS AND CONTRIBUTIONS

		Non operating grants, subsidies and contributions revenue			
		Original Budget Revenue	Current Budget Revenue	YTD Budget	YTD Revenue Actual
		\$	\$	\$	\$
Non-operating grants and subsidies					
General purpose funding					
	Gen Pur - Grant Funding (No Gst)	764,276	764,276	191,069	158,064
Recreation and culture					
	Rec - Grants	70,000	70,000	0	0
	Rec - Contributions & Donations	0	5,390	0	0
Transport Funding					
RRG	Roadc - Regional Road Group Grants (Mrwa)	368,920	382,900	255,264	181,367
R2R	Roadc - Roads To Recovery Grant	381,180	381,180	152,472	143,757
WSFN	Roadc - Other Grants - Roads/Streets	1,886,389	2,246,513	1,532,456	747,090
TOTALS		3,470,765	3,850,259	2,131,261	1,230,278

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 14
BUDGET AMENDMENTS**

The following note disclosed the approved amendments to the original budget since budget adoption.

GL Code	Description	Council Resolution	Classification	Original Budget	Current Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
						\$	\$	\$
Budget adoption - Budgeted Closing Position			Opening Surplus(Deficit)	1,251,657	1,013,936		(237,721)	(237,721)
30302110	GEN PUR - Financial Assistance Grant - General	Feb 22 Budget Review	Operating Revenue	0	287,023	287,023		49,302
30302111	GEN PUR - Financial Assistance Grant - Roads	Feb 22 Budget Review	Operating Revenue	0	132,762	132,762		182,064
3040101	MEMBERS - Reimbursements	Feb 22 Budget Review	Operating Revenue	0	4,000	4,000		186,064
3070421	HEALTH - Health Regulatory Licences	Feb 22 Budget Review	Operating Revenue	800	0		(800)	185,264
3080601	AGED OTHER - Reimbursements	Feb 22 Budget Review	Operating Revenue	0	17,000	17,000		202,264
3080615	AGED OTHER - Grant Funding - HCP	Feb 22 Budget Review	Operating Revenue	549,721	349,721		(200,000)	2,264
3080710	WELFARE - Grants	Feb 22 Budget Review	Operating Revenue	3,000	11,100	8,100		10,364
3090101	STF HOUSE - Staff Rental Reimbursements	Feb 22 Budget Review	Operating Revenue	31,884	3,500		(28,384)	(18,020)
3090120	STF HOUSE - Fees & Charges	Feb 22 Budget Review	Operating Revenue	0	28,384	28,384		10,364
3090201	OTH HOUSE - Rental Reimbursements	Feb 22 Budget Review	Operating Revenue	99,197	118,197	19,000		29,364
3090235	OTH HOUSE - Other Income	Feb 22 Budget Review	Operating Revenue	0	3,000	3,000		32,364
3100501	ENVIRON - Reimbursements	Feb 22 Budget Review	Operating Revenue	0	500	500		32,864
3110300	REC - Contributions & Donations	Feb 22 Budget Review	Operating Revenue	8,750	14,140	5,390		38,254
3110320	REC - Fees & Charges	Feb 22 Budget Review	Operating Revenue	11,000	15,000	4,000		42,254
3110511	LIBRARY - Other Grants	Feb 22 Budget Review	Operating Revenue	1,200	6,200	5,000		47,254
3110710	OTH CUL - Grants - Other Culture	Feb 22 Budget Review	Operating Revenue	12,000	3,900		(8,100)	39,154
3120110	ROADC - Regional Road Group Grants (MRWA)	Feb 22 Budget Review	Operating Revenue	368,920	382,900	13,980		53,134
3120113	ROADC - Other Grants - Roads/Streets	Feb 22 Budget Review	Operating Revenue	2,134,609	2,494,733	360,124		413,258
3130221	TOUR - Caravan Park Fees	Feb 22 Budget Review	Operating Revenue	190,000	175,000		(15,000)	398,258
3130320	BUILD - Fees & Charges (Licences)	Feb 22 Budget Review	Operating Revenue	1,500	3,140	1,640		399,898
3130335	BUILD - Other Income	Feb 22 Budget Review	Operating Revenue	12,000	2,000		(10,000)	389,898
3130821	OTH ECON - Standpipe Income	Feb 22 Budget Review	Operating Revenue	5,000	40,000	35,000		424,898
3140120	PRIVATE - Private Works Income	Feb 22 Budget Review	Operating Revenue	10,000	75,000	65,000		489,898
3140201	ADMIN - Reimbursements	Feb 22 Budget Review	Operating Revenue	500	2,000	1,500		491,398
3140736	UNCLASS - Unclassified Income - GST Free	Feb 22 Budget Review	Operating Revenue	10,000	5,000		(5,000)	486,398
3140390	PWO - Profit on Disposal of Assets	Feb 22 Budget Review	Non- Cash Item	13,500	48,500	-		486,398
2030100	RATES - Employee Costs	Feb 22 Budget Review	Operating Expenses	(82,853)	(57,207)	25,646		512,044
2030103	RATES - Uniforms	Feb 22 Budget Review	Operating Expenses	(500)	0	500		512,544
2030109	RATES - Travel & Accommodation	Feb 22 Budget Review	Operating Expenses	(500)	0	500		513,044
2040100	MEMBERS - Employee Costs	Feb 22 Budget Review	Operating Expenses	(105,911)	(104,881)	1,030		514,074
2040109	MEMBERS - Members Travel and Accommodation	Feb 22 Budget Review	Operating Expenses	(2,002)	(1,500)	502		514,576
2040114	MEMBERS - Communications Allowance	Feb 22 Budget Review	Operating Expenses	(1,000)	(502)	498		515,074
2040141	MEMBERS - Subscriptions & Publications	Feb 22 Budget Review	Operating Expenses	(25,300)	(49,300)		(24,000)	491,074
2040185	MEMBERS - Legal Expenses	Feb 22 Budget Review	Operating Expenses	(1,000)	(502)	498		491,572
2040200	OTH GOV - Employee Costs	Feb 22 Budget Review	Operating Expenses	(105,911)	(104,881)	1,030		492,602
2040208	OTH GOV - Other Employee Expenses	Feb 22 Budget Review	Operating Expenses	(80,000)	0	80,000		572,602
2040211	OTH GOV - Civic Functions, Refreshments & Receipts	Feb 22 Budget Review	Operating Expenses	(6,000)	(8,000)		(2,000)	570,602
2040285	OTH GOV - Legal Expenses	Feb 22 Budget Review	Operating Expenses	(5,000)	(6,000)		(1,000)	569,602
2050100	FIRE - Employee Costs	Feb 22 Budget Review	Operating Expenses	(13,239)	(13,147)	92		569,694
2050112	FIRE - Fire Prevention/Burning/Control - recoverable	Feb 22 Budget Review	Operating Expenses	0	(575)		(575)	569,119
2050140	FIRE - Advertising & Promotion	Feb 22 Budget Review	Operating Expenses	(300)	(100)	200		569,319
2050187	FIRE - Other Expenditure	Feb 22 Budget Review	Operating Expenses	(500)	(250)	250		569,569
2050216	ANIMAL - Relief Ranger Services	Feb 22 Budget Review	Operating Expenses	(6,000)	(13,000)		(7,000)	562,569
2050387	OLOPS - Other Expenditure	Feb 22 Budget Review	Operating Expenses	(5,130)	(2,594)	2,536		565,105
2050588	ESL BFB - Utilities, Rates & Taxes	Feb 22 Budget Review	Operating Expenses	(921)	(2,421)		(1,500)	563,605
2050589	ESL BFB - Maintenance Land & Buildings	Feb 22 Budget Review	Operating Expenses	(5,714)	(5,214)	500		564,105
2070553	PEST - Pest Control Programs	Feb 22 Budget Review	Operating Expenses	(833)	(1,133)		(300)	563,805
2070700	OTH HEALTH - Employee Costs	Feb 22 Budget Review	Operating Expenses	(13,239)	(13,147)	92		563,897
2080388	FAMILIES - Building Operations	Feb 22 Budget Review	Operating Expenses	(3,084)	(5,784)		(2,700)	561,197
2080389	FAMILIES - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(14,784)	(10,884)	3,900		565,097
2080600	AGED OTHER - Employee Costs	Feb 22 Budget Review	Operating Expenses	(244,433)	(208,569)	35,864		600,961
2080609	AGED OTHER - Travel & Accommodation	Feb 22 Budget Review	Operating Expenses	(3,000)	(5,500)		(2,500)	598,461
2080610	AGED OTHER - Motor Vehicle Expenses	Feb 22 Budget Review	Operating Expenses	(12,500)	(10,000)	2,500		600,961
2080660	AGED OTHER - Client Services	Feb 22 Budget Review	Operating Expenses	(167,200)	(151,200)	16,000		616,961
2080686	AGED OTHER - Expensed Minor Asset Purchases	Feb 22 Budget Review	Operating Expenses	(1,000)	(4,000)		(3,000)	613,961
2080753	WELFARE - Events	Feb 22 Budget Review	Operating Expenses	(13,300)	(25,515)		(12,215)	601,746
2080789	WELFARE - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(21,140)	(26,780)		(5,640)	596,106
2090188	STF HOUSE - Staff Housing Building Operations	Feb 22 Budget Review	Operating Expenses	(20,577)	(18,577)	2,000		598,106
2090189	STF HOUSE - Staff Housing Building Maintenance	Feb 22 Budget Review	Operating Expenses	(49,505)	(40,622)	8,883		606,989
2090288	OTH HOUSE - Building Operations	Feb 22 Budget Review	Operating Expenses	(16,281)	(16,831)		(550)	606,439
2090289	OTH HOUSE - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(50,084)	(55,676)		(5,592)	600,848
2100111	SAN - Waste Collection	Feb 22 Budget Review	Operating Expenses	(32,370)	(33,390)		(1,020)	599,828
2100165	SAN - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(65,762)	(87,926)		(22,164)	577,664
2100265	SAN OTH - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(1,683)	(1,392)	291		577,955
2100289	SAN OTH - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(500)	(1,350)		(850)	577,105
2100352	SEW - Consultants	Feb 22 Budget Review	Operating Expenses	(6,000)	(4,000)	2,000		579,105
2100365	SEW - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(34,961)	(47,711)		(12,750)	566,355
2100700	COM AMEN - Employee Costs	Feb 22 Budget Review	Operating Expenses	(13,239)	(13,147)	92		566,447
2100711	COM AMEN - Cemetery Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(17,642)	(14,142)	3,500		569,947
2100788	COM AMEN - Public Conveniences Operations	Feb 22 Budget Review	Operating Expenses	(18,436)	(13,669)	4,767		574,714
2100789	COM AMEN - Public Conveniences Maintenance	Feb 22 Budget Review	Operating Expenses	(2,630)	(2,430)	200		574,914
2110189	HALLS - Town Halls and Public Bldg Maintenance	Feb 22 Budget Review	Operating Expenses	(3,834)	(6,694)		(2,860)	572,054
2110265	SWIM AREAS - Grounds Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(45,047)	(39,047)	6,000		578,054
2110364	REC - Trails & Tracks Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(1,000)	(2,000)		(1,000)	577,054
2110365	REC - Parks & Gardens Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(115,807)	(81,011)	34,796		611,850
2110366	REC - Town Oval Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(51,891)	(60,829)		(8,938)	602,911
2110367	REC - Sundry Dry Parks/Reserves Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(5,559)	(4,344)	1,215		604,126
2110368	REC - Playground Equipment Mtce	Feb 22 Budget Review	Operating Expenses	(6,753)	(4,984)	1,769		605,895
2110387	REC - Other Expenses	Feb 22 Budget Review	Operating Expenses	(3,000)	(3,100)		(100)	605,795
2110388	REC - Other Rec Facilities Building Operations	Feb 22 Budget Review	Operating Expenses	(67,987)	(63,507)	4,480		610,275
2110389	REC - Other Rec Facilities Building Maintenance	Feb 22 Budget Review	Operating Expenses	(55,179)	(46,144)	9,035		619,310
2110587	LIBRARY - Other Expenses	Feb 22 Budget Review	Operating Expenses	(6,000)	(10,500)		(4,500)	614,810
2110665	HERITAGE - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(2,761)	(8,836)		(6,075)	608,735
2110711	OTH CUL - Australia Day	Feb 22 Budget Review	Operating Expenses	(1,900)	(3,600)		(1,700)	607,035
2110712	OTH CUL - ANZAC Day	Feb 22 Budget Review	Operating Expenses	(2,250)	(3,750)		(1,500)	605,535
2110725	OTH CUL - Festival & Events	Feb 22 Budget Review	Operating Expenses	(23,950)	(78,500)		(54,550)	550,985
2110787	OTH CUL - Other Expenses	Feb 22 Budget Review	Operating Expenses	(2,900)	(1,500)	1,400		552,385
2120211	ROADM - Road Maintenance - Built Up Areas	Feb 22 Budget Review	Operating Expenses	(145,124)	(35,137)	109,987		662,372
2120212	ROADM - Road Maintenance - Sealed Outside BUA	Feb 22 Budget Review	Operating Expenses	(190,013)	(220,476)		(30,463)	631,909
2120213	ROADM - Road Maintenance - Gravel Outside BUA	Feb 22 Budget Review	Operating Expenses	(544,299)	(339,101)	205,198		837,107
2120217	ROADM - Ancillary Maintenance - Built Up Areas	Feb 22 Budget Review	Operating Expenses	(12,466)	(92,120)		(79,654)	757,453
2120234	ROADM - Street Lighting	Feb 22 Budget Review	Operating Expenses	(27,000)	(25,000)	2,000		759,453
2120287	ROADM - Other Expenses	Feb 22 Budget Review	Operating Expenses	0	(150)		(150)	759,303
2120288	ROADM - Depot Building Operations	Feb 22 Budget Review	Operating Expenses	(13,978)	(20,478)		(6,500)	752,803
2120500	LICENSING - Employee Costs	Feb 22 Budget Review	Operating Expenses	0	(8,850)		(8,850)	743,953

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 14
BUDGET AMENDMENTS**

The following note disclosed the approved amendments to the original budget since budget adoption.

GL Code	Description	Council Resolution	Classification	Original Budget	Current Budget	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
2120665	AERO - Airstrip & Grounds Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(1,000)	(5,600)	\$	\$	\$
2130111	RURAL - Noxious Weed Control	Feb 22 Budget Review	Operating Expenses	0	(200)		(4,600)	739,353
2130200	TOUR - Employee Costs	Feb 22 Budget Review	Operating Expenses	(88,899)	(74,493)	14,406	(200)	739,153
2130211	TOUR - Visitor Centre Contribution	Feb 22 Budget Review	Operating Expenses	(3,500)	(3,000)	500		753,559
2130240	TOUR - Public Relations & Area Promotion	Feb 22 Budget Review	Operating Expenses	(20,040)	(21,600)		(1,560)	754,059
2130265	TOUR - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(40,950)	(28,459)	12,491		752,499
2130266	TOUR - Caravan Park General Maintenance/Operat	Feb 22 Budget Review	Operating Expenses	(17,015)	(6,616)	10,399		764,990
2130288	TOUR - Building Operations	Feb 22 Budget Review	Operating Expenses	(120,636)	(108,687)	11,949		775,389
2130289	TOUR - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(19,101)	(20,083)		(982)	787,338
2130865	OTH ECON - Standpipe Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(5,300)	(6,300)		(1,000)	786,356
2130889	OTH ECON - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(2,586)	(3,936)		(1,350)	785,356
2140187	PRIVATE - Other Expenses	Feb 22 Budget Review	Operating Expenses	(500)	(18,000)		(17,500)	784,006
2140200	ADMIN - Employee Costs	Feb 22 Budget Review	Operating Expenses	(304,058)	(261,584)	42,474		766,506
2140204	ADMIN - Training & Development	Feb 22 Budget Review	Operating Expenses	(20,000)	(21,650)		(1,650)	808,980
2140205	ADMIN - Recruitment	Feb 22 Budget Review	Operating Expenses	(3,000)	(1,500)	1,500		807,330
2140206	ADMIN - Fringe Benefits Tax (FBT)	Feb 22 Budget Review	Operating Expenses	(10,000)	(27,000)		(17,000)	808,830
2140289	ADMIN - Building Maintenance	Feb 22 Budget Review	Operating Expenses	(31,205)	(40,055)		(8,850)	791,830
2140300	PWO - Employee Costs	Feb 22 Budget Review	Operating Expenses	(193,065)	(287,128)		(94,063)	782,980
2140304	PWO - Training & Development	Feb 22 Budget Review	Operating Expenses	(45,836)	(18,245)	27,591		688,917
2140308	PWO - Other Employee Expenses	Feb 22 Budget Review	Operating Expenses	0	(500)		(500)	716,508
2140324	PWO - Annual Leave	Feb 22 Budget Review	Operating Expenses	(53,575)	(41,575)	12,000		716,008
2140325	PWO - Public Holidays	Feb 22 Budget Review	Operating Expenses	(26,054)	(18,953)	7,101		728,008
2140330	PWO - OHS and Toolbox Meetings,	Feb 22 Budget Review	Operating Expenses	(24,319)	(15,319)	9,000		735,109
2140365	PWO - Maintenance/Operations	Feb 22 Budget Review	Operating Expenses	(2,500)	(9,500)		(7,000)	744,109
2140386	PWO - Expensed Minor Asset Purchases	Feb 22 Budget Review	Operating Expenses	(8,000)	(18,000)		(10,000)	737,109
2140400	POC - Internal Plant Repairs - Wages & O/Head	Feb 22 Budget Review	Operating Expenses	(10,000)	(13,500)		(3,500)	727,109
2140411	POC - External Parts & Repairs	Feb 22 Budget Review	Operating Expenses	(80,000)	(140,000)		(60,000)	723,609
2140418	POC - Expendable Tools / Consumables	Feb 22 Budget Review	Operating Expenses	(20,000)	(10,000)	10,000		663,609
2140500	SAL - Gross Salary and Wages	Feb 22 Budget Review	Operating Expenses	(1,669,149)	(1,584,443)	84,706		673,609
2140501	SAL - LESS Salaries & Wages Allocated	Feb 22 Budget Review	Operating Expenses	1,669,149	1,584,443		(84,706)	758,315
	Land and Buildings	Feb 22 Budget Review	Investing Activities	(10,000)	(10,000)		-	673,609
	Plant & Equipment	Feb 22 Budget Review	Investing Activities	(62,000)	(280,059)		(218,059)	673,609
	Infrastructure - Roads	Feb 22 Budget Review	Investing Activities	(3,710,766)	(4,055,890)		(345,124)	455,550
	Infrastructure -Sewerage	Feb 22 Budget Review	Investing Activities	0	(50,000)		(50,000)	110,426
	Infrastructure -Parks And Ovals	Feb 22 Budget Review	Investing Activities	(122,000)	(140,085)		(18,085)	60,426
	Infrastructure - Other	Feb 22 Budget Review	Investing Activities	(95,376)	(97,576)		(2,200)	42,341
	Proceeds on Disposal of Assets	Feb 22 Budget Review	Investing Activities	121,000	209,500	88,500		40,141
	Reserves Transfer In	Feb 22 Budget Review	Financing Activities	(482,238)	(878,936)		(396,698)	128,641
	Reserves Transfers out	Feb 22 Budget Review	Financing Activities	102,561	370,620	268,059		(268,057)
								2
								2
TOTALS						2,161,830	(2,161,828)	2



SHIRE OF DOWERIN
List of Payments for the Period Ending
28 FEBRUARY 2023

Last EFT No: 110632

<u>EFT</u>	<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Contra</u>
EFT10633	2/02/2023	Advanced Traffic Management (Cash Flow Finance)	Traffic controllers and sign 17/01/2023	\$ 3,519.51	
EFT10634	2/02/2023	Avon Valley Windscreens	Supply and install H Class windscreen to Prado	\$ 1,622.50	Insurance
EFT10635	2/02/2023	Australian Community Media	Advertising for SSA	\$ 346.00	
EFT10636	2/02/2023	Courtney's Cleaning	Domestic assistance and travel	\$ 863.80	Full Funding
EFT10637	2/02/2023	Complete Office Supplies	Assorted stationery	\$ 641.09	
EFT10638	2/02/2023	Contract Aquatic Services	Monthly contract fee December 2022	\$ 31,471.00	
EFT10639	2/02/2023	Dowerin Men's Shed	Management of tip site December 2022	\$ 2,750.00	
EFT10640	2/02/2023	Eastern Hills Chainsaws & Mowers	Autocute mowing head	\$ 189.00	
EFT10641	2/02/2023	Emily Gray Physiotherapy	Aged care - extended visit	\$ 115.00	
EFT10642	2/02/2023	E Fire & Safety	Swing arm hose reel	\$ 423.50	
EFT10643	2/02/2023	Frontline Fire & Rescue Equipment	Wialki Electronics Switchmode Battery Charger	\$ 2,101.00	
EFT10644	2/02/2023	HBP Services WA	Consulting service	\$ 264.00	
EFT10645	2/02/2023	Imprint Plastic	Replace Senior Citizen of the Year badge	\$ 33.00	
EFT10646	2/02/2023	Jason Signmakers	Signs	\$ 275.48	
EFT10647	2/02/2023	Lo-Go Appointments	Contracting services 14/01/2023	\$ 1,278.46	
EFT10648	2/02/2023	Norton Rose Fulbright	Means enquiry and service stage fees	\$ 2,207.48	
EFT10649	2/02/2023	Petchell Mechanical	Investigate and repair brake issues on Hino D009	\$ 4,841.00	
EFT10650	2/02/2023	5Rivers Plumbing & Gas	Supply and install tank, connect piping to and from tank 12 Anderson	\$ 7,440.79	
EFT10651	2/02/2023	Smart Office Systems Pty Ltd	Consultation on SharePoint Project	\$ 1,002.38	
EFT10652	2/02/2023	Ultimate Lock and Security	Supply and install locks to 1/13 Stacy St and Unit 6 SSA	\$ 932.00	
EFT10653	2/02/2023	Vestone Capital Pty Limited	Quarterly lease payment	\$ 158.73	
EFT10654	2/02/2023	Westrac Equipment	Cutting edge and hardware for 299D skid steer	\$ 530.65	
EFT10655	2/02/2023	Western Australian Treasury Corporation	Loan No. 101 Interest payment	\$ 10,971.80	
EFT10656	3/02/2023	Accwest Pty Ltd	Professional Accounting Support services 22/23	\$ 7,260.00	
EFT10657	3/02/2023	BriJarCass Security	Cleaning service 09/01/23 - 22/01/23	\$ 3,610.75	
EFT10658	3/02/2023	C&F Building Approvals	Consultancy services December 2022	\$ 440.00	
EFT10659	3/02/2023	Dowerin Gourmet Butchershop	Meat for Australia Day Breakfast	\$ 544.50	
EFT10660	3/02/2023	Emily Gray Physiotherapy	Aged care subsequent visit (extended)	\$ 210.00	Full Funding
EFT10661	3/02/2023	Holberton Earthmoving	Gravel overlay Dowerin-Kalannie Rd	\$ 50,094.00	

EFT10662	3/02/2023	Lo-Go Appointments	Contracting services 07/01/2023	\$ 2,556.92	Full Funding
EFT10663	3/02/2023	Lite n' Easy	Aged care - easy meals	\$ 338.54	
EFT10664	3/02/2023	Local Government Professionals	Finance Professionals Conference 2023 - DCEO	\$ 4,065.00	
EFT10665	3/02/2023	Office of the Auditor General	Fee for Attest Audit year ended 30/06/2022	\$ 33,880.00	
EFT10666	3/02/2023	Perth Laundry Equipment	Washer and dryer rental 22/01/2023 - 21/02/2023	\$ 419.46	
EFT10667	3/02/2023	Sheridan's	Councillor name badge	\$ 45.87	
EFT10668	3/02/2023	Work of Art Picture Framing	Australia Day Awards	\$ 491.70	
EFT10669	3/02/2023	Wallis Computer Solutions	Lease on Computer Replacements x 5	\$ 374.00	
EFT10670	14/02/2023	Department of Mines, Industry Regulation & Safety	Building Services Levy - Building Permits December 2022	\$ 356.68	
EFT10671	16/02/2023	Avon Waste	Refuse service 03/01/2023 - 17/01/2023	\$ 2,909.85	
EFT10672	16/02/2023	Advanced Traffic Management (Cash Flow Finance)	Traffic control Dowerin-Kalannie 19 - 20/01/2023	\$ 20,126.87	
EFT10673	16/02/2023	Avon Concrete	Culvert extensions and installation at Koombarkine North	\$ 23,703.90	
EFT10674	16/02/2023	Boral Construction Materials	20mm aggregate for Dowerin Kalannie Rd	\$ 72,953.61	
EFT10675	16/02/2023	Boekeman Machinery	Repair steering on Shire bus	\$ 1,189.77	
EFT10676	16/02/2023	BOC Limited	Container service 29/12/2022 - 28/01/2023	\$ 45.69	
EFT10677	16/02/2023	Allison Begley	Multifocal lenses	\$ 323.00	
EFT10678	16/02/2023	5Rivers Plumbing & Gas	Reconnect laundry taps at 12 Anderson	\$ 1,395.74	
EFT10679	16/02/2023	Toll Ipec Pty Ltd	Delivery Jason Signs and Frontline	\$ 34.87	
EFT10680	16/02/2023	Wallis Computer Solutions	Monthly billing February 2023	\$ 374.00	
EFT10681	16/02/2023	Zone 50 Engineering Surveys Pty Ltd	Survey Meckering Hindmarsh	\$ 7,392.00	
EFT10682	16/02/2023	Elders Rural Australia	CANCELLED - Duplicated payment		
EFT10683	17/02/2023	Jenjo Games Pty Ltd	'Guess Who Mega' game for community events	\$ 635.00	Full Funding
EFT10684	17/02/2023	Courtney's Cleaning	Aged Care - domestic assistance	\$ 1,255.20	Full Funding
EFT10685	17/02/2023	Bear Pantry Café	Catering for Christmas Function	\$ 1,640.00	
EFT10686	17/02/2023	Bunnings Group Limited	Rapidfence	\$ 267.58	
EFT10687	17/02/2023	BriJarCass Security	Cleaning service 09/01/2023 - 20/01/2023	\$ 7,114.25	
EFT10688	17/02/2023	Complete Office Supplies	Stationery for Admin	\$ 176.75	
EFT10689	17/02/2023	Choices Flooring	CANCELLED - Reprocessed as EFT10703		
EFT10690	17/02/2023	Landgate	CANCELLED - Reprocessed as EFT 10704		
EFT10691	17/02/2023	Darren Long Consulting	Financial Management Review Nov 2022	\$ 8,635.00	
EFT10692	17/02/2023	Lo-Go Appointments	Contracting services - Project Officer 04/02/2023	\$ 2,856.12	
EFT10693	17/02/2023	Lite n' Easy	Aged Care easy meals	\$ 554.40	Full Funding
EFT10694	17/02/2023	Local Government Professionals	Customer Complaints Resolution Program CSRO	\$ 2,880.00	
EFT10695	17/02/2023	Mad Cow Entertainment	Entertainment for Welcome to Dowerin event	\$ 1,650.00	
EFT10696	17/02/2023	Officeworks Midland	Ergo chair	\$ 468.03	
EFT10697	17/02/2023	5Rivers Plumbing & Gas	Replace faulty solenoid in Admin	\$ 1,647.25	
EFT10698	17/02/2023	Rural Ranger Services	Ranger services 24/01/23 and 01/02/2023	\$ 1,386.00	
EFT10699	17/02/2023	Telly's Auto Electrical & Air-Conditioning	CANCELLED - Incorrect Creditor		
EFT10700	17/02/2023	IT Vision	Online Training - Finance Officer	\$ 1,688.50	
EFT10701	17/02/2023	WA Local Government Association	Cert 3 Local Govt Training for Finance Staff	\$ 3,189.50	
EFT10702	17/02/2023	Goomalling Pharmacy	Aged Care - Personal Supplies	\$ 634.95	Full Funding

EFT10703	17/02/2023	Choices Flooring	Flooring for Stacy St Units	\$ 4,028.00
EFT10704	17/02/2023	Landgate	Schedule Plan M2023/01	\$ 42.15
EFT10705	17/02/2023	Advanced Traffic Management (Cash Flow Finance)	Traffic management 06/02/2023 Dowerin Kalannie	\$ 27,779.84
EFT10706	17/02/2023	Avon Concrete	Quickcut intersection of Dowerin-Kalannie, Koorda Rd	\$ 967.45
EFT10707	17/02/2023	All Parts WA	Mark spray and layout paint	\$ 53.94
EFT10708	17/02/2023	Boral Construction Materials	20mm aggregate	\$ 43,167.03
EFT10709	17/02/2023	Boekeman Machinery	20,000km service on D4 hilux	\$ 824.41
EFT10710	17/02/2023	Dowerin Tyre & Exhaust	Supply and fit tyres to D005	\$ 1,405.00
EFT10711	17/02/2023	Fuel Distributors of WA Pty Ltd	Diesel Supply 10,000ltrs	\$ 18,902.40
EFT10712	17/02/2023	Holberton Earthmoving	Gravel overlay Dowerin Kalannie	\$ 26,862.00
EFT10713	17/02/2023	Telly's Auto Electrical & Air-Conditioning	Aircon repairs to CAT299 skid steer	\$ 663.72
EFT10714	17/02/2023	Valley Ford Northam Hyundai	Repairs to Hyundai Tucson D00	\$ 154.00
				<u>\$470,643.36</u>

Direct Debits:

DD12165.1	6/02/2023	Synergy	Usage 28/11/2022 - 27/12/2022	\$ 591.17
DD12165.2	6/02/2023	Puma Energy	Fuel - December 2022	\$ 187.94
DD12167.1	6/02/2023	Western Australian Treasury Corporation	Govt Guarantee Fees - unallocated to individual loans	\$ 4,405.24
DD12172.1	9/02/2023	Precision Administration Services Pty Ltd	Superannuation PPE 31/01/2023	\$ 5,356.71
DD12174.1	8/02/2023	Synergy	Energy supply 15/11/2022 - 17/01/2023	\$ 5,361.19
DD12174.2	8/02/2023	Xenex Systems Pty Ltd	VoIP System January 2023	\$ 458.87
DD12176.1	18/02/2023	Synergy	Energy supply 16/11/2022 - 17/01/2023	\$ 91.04
DD12176.2	9/02/2023	Synergy	Energy supply 16/12/2022 - 18/01/2023	\$ 1,329.78
DD12179.1	19/02/2023	Synergy	Power 19/11/2022 - 19/01/2023	\$ 4,072.17
DD12183.1	19/02/2023	Synergy	Power 02/12/2022-19/01/2023	\$ 269.17
DD12194.2	10/02/2023	Telstra Limited	Mobiles servicdes 27/01/2023 - 26/02/2023	\$ 591.91
DD12194.3	17/02/2023	Precision Administration Services Pty Ltd	Superannuation PP ending 14/02/2023	\$ 5,651.56
DD12194.4	14/02/2023	Water Corporation	Service charges 01/01/2023 - 28/02/2023	\$ 44.57
DD12206.2	27/02/2023	Water Corporation	Water use 24/11/2022 - 30/01/2023 and Service charge 01/01/2023 - 28/02/2023	\$ 22.82
DD12210.1	23/02/2023	Water Corporation	Service charge 01/01/2023 - 28/02/2023	\$ 44.57
DD12210.2	22/02/2023	Water Corporation	Water use 01/12/2022 - 07/02/2023 and Service charge 01/01/2023 - 28/02/2023	\$ 557.31
DD12212.1	24/02/2023	Water Corporation	Water use and service charge	\$ 719.51
DD12212.2	23/02/2023	Water Corporation	Water use and service charge	\$ 44.57
130933	1/02/2023	Bank Fee	Bank Fee	\$ 35.74
130933	28/02/2023	Bank Fee	Bank Fee	\$ 35.20
130933	28/02/2023	Bank Fee	Bank Fee	\$ 28.34
130933	28/02/2023	Bank Fee	Bank Fee	\$ 181.97
				<u>\$ 30,081.35</u>

** January Credit Card Statement was processed in March payments

Payroll:

\$	37,174.06	31/01/2023
\$	43,981.09	14/02/2023
\$	81,155.15	

Superannuation:

\$	5,356.71	31/01/2023
\$	5,651.56	14/02/2023
\$	11,008.27	

Summary

\$	470,643.36	EFT 10582 - 10632
\$	-	Chqs
\$	30,081.35	Direct Debits
\$	81,155.15	Payroll
\$	581,879.86	

CAPTIAL PROJECT Proposal Brief

Hockey Shed Renewal 2023/2024



Objective

To renew the hockey shed.

Scope

The scope of the project will project will include:

- Removal of existing shed and site clearance
- Installation of limestone retaining wall and cement pad
- Installation of plumbing and electricals
- Installation of new shed
- Installation of internal lining and fit-out

Background

Refer to Appendix 1

Integrated Strategic Plan

Community Priority: Our Infrastructure

Objective: *We have functional assets and infrastructure that supports the community*

Outcome: 3.2 – Sustainably manage assets and infrastructure

Reference: No provision

Informing Strategies

- Land & Building Valuation Report June 2022 – Hockey Shed
- Dowerin Recreation Strategy 2015-2025

Immediate Priority	4.1.3 - Ground and Pitches
Key Priority 1 to 3 years	Installation of shade and bench seating at the Hockey Shed and Football Oval

Strategic Implications

Asset Management Plan

The Asset Management Plan would need to be amended to accommodate the proposed renewal scope.

Land & Building Valuation Report June 2022 – Hockey Shed

Condition Rating (score out of 10)	5
Estimated Useful Life	60%
Estimated Remaining Life	33 Years
Asset is in average condition overall. Deterioration would be obvious with some serviceability loss.	

Long Term Financial Plan

The Long-Term Financial Plan would need to be amended to accommodate the proposed renewal scope.

Risk Implications

Risk 1 – Not securing funding through CSRFF

Risk Rating – Moderate (9)

Risk Acceptance – Moderate - risk acceptable with adequate controls, managed by specific procedures and subject to monitoring and review

Implication 1 – alternative options to fill the funding gap will need to be identified to enable the project to proceed

Implication 2 – The club considers modifying the scope of the project

Risk 2 – Project is not completed within the scope

Risk Rating – Moderate (9)

Risk Acceptance – Moderate - risk acceptable with adequate controls, managed by specific procedures and subject to monitoring and review

Implications – Project variations

Community Engagement

Extensive consultation has involved the following stakeholders:

- Department of Local Government, Sport and Cultural Industries.
- Dowerin Events Management
- Dowerin Hockey Club
- Shire of Dowerin

Project Milestones & Measures

#	Milestone	Measure	Timeline
1	Design	Finalised	Completed
2	CSRFF application	Application endorsed by Council and submitted	March 2023
3	Building application	Approved	June 2023
4	Procurement process	Process compliant & awarded	October 2023
5	Removal of existing shed	Shed removal & site cleared	October 2023
6	Installation of plumbing	Plumbing installed	November 2023
7	Installation of retaining wall & cement pad	Retaining wall & cement pad installed	November 2023
8	Build of shed	Shed build completed	December 2023
9	Internal lining installation & electricals	Internal lining & electricals installed	February 2023
10	Fit-out of internals	Internal fit-out completed	February 2023

External Funding Options

- CSRFF Small Grants for projects up to \$300,000 available through the Department of Local Government, Sport and Cultural Industries.
- Dowerin Event Management Community Fund.

Cost Benefit Analysis

Refer to Appendix 2

Budget Implications

Budget Implication - Successful CSRFF Application

The financial implications regarding the renewal of the hockey shed includes a total cost of \$164,650. The breakdown includes:

Funding Body	Contribution (EX GST)
CBH	\$10,000
CSRFF	\$52,759
Dowerin Events Management	\$60,751
Dowerin Hockey Club	\$33,000
Shire of Dowerin	\$8,140

Budget Implication - Unsuccessful CSRFF Application

The financial implications regarding the renewal of the hockey shed includes a total cost of \$164,650. The breakdown includes:

Funding Body	Contribution (EX GST)
CBH	\$10,000
Dowerin Events Management	\$60,751
Dowerin Hockey Club	\$41,000
Shire of Dowerin	\$37,000

Location

The new shed will be located on the current location.

Project milestones & costs

<== Click minus to HIDE instructions, Click plus to EXPAND instructions

PROJECT MILESTONES						PROJECT INCOME						PROJECT COST
Milestone / Activity / Item	Duration		Completion evidence (how do you plan to achieve - approvals)	Current progress	Dependencies and Issues identified	Funding Request (CSRFF)	Shire (cash) contribution	Shire in-kind contribution	DHC	DEM	CBH	TOTAL ITEM COST
	From	To										(exc GST)
Hockey Shed Renewal	1/07/2023	30/06/2024										
Earthworks									\$ 2,000.00			\$2,000.00
Limestone Blocks for Retaining Wall						\$ 3,000.00						\$3,000.00
Installation of Retaining Wall						\$ 1,600.00		\$ 3,400.00				\$5,000.00
Cement Pad Installation						\$ 35,363.00						\$35,363.00
Shed Supply & Installation										\$ 60,751.00		\$60,751.00
Plumbing						\$ 8,000.00						\$8,000.00
Power									\$ 8,000.00			\$8,000.00
Internal Wall Lining (Gyprock)									\$ 20,000.00			\$20,000.00
Internal Fitout (Sink & Storage)											\$ 10,000.00	\$10,000.00
Project Management & Administration								\$ 4,000.00				\$4,000.00
Contingency (10%)						\$ 4,796.00		\$ 740.00	\$ 3,000.00			\$8,536.00
TOTALS						\$52,759.00	\$0.00	\$8,140.00	\$33,000.00	\$60,751.00	\$10,000.00	\$164,650.00

Project milestones & costs

<== Click minus to HIDE instructions, Click plus to EXPAND instructions

PROJECT MILESTONES					PROJECT INCOME						PROJECT COST	
Milestone / Activity / Item	Duration		Completion evidence (how do you plan to achieve - approvals)	Current progress	Dependencies and Issues identified	Funding Request	Shire (cash) contribution	Shire in-kind contribution	DHC	DEM	CBH	TOTAL ITEM COST
	From	To										(exc GST)
Hockey Shed Renewal	1/07/2023	30/06/2024										
Earthworks									\$ 2,000.00			\$2,000.00
Limestone Blocks for Retaining Wall									\$ 3,000.00			\$3,000.00
Installation of Retaining Wall							\$ 1,600.00	\$ 3,400.00				\$5,000.00
Cement Pad Installation							\$ 35,363.00					\$35,363.00
Shed Supply & Installation										\$ 60,751.00		\$60,751.00
Plumbing									\$ 8,000.00			\$8,000.00
Power									\$ 8,000.00			\$8,000.00
Internal Wall Lining (Gyprock)									\$ 20,000.00			\$20,000.00
Interal Fitout (Sink & Storage)											\$ 10,000.00	\$10,000.00
Project Management & Administration								\$ 4,000.00				\$4,000.00
Contingency (not accommodated)												
					TOTALS	\$0.00	\$36,963.00	\$7,400.00	\$41,000.00	\$60,751.00	\$10,000.00	\$156,114.00

Note to Applicants

- 1) In the table below, please link the table outputs with the cost benefit analysis worksheet. This may involve extending the table beyond year 5 as required.
- 2) All figures are to be denoted in nominal terms and AUD\$.
- 3) In the table below, the Applicant is to replace 'Year 1' with the actual calendar year (i.e. 2021). This should be repeated for all periods over the project development and operating phases.
- 4) List all assumptions below the table

QUANTITATIVE ANALYSIS	2023	2024	2025	2026	2027	TOTAL
BENEFITS						
REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COST SAVINGS	\$ 22,000.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 24,000.00
COST AVOIDANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER BENEFITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BENEFITS	\$ 22,000.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 24,000.00
COSTS						
NON-RECURRING	\$ 164,520.00	\$ -	\$ -	\$ -	\$ -	\$ 164,520.00
RECURRING	\$ 60.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 2,060.00
TOTAL COSTS	\$ 164,580.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 166,580.00
NET BENEFIT OR COST	\$ (142,580.00)	\$ -	\$ -	\$ -	\$ -	\$ (142,580.00)

Benefits:

Reports are quicker to write being centralised and templated to one area.
 Old reports are easier to find once uploaded into Doc Assembler.
 Margin for error reduced by using templates. Cannot be changed by users.
 Format checking not required, only proof reading as its based on templates.
 Much easier to manage attachments
 Much easier to manage confidential items.
 Much easier to manage deadlines/timeframes
 Much easier to see when things are complete and approved for inclusion

Performance measures

1) The Applicant is to include all performance measures, as outlined in the Application Form (e.g. project IRR, NPV, payback, BCR, etc.). These should be calculated as live formulas and not be hardcoded.

- Required : Internal rate of return (IRR) - the percentage return (of benefits).
- Required: Net present value (NPV) - the sum of all costs and benefits expressed in present day values. Assume an NPV base date of [30 June 2021].
- Required: Payback period in years after project commission date.
- Recommended: Benefit-cost ratio (BCR) - the sum of benefits divided by the sum of costs expressed in present day values

Performance measures:	
IIR (\$)	
NPV (\$)	
Payback period (Years)	
BCR (#)	

Hockey Shed Renewal Project

Supporting Information

About the Club

The Dowerin Hockey Club is a long-standing and active sporting club in Dowerin. With over 90 years of hockey in Dowerin, the Club aims to foster and promote the game of hockey, govern the members of the Club and encourage the uptake of physical activity in the community through hockey.

The Dowerin Hockey Club consists of 3 grades; Minkey, Junior & Senior, who play in the Mortlock Hockey Association from April to September. There is a large member base ranging from 6-year old's to 70+ over these 3 grades, as well a strong non-playing supporters base including life members. In 2019, the Club had a second Junior team that played in the Avon Association due to having too many numbers for the one Junior team. This attests to the success and support behind the Hockey Club.

Background

In 2019, the Club identified that the hockey shed was getting rather unsafe and in need of maintenance work. At the time, the Hockey Club had \$15,000 in savings available to invest into a new shed facility. The Hockey Club met with Dowerin Events Management (DEM) to see if they were able to help support this project. At this point DEM pledged \$15,000 to the project. A meeting between the Hockey Club, Shire of Dowerin and the Department of Local Government, Sport & Cultural Industries (DLGSC) was then facilitated with the hope to apply for the Community Sporting and Recreation Facilities Fund (CSRFF). It was advised that the project would not be very well favoured as it was a replacement to an existing structure as opposed to not having anything at all and it did not stop people from playing the game of hockey.

With this knowledge the Club continued to fundraise and source quotes to get to a point where the Club could compile an application. During this time the Club has secured a CBH Grassroots grant to assist with the interior fit out. A significant contribution of over \$12,000 was raised from Dowerin Field Days volunteers' who supported the Hockey Shed Renewal proposal.

Comment

The project is to build a new shed that will provide secure and safe storage of equipment as well as a meeting place to facilitate trainings and games and provide protection to players and supporters. The design that the Hockey Club have selected includes a safe and enclosed area that will be utilised in poor weather for team meetings and strategic team discussions.

The existing shed is starting to require many costly repairs to address the safety concerns that have arisen due to rust. Carrying continual large repairs will result in risking the structural integrity of the building. The current structure was built on the existing pad where the drainage is insufficient, and the facility is not sealed from the elements. The new design concept will ensure the drainage will be connected to main sewerage lines to prevent further rusting issues.

As the Club memberships have grown, there is a large amount of shared club equipment available for members to use that required secure storage and space. The Club provides afternoon tea after games and at present this is being held outdoors as the shed area is not large enough or set up to be used as a function area. A new replacement shed will resolve these issues as it will be designed to be a multifunctional space with extra storage. The Memorandum of Understanding between the Shire of Dowerin and the Dowerin Hockey Club states that it is the Hockey Clubs responsibility to keep the shed clean and in a presentable manner.

Currently, the Hockey Club have nowhere to display club memorabilia so by building this shed with internal lining the Club will be able to have a club photo and memorabilia wall. This is important to the community and life members as Dowerin have a long rich history that dates back to 1932.

At present spectators and players on breaks do not have enough area out of the sun or rain. The Club installed patio blinds on the southern and part of the eastern 'wall' to provide added protection but found that these were not adequate and quickly became brittle and disintegrated due to excessive exposure to the elements. The Club also attempted to address the issue of lack of uncovered areas through the use of portable shade shelters. However, issues were encountered when there were windy conditions and extra volunteer time was required to set up and pack down the shade shelters.

It has been identified that even if the project does not proceed with the Shire support, then immediate repairs will need to be undertaken. These repairs were costed at \$21,400 by the Shire's Building Maintenance Officer in 2021. This costing will need to be revised due to the price increases for materials in today's volatile market.

The existing structure has deteriorated at a fast rate due to the many years where the watering system has pumped water onto the building. This issue has since been resolved with the installation of the irrigation system and only the lawn area being watered.

Community Benefit

The whole community will be able to benefit from this upgrade as this facility is in the centre of the community sporting precinct. Not only will local players and spectators benefit from the upgrade but also players and spectators from Goomalling, Wongan Hills, Calingiri, Dalwallinu, Toodyay and Gingin as they will be safely protected from the weather during home games.

Throughout the Dowerin Machinery Field Days, the new facility will be utilised as a catering venue. Upgrading the Hockey Shed facility will aid in the delivery of the Field Days as it is centrally located to the main site and will create a lasting impression on both exhibitors and visitors. The upgrade will display investment into the annual event and into a well-presented townscape. In the future, the venue will be an ideal venue for sporting groups and organisations to hold events as the venue will be safe, secure and centrally located.



Government of **Western Australia**
Department of **Local Government and Communities**

Local Government Operational Guidelines

Number 05 – January 2004

Council Forums

1. Introduction

Over recent years many local governments have introduced procedures that allow elected members and officers to meet and discuss matters relating to the operation and affairs of their local government outside of the formal council meeting framework. This has been done through an informal meeting process that has been given a range of titles including briefing or [information sessions](#), [workshops](#) and [corporate discussions](#). For the purposes of this guideline the term “forum” will be used to encompass such meetings.

The forum approach has allowed the ordinary meeting of council to focus on the decision-making needs of the local government. Many local governments that have adopted the forum process in preference to standing committees claim that it has led to better informed elected members and a more efficient and effective decision-making regime. This guideline is designed to assist those local governments that do conduct forums by listing appropriate procedural and behavioural controls. The adoption of such controls should reassure the community that the council decision-making mechanisms are accountable, open and transparent.

Local government forums range from one-off events discussing a particular issue through to regular, structured meetings, albeit not convened under the auspices of the *Local Government Act 1995* (the Act). This guideline is intended to address those forums that are held on a regular basis.

While acknowledging that regular forums are invaluable and legitimate, the Department advises that the conduct of such has generated complaints regarding the potential for a reduced level of transparency in the decision-making process and hence a reduction in accountability to and involvement by the community. Local governments need to make a clear distinction between forums and the formal debate and decision-making process.

It is recognised that local governments may conduct other sessions or workshops which would include items such as team building exercises, strategic planning workshops and community input forums. It is not intended that these guidelines would necessarily be applied to such sessions, but some of the suggested procedural controls may have relevance.

Issues relating to council forums that are addressed in these guidelines include:

- accountability;
- openness and transparency;
- probity and integrity;
- authority for the presiding person;
- participation by elected members and staff;
- proposals under Town Planning Schemes;
- formulating management documents; and
- forums immediately prior to an ordinary meeting of council.

2. Principles of the Act

Part 5 of the Act sets out the framework whereby elected members meet as the governing body for the purpose of decision-making on behalf of the local government.

It is an intention of the Act that councils conduct business and make decisions –

- openly and transparently;
- with a high level of accountability to their community;
- efficiently and effectively;
- with due probity and integrity;
- acknowledging relevant community input;
- with all available information and professional advice; and
- with the fullest possible participation of elected members.

The Act establishes ordinary, special and committee meetings. Each council must decide the meeting structure it will adopt within the legal framework for it to achieve the most efficient and effective decision-making process. It is a legal requirement that all decisions made on behalf of the local government are to be made at meetings called and convened under the provisions of the Act.

In addition to ordinary and special meetings, elected members can meet as a committee, membership of which may vary in number from three to all members of council. Committees can discuss matters and make recommendations to the council or, if given delegated authority by the council, can make decisions on its behalf. A council does not need to have committees and can have all matters presented to it directly for decision. A recent trend has been

for councils to abolish the system of standing committees or limit the number and/or range of committees and adopt a forum approach.

3. Council Forums

Local government forums range from a once-only event to discuss and explore a particular issue, a number of sessions to address matters such as a specific project or the compilation of a report for internal or external use, through to forums held at regular intervals with a consistent structure and objectives.

Regular forums run in local governments exhibit two broad categories which we have titled agenda and concept. They are differentiated by the stage of development of issues which are discussed by elected members and staff. The two types are described below along with the variations in procedural controls and processes suggested for each.

Concept Forums

Concept forums involve elected members and staff meeting to propose, discuss and formulate philosophies, ideas, strategies and concepts for the development of the local government and the district. Such forums often involve projects that are in the early planning stage and are some time away from being presented to council for decision. In discussing such issues, staff are looking for guidance from the elected members as they research the matter and draft the report. Elected members and staff are also looking to present ideas and concepts for future consideration. If the response is favourable staff can proceed with their research and eventual report on the matter.

Examples of the type of issues concept forums may cover include –

- current matters of a local or regional significance;
- matters relating to the future development of the local government;
- significant revenue-raising requirements or expenditure needs;
- the development of internal strategic, planning, management and financial documents; and
- development of the selection criteria and performance objectives for the Chief Executive Officer (CEO).

Behind closed doors and in a relatively informal manner are the two notable characteristics of concept forums. Holding such meetings behind closed doors is justified in that many of the ideas and concepts are preliminary and while looking for that creative gem some may be extreme, expensive or impractical and never adopted.

Discussion on such proposals in a public forum would be counter-productive. Privacy and informality allows elected members to propose ideas, ask questions and discuss issues for the better understanding of those in attendance. Such forums assist individuals to become better informed and to clarify their views.

The privacy and informality of concept forums also has pitfalls including the risk of neglecting proper standards of probity and public accountability. Over time, participants can become too familiar, and therefore more lax, with the procedure and purpose of the meeting. Unless procedures are adopted and rigorously applied to these forums, there is a danger that collective or collaborative decisions may be made, implied and otherwise.

Agenda Forums

For proper decision-making, elected members must have the opportunity to gain maximum knowledge and understanding of any issue presented to the council on which they must vote. It is reasonable for elected members to expect that they will be provided with all the relevant information they need to understand issues listed on the agenda for the next or following ordinary council meetings. The complexity of many items means that elected members may need to be given information additional to that in a staff report and/or they may need an opportunity to ask questions of relevant staff members. Many local governments have determined that this can be achieved by the elected members convening as a body to become better informed on issues listed for council decision. Such assemblies have been termed [agenda forums](#). It is considered they are much more efficient and effective than elected members meeting staff on an individual basis for such a purpose with the added benefit that all elected members hear the same questions and answers.

To protect the integrity of the decision-making process it is essential that [agenda forums](#) are run with strict procedures.

4. Principles Governing Procedural and Behavioural Controls for Forums

Local governments that conduct forums or are considering doing so have the right to implement a forum system that best suits their needs. The principles and associated procedures set out below, if adopted by local governments when conducting

forums, will ensure that all requirements of accountability, openness and transparency are satisfied.

The identified principles and associated procedures are accountability, openness and transparency, probity and integrity, authority for the chair and meeting notification. Each of these is explained below.

Accountability

The Act requires that ordinary and special council meetings and committee meetings that have delegated authority must be open to the public. Most local governments also open committee meetings even where there is no delegated authority. This openness allows the community to view the decision-making process from the time an issue is first presented to elected members through to the final decision.

There must be no opportunity for a collective council decision or implied decision that binds the local government to be made during a forum.

Agenda forums should be for staff presenting information and elected members asking questions, not opportunities to debate the issues. A council should have clearly stated rules that prohibit debate or vigorous discussion between elected members that could be interpreted as debate. Rules such as questions through the chair and no free-flowing discussion between elected members should be applied.

If there is minimum debate in the ordinary meeting because the elected member attitudes have been established through the item being thoroughly canvassed in the [agenda forum](#) then the community

is denied the opportunity to witness any debate and understand how the council reached its decision. Other concerns relate to elected members agreeing on movers, seconders and/or amendments. Such an approach must not be allowed by the council whether the [agenda forum](#) is open or closed to the public but a closed forum will almost certainly generate a perception by the community of secret meetings where the decisions are made beyond public scrutiny.

Councils, when considering conducting closed forums, need to consider their reasons for justification against the likely damage to their public standing from the perception of secrecy. A policy that the forums will generally be open to the public will make a significant contribution to the community perception of council accountability. A clearly delineated distinction between agenda and concept forums is important for these reasons.

Openness and Transparency

A significant strength of local government is the openness and accessibility of its processes to the community. In conducting forums each local government should make a conscious decision to promote the community perception that it embraces the concept of openness and transparency. Therefore, whenever appropriate, forums should be open to the public.

Probity and Integrity

The legislation provides that in ordinary meetings and committee meetings elected members must disclose conflicts of interest and exclude themselves from proceedings where they have a financial interest.

Disclosure in forums is a matter of ethics. The disclosure requirements only apply to meetings that are convened under the provisions of the Act. Elected members can legally participate at forums without being in breach of the legislation even where they have a clear financial interest or conflict of interest. Such participation is ethically unacceptable and is clearly at odds with the probity and accountability principles of the Act and codes of conduct. It is essential that councils adopt standards for forums that stipulate that disclosure rules applying to meetings constituted under the Act also apply at all forums. Disclosure should lead to an individual departing the forum.

Authority for the Chair

Many councils have established a forum process without specifying how the forums should be chaired and what authority the chair is given to control proceedings. In some local governments, the CEO chairs the forums in certain circumstances. This latter approach is not supported because it confuses the roles and relationships established in the Act.

It is recommended that the mayor or president or, if appropriate, another elected member, chairs all forums that involve elected members. Properly managed forums rely on strength and leadership from the chair. Therefore, a forum's chair should be supported by established rules similar to the standing orders that apply to formal meetings.

Meeting Notification

The provisions of the Act are designed to ensure that members are given timely notice of, and information for, council and committee meetings. Formal provisions

do not apply to forums but the principles remain the same. Adequate notice needs to be given of the time, location and content of the forum.

The forum process is most successful in those local governments where forums are held on a regular basis such as on the alternative weeks to the ordinary council meeting (where they are held fortnightly) or a week before the ordinary council meeting. By setting the dates for forums well in advance, elected members, staff and the community can plan for their attendance.

Forums that are organised without adequate notice or a proper agenda are often poorly attended and inefficiently run. This will be detrimental to the purpose of the forum.

5. Particular Issues of Concern in the Forum Process

There are a number of concerns relating to the content and conduct of forums. These are set out below. Councils need to be aware of these and take action to overcome the concerns if such apply to them.

Dealing With Proposals Under the Town Planning Scheme

The discretion available to council when making decisions under the Act is not always available when making decisions under town planning legislation. When a council is dealing with town planning matters, it does so under the powers conferred by the State planning legislation. Council assumes the role of a planning authority (ie Western Australian Planning Commission) and an elected member the

role of a planning commissioner. Council is not only constrained by the conditions of its Town Planning Scheme but also by the relevant State Acts.

Decision-making in town planning matters requires the decision-maker to maintain a high degree of independence from the process leading up to the decision being made. The elected member needs to be in a position of being able to make his or her decision after taking into account the relevant and material facts and circumstances as presented to all fellow elected members. These same comments apply whether councils do or do not work with specialist planning committees. Elected members need to be wary of involvement in the lead-up process to a certain decision, especially as a sole agent or member of a small group and being subjected to information from the developer or parties associated with the developer. This may be interpreted as reducing the independence of the decision-maker.

Councils will often have briefings relating to development issues and these are important in terms of the elected members becoming fully informed on the matter on which they have to vote. The nature of the decision means that briefing sessions involving planning matters should be conducted with the strictest of rules. There should be no implication of debate between elected members; the session should primarily involve information being given by the relevant officer and other parties with questions from the floor directed through the chair. In cases where an elected member has relevant information on a development matter to be conveyed to the meeting, it must be done through the chair so that all decision-makers are privy to that information.

Formulating Management Documents

Many local governments prepare their management documents, such as budgets, plans for the future and policy manuals, through a forum process. In many cases this involves a number of forums to which all elected members are invited and the public are excluded. Such forums are not set up under the auspices of the Act. There are no formal decisions made as in due course the documents are adopted at a formal meeting of council. Nevertheless, as the forums proceed and the document is developed, some issues are included, some are discarded and others may need further research by staff. If records of the matters discussed at the forums are not kept, development stages of the documents will be uncertain and hence any orderly progress inhibited. Additionally, the process may lack accountability and the probity of elected members and staff could be challenged. Change of membership of the group by either staff or elected members would again place doubt on the validity of the process.

A more suitable procedural process for the development of management documents would be the formal establishment of a committee under the Act with that assigned purpose. Although the committee meetings, if no power or duty has been delegated to the committee, are not required by legislation to be open to the public, the integrity of the process is protected by the legislative requirement for the agenda and minutes to be available for public inspection. Such committees, upon completion of their assigned task(s), could be wound up or reconvened the following year when the task was again required. Examples would be a committee reviewing standing orders and a "Budget

Committee". The former would be wound up upon submission of its report to council. The "Budget Committee" would be an ongoing but occasional committee which would meet each year from (say) March to early July.

Some committees could have a select and limited membership whereas others (such as the budget committee) could include all elected members.

Forums Immediately Prior to an Ordinary Meeting of Council

Some local governments hold forums immediately prior to ordinary council meetings. Anecdotal evidence suggests that in discussing the agenda of the forthcoming meeting at such forums implied decisions may be made. This familiarity with the issues and known attitudes can lead to debate at the ordinary council meeting being stifled or non-existent much to the chagrin of the public who are not privy to the earlier discussions. Forums held immediately prior to ordinary council meetings cause more complaints of secret meetings and predetermined decisions than any other type of forums.

Pre-meeting forums may be beneficial where an elected member has additional or alternative information to that contained in a staff report which may be controversial or cause problems within the ordinary meeting at the time the item is discussed. Certainly, it is an advantage for the CEO, council and particularly the presiding member to be aware of potential problems in the forthcoming ordinary meeting. While a pre-meeting forum provides the opportunity to inform others of the potential problem it would be preferable to raise the matter with likely concerned

parties such as the presiding member, CEO and reporting officer much earlier than immediately before the meeting. Early advice will give those concerned the opportunity to undertake action to address the identified problems.

It is recognised that with many local governments, especially those that are in rural locations, the timing of the pre-meeting forum is understandable in that the elected members can only get together once a month because of travel time and they need an opportunity to discuss issues with the freedom of a forum.

After consideration of these issues, it is recommended that if a council determines that the only time available for a forum is prior to an ordinary council meeting and it is to be closed to the public, then it be established as a [concept forum](#) and reference to the forthcoming agenda should be prohibited unless a special circumstance is conveyed to the presiding member. An example of a special circumstance would be information additional to, or contradicting the staff report which is likely to lead to non-adoption or significant variation of the recommendation and it has not been possible to convey such information at an earlier time. Adoption of the [concept forum](#) approach means elected members needing additional information or explanations from staff on forthcoming agenda items will have to make alternative arrangements to meet their requirements.

The adoption of such rules on pre-meeting forums should be conveyed to the public. Advice of the conducting of such a forum and its general content at the ensuing ordinary meeting will reinforce the openness and accountability of council.

6. Forums that Incorporate Both Concept and Agenda Items

Many local governments will run only one forum and it will cover both agenda items to be addressed at the next council meeting and wide-ranging concept issues. It is suggested that the different requirements of the two types are recognised and they be categorised as such in the forum agenda. The most important aspect is that the presiding person apply appropriate procedures regarding debate and discussion between elected members when agenda items are being covered.

Such forums should also be open to the public.

7. Model Procedures for Forums

Before introducing, or continuing with forums, councils have a responsibility to weigh carefully the risks as well as the benefits associated with such a process and consider if there are better, alternative ways of achieving the desired outcomes.

Councils that hold forums should adopt meeting rules and processes to ensure that proper standards of probity and public accountability are adhered to. Particular emphasis must be placed on ensuring that there is no decision-making during these forums and that this is rigidly enforced.

Procedures Applying to Both Concept and Agenda Forums

The Department recommends that councils adopt a set of procedures for both types of forums which include the following –

- Dates and times for forums should be set well in advance where practical;
- The CEO will ensure timely written notice and the agenda for each forum is provided to all members;
- Forum papers should be distributed to members at least three days prior to the meeting;
- The mayor/president or other designated elected member is to be the presiding member at all forums;
- Elected members, employees, consultants and other participants shall disclose their financial and conflicts of interest in matters to be discussed;
- Interests are to be disclosed in accordance with the provisions of the Act as they apply to ordinary council meetings. Persons disclosing a financial interest will not participate in that part of a forum relating to their interest and leave the meeting room;
- There is to be no opportunity for a person with an interest to request that they continue in the forum; and
- A record should be kept of all forums. As no decisions will be made, the record need only be a general record of items covered but should record disclosures of interest with appropriate departures/returns.

Procedures Specific to Concept Forums

The Department recommends that councils adopt specific procedures for [concept forums](#) which include the following –

- Concept forums may be open to the public when an issue is being discussed that council believes would benefit from public awareness and debate;

- Discussion between members is to be limited to those issues which are in the preliminary development stages. Items already listed on a council meeting agenda are not to be discussed; and
- As discussion items are not completely predictable there is to be some flexibility as to disclosures of interest. A person may disclose an interest at the time discussion commences on an issue not specifically included on the agenda.

Procedures Specific to Agenda Forums

The Department recommends that councils adopt specific procedures for [agenda forums](#) which include the following –

- Agenda forums should be open to the public unless the forum is being briefed on a matter for which a formal council meeting may be closed;
- Items to be addressed will be limited to matters listed on the forthcoming agenda or completed and scheduled to be listed within the next two meetings (or period deemed appropriate);
- Briefings will only be given by staff or consultants for the purpose of ensuring that elected members and the public are more fully informed; and
- All questions and discussions will be directed through the chair. There will be no debate style discussion as this needs to take place in the ordinary meeting of council when the issue is set for decision.

8. General Discussions in Councils Without Forums

Travel and time constraints mean that many councils can convene for a limited time; for many, only one day per month. As a result, some local governments have continued with the traditional ordinary meeting format where the decision-making is combined with wide-ranging discussion on other matters. A major problem with this approach is that the wide-ranging discussions result in meetings continuing for long periods of time.

There are benefits to elected members, the public and the staff if the issues requiring decision are dealt with during one continuous stage early in the meeting.

Elected members can have more effective broad ranging discussion during the same time frame as the traditional council meeting with a revised structure. It is suggested a better format would be for the ordinary meeting to be closed as soon as the required decisions have been made. The general discussions would then be pursued in a [concept format](#) environment. The advantages of this approach are the opportunity for councillors to discuss issues of concern in an informal environment.

9. Summary

With most local governments, elected members need opportunities to discuss issues outside of the formal ordinary meeting process. The Department acknowledges this approach because those elected members that have the maximum opportunities for input will obtain the greatest satisfaction emanating from their time in local government.

The opportunity for input can be best gained through forums or committees of the full council.

Councils that wish to hold forums of either the concept or [agenda type](#) are encouraged to adopt rules and processes that are in line with these guidelines.

This will assist with openness and accountability, minimise public criticism and lead to a more effective and efficient local government.

These guidelines are also available on the Department's website at www.dlgc.wa.gov.au



About the Guideline series

This document and others in the series are intended as a guide to good practice and should not be taken as a compliance requirement. The content is based on Department officer knowledge, understanding, observation of, and appropriate consultation on contemporary good practice in local government. Guidelines may also involve the Department's views on the intent and interpretation of relevant legislation.

All guidelines are subject to review, amendment and re-publishing as required. Therefore, comments on any aspect of the guideline are welcome. Advice of methods of improvement in the area of the guideline topic that can be reported to other local governments will be especially beneficial.

For more information about this and other guidelines, contact the Local Government Regulation and Support Branch at:

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POLICY NUMBER	- <u>1.18</u>
POLICY SUBJECT	- <u>1.18</u> Council Workshop Procedures Policy
DATE ADOPTED	-
RESPONSIBLE OFFICER	- Executive & Governance Officer
REVIEWED	-

Objective

The objective of this Policy is to provide guidance with respect to the manner in which Council Workshops will be conducted.

Policy

Workshops are intended to provide Councillors and staff with the opportunity to propose, discuss and formulate philosophies, ideas, strategies and concepts for the development of the local government and the district that may be presented to Council for consideration in the future. Such discussions often involve projects that are in the early planning stage and some time away from being presented to Council for decision.

Workshops provide staff with an opportunity to seek guidance and input from Councillors when researching and formulating proposals for possible future Council consideration.

Council Workshops are not recognised in the *Local Government Act 1995*, and therefore the Act and its supporting regulations do not provide any guidance with respect to how such forums will be conducted. Neither are Workshops recognised by the Shire of Dowerin Standing Orders Local Law.

The following guidelines shall apply to Workshops:

1. The Shire President shall preside at all Workshops.
2. In the Shire President's absence, the Deputy Shire President shall preside.
3. In the absence of both the Shire President and Deputy Shire President, Councillors shall appoint a Councillor to preside.
4. In order to assist Workshop discussions an agenda will be produced for each Workshop. The CEO is responsible for the preparation and distribution of the Workshop Agenda, however issues can be presented verbally if deemed appropriate.

To ensure both Councillors and the Administration can contribute to the strategic work undertaken at Workshops, Councillors are able to advise the CEO of items they wish to be included on a future Workshop Agenda. Matters which Councillors wish to have included should be advised to the CEO no later than five working days prior to the distribution of the agenda. This will ensure appropriate time for the CEO to consider and collate advice on information that may assist Council in considering the matter at a Workshop. If the matter is complex further time may be required and, if this is the case, the matter will be presented to the next following Workshop.

5. Workshops are generally closed to the public. However, Council may decide to open a particular Workshop, or a portion of a particular Workshop, to the public when an issue is being discussed that Council believes would benefit from public awareness and debate.

Where a Workshop or a portion of a Workshop is opened to the public, including relevant community, advisory, project or reference groups of the Shire and other such stakeholders, they shall be personally invited by either the President or the CEO.

It is preferable that any supplementary information provided by members of the public at Workshops (ie reports, brochures, PowerPoint presentations etc) is made available and distributed to Councillors at the same time as the distribution of the Workshop agenda to enable enough time for Councillors to appropriately consider the information.

6. Workshops provide an opportunity for informal discussions by Councillors and the Administration. Workshops are NOT decision-making forums but instead provide the opportunity for Council to form a consensus view as to whether an idea or project is worthy of further development, or feedback to staff to assist in progressing a specific matter which assists the Administration in preparing reports for Council's future consideration.

Matters and proposals raised by individual Councillors will not be further investigated unless consensus support of Council is evidenced.

Additionally, a portion of the Workshops may be used for presentations by external consultants or organisations to assist in providing information to Council and to raise or increase its awareness or a particular topic or issue.

7. Councillors and staff shall adhere to the provisions of the *Local Government (Model Code of Conduct) Regulations 2021* and the Shire of Dowerin Model Code of Conduct – Council, Committee Members and Candidates in relation to their conduct at all Workshops.
8. Workshops will be subject to the disclosure rules applying to Council meetings constituted under Sections 5.59 – 5.90 of the *Local Government Act 1995* and Regulation 22 of the *Local Government (Model Code of Conduct) Regulations 2021* ~~and Regulation 34(C)(1) of the Local Government (Administration) Regulations 1996 (Impartiality Interests)~~. Councillors, staff, consultants and other participants must disclose any financial, proximity or impartiality interests that relate to a matter discussed at a Workshop. Any person who has disclosed a financial or proximity interest will leave the Workshop for the duration of discussions in relation to that matter.
9. Given the flexible nature of Workshop discussions, it is possible that discussions may occur with respect to an issue or issues not specifically included on the agenda. This means that participants may not necessarily be aware prior to the discussion taking place that they will need to disclose an interest on that particular matter. Under these circumstances, a person with an interest in a matter raised “ad hoc” during a Workshop must disclose that interest at the time discussion commences on that issue and follow the necessary protocols in relation to attendance during discussion of the matter.
10. Notes will be kept of information exchanged at a Workshop, including any presentations and disclosures of interest with appropriate departures/returns being recorded. These notes will be distributed to all Councillors following each Workshop. The Workshop notes will not be publicly available.
11. In the interests of supporting open and ~~frank-honest~~ discussion, all information presented to a Workshop and the discussions relating to that information are considered to be confidential in nature, unless advised otherwise.
12. Unless otherwise determined between the President and CEO, Workshops will generally be held on the ~~third-first~~ Tuesday of each month ~~immediately following the Council Meeting~~. The usual venue will be Council Chambers, however Workshops may be held in other locations as required.
13. The Workshop Agenda will generally be issued at least three working days prior to the Workshop date unless prevented by unforeseen circumstances. Where a Workshop is required for an urgent matter, the agenda and scheduling will be provided as soon as is practicable in the circumstance.

Roles & Responsibilities

Councillors

Councillors have the responsibility of ensuring they understand and comply with the requirements of this policy.

Councillors recognise that attending and contributing to Workshops is an important part of the Councillor's role in providing strategic leadership to the local government and the community.

Chief Executive Officer

The Chief Executive Officer has responsibility to ensure this policy is implemented and the preparing and ~~distributing~~distribution of the Workshop agendas and associated documentation.

Executive & Governance Officer

The Executive & Governance Officer has responsibility to ensure this policy is reviewed and presented to Council for consideration.

Related Documentation

Department of Local Government, Sport and Cultural Industries – Guideline No. 5 – Council Forums

Related Legislation/Local Law/Policy/Procedure

Local Government Act 1995

Local Government (~~Rules of Conduct~~Model Code of Conduct) Regulations 2007

Shire of Dowerin Model Code of Conduct – Council, Committee Members and Candidates

Related Delegation

Nil

<u>Document Control</u>	
<u>Policy Number</u>	
<u>Policy Version</u>	<u>1</u>
<u>Policy Owners</u>	<u>Executive & Governance Officer</u>
<u>Creation Date</u>	<u>7 March 2023</u>
<u>Last Review Date</u>	
<u>Next Review Due</u>	<u>This policy will be reviewed bi-annually or more often where circumstances require.</u>

Harbour Software - Cost Analysis

Harbour Software is a fully integrated cloud-based agenda and minutes solutions to optimise business processes and elevate efficiencies.

The purchase of the Harbour Software will see vast improvements in the way we work, by resulting in time and cost savings.

Harbour Software provides two web-based solutions enabling staff to work collaboratively and distribute the finalised document via a one-step process straight to end users i.e. elected members.

The two solutions are:

Doc Assembler - is a cloud-based agendas and minutes solution designed to support accessibility and collaboration between meeting organisers, empowering meeting documents compilation in minutes. It easy to use governance agenda software that can be run on any device. Doc Assembler is an automated agenda and meeting management platform built to enable meeting administrators to create, collaborate and collate documents in a seamless and modern approach. It also integrates with Docs on Tap.

Docs on Tap - is a flexible app that enables the management and distribution of documents and content in the correct formats to the right people. The end-to-end document management system stores your documents and files via the cloud and provides a simple interface with the functionality to create structured folders and configure user permissions. Working cohesively with Doc Assembler, end users can gain instant access to formalised agendas, reports, and documents immediately after they are published. Docs On Tap allows for live voting, making the decision making and minutes taking process easy and efficient. This enables meeting participants to cast their vote electronically via the app, and automatically update the minutes within Doc Assembler.

Below is an analysis of the original proposal for the Shire of Dowerin in how we organise our current council meetings process vs Harbour Software process.

QUANTITATIVE ANALYSIS	2023	2024	2025	2026	2027	TOTAL
BENEFITS						
REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COST SAVINGS	\$ 19,672.32	\$ 19,532.80	\$ 19,532.80	\$ 19,532.80	\$ 19,532.80	\$ 97,803.52
COST AVOIDANCE	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 925.00
OTHER BENEFITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BENEFITS	\$ 19,857.32	\$ 19,717.80	\$ 19,717.80	\$ 19,717.80	\$ 19,717.80	\$ 98,728.52
COSTS						
NON-RECURRING	\$ 12,980.00	\$ -	\$ -	\$ -	\$ -	\$ 12,980.00
RECURRING	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 55,000.00
TOTAL COSTS	\$ 23,980.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 67,980.00
NET BENEFIT OR COST	\$ (4,122.68)	\$ 8,717.80	\$ 8,717.80	\$ 8,717.80	\$ 8,717.80	\$ 30,748.52

Below is an analysis of the reviewed proposal, offering a discount, for the Shire of Dowerin in how we organise our current council meetings process vs Harbour Software process.

QUANTITATIVE ANALYSIS	2023	2024	2025	2026	2027	TOTAL
BENEFITS						
REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COST SAVINGS	\$ 23,172.32	\$ 23,032.80	\$ 23,032.80	\$ 23,032.80	\$ 23,032.80	\$ 115,303.52
COST AVOIDANCE	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 925.00
OTHER BENEFITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BENEFITS	\$ 23,357.32	\$ 23,217.80	\$ 23,217.80	\$ 23,217.80	\$ 23,217.80	\$ 116,228.52
COSTS						
NON-RECURRING	\$ 11,480.00	\$ -	\$ -	\$ -	\$ -	\$ 11,480.00
RECURRING	\$ 10,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 54,000.00
TOTAL COSTS	\$ 21,480.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 65,480.00
NET BENEFIT OR COST	\$ 1,877.32	\$ 12,217.80	\$ 12,217.80	\$ 12,217.80	\$ 12,217.80	\$ 50,748.52

Reference Councils – 140 Council's across Australia utilise the Harbour solution. The following WA Councils are now live – Chapman Valley, Gingin, Menzies, Northam, Wiluna, Wyndham East Kimberley.

Alternative Solutions – A proposal was obtained from Info Council; this solution is more expensive and references not favourable. Off-the-shelf products are not capable of providing the full solution available through Harbour Software, a product fully developed in Australia.

Reference Councils – 28 Council's across WA utilise Info Council. The following WA Band 3 and 4 Councils are not live – Coorow, Kellerberrin, Leonora, Manjimup, Murray, Quairading, Toodyay, York.