



SHIRE OF
DOWERIN
TIN DOG TERRITORY

AGENDA

Ordinary Council Meeting

To be held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 17 November 2020
Commencing 2.00pm



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NOTICE OF MEETING

Dear President and Councillors,

The next Ordinary Meeting of Council of the Shire of Dowerin will be held on Tuesday 17 November 2020 in the Shire of Dowerin Council Chambers, 13 Cottrell Street, Dowerin. The format of the day will be:

1.30pm	President & Council Discussion
2.00pm	Council Meeting
Immediately following Council Meeting	Council Workshop

Rebecca McCall
Chief Executive Officer
12 November 2020

DISCLAIMER

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

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

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

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Shire of Dowerin
Ordinary Council Meeting
2.00pm Tuesday 17 November 2020



1. Official Opening / Obituaries

In opening the meeting, the President and Councillors will acknowledge the passing of Mr Barrie Blasdale and Mr Lawrence (Laurie) Stewart with a minute's silence.

2. Record of Attendance / Apologies / Leave of Absence

Councillors:

Cr DP Hudson	President
Cr BA Ward	Deputy President
Cr LH Holberton	
Cr JC Sewell	
Cr RI Trepp	

Staff:

Ms R McCall	Chief Executive Officer
Ms C Delmage	Manager Corporate & Community Services
Mr L Vidovich	Manager Works & Assets
Ms V Green	Executive & Governance Officer

Members of the Public:

Apologies:

Approved Leave of Absence: Cr LG Hagboom & Cr AJ Metcalf (CMRef 0283)

3. Public Question Time

4. Disclosure of Interest

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

5. Applications for Leave of Absence

6. Petitions and Presentations

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

7.1 Ordinary Council Meeting held on 20 October 2020

[Attachment 7.1A](#)

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 7.1

That, in accordance with Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, Council confirms the Minutes of the Ordinary Council Meeting held on 20 October 2020, as presented in Attachment 7.1A, are a true and correct record of proceedings.

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

8.1 Audit & Risk Committee Meeting held on 28 October 2020

[Attachment 8.1A](#)

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 8.1

That, in accordance with Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, Council receives the Minutes of the Audit & Risk Committee Meeting (unconfirmed) held on 28 October 2020, as presented in Attachment 8.1A.

9. Recommendations from Committee Meetings for Council Consideration

9.1 Audit & Risk Committee Meeting held on 28 October 2020

Item 7.1 – Risk Dashboard Quarterly Report – September 2020

Voting Requirements



Simple Majority



Absolute Majority

Committee's Recommendation

That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, Council adopts the Risk Dashboard Quarterly Report – September 2020, noting and endorsing the deferment due dates for various actions not able to be completed in 2020.

Item 7.2 – 2020 Compliance Audit Return – Consideration of External Consultants

Voting Requirements



Simple Majority



Absolute Majority

Committee's Recommendation

That, in accordance with Regulation 16(b) of the *Local Government (Audit) Regulations 1996*, Council appoints Conway Highbury to complete the 2020 Compliance Audit Return for the quoted price of \$2,500 including travel and accommodation, with funds allocated from GL: 20554 GOV Other – Consultants.

Item 7.3 – Considerations from the Inquiry into the City of Perth and the Inquiry into the Shire of Toodyay – Options for Internal Audit

Voting Requirements



Simple Majority



Absolute Majority

Committee's Recommendation

That, in accordance with Regulation 16(g) of the *Local Government (Audit) Regulations 1996*, Council requests staff undertake a desktop internal audit of the following items, with the results of the audit to be presented to the Audit and Risk Committee and Council for consideration:

- 1. Previous audit findings to ensure they have been actioned and completed;**
- 2. Disposal of the Anderson Street properties to ensure compliance;**
- 3. Procurement processes and procedures to ensure compliance; and**
- 4. Provide a status update on the Recommendations from the Financial Management Review Report conducted by Mr Ron Back in March 2016.**

10.	Announcements by the President Without Discussion
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11. OFFICER'S REPORTS – CORPORATE AND COMMUNITY SERVICES

11.1 Deferment of Financial Activity Statements

Corporate & Community Services



Date:	12 November 2020
Location:	Not Applicable
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	As above
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
SharePoint Reference:	Organisation / Financial Management / Reporting / Financial Statements / 2020-2021 Monthly Financial Statements
Disclosure of Interest:	Nil
Attachments:	Nil

Purpose of Report



Executive Decision



Legislative Requirement

Summary

In accordance with Regulation 34(4) of the *Local Government (Financial Management) Regulations 1996* the Financial Activity Statement for the month of October 2020 will be presented to Council at its December 2020 meeting.

The reasons for this deferment is the recent change in the Chart of Accounts and confirming the correct correlation with the monthly financial reports.

11.2 List of Accounts Paid

Corporate & Community Services



Date:	5 November 2020
Location:	Not Applicable
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Jasmine Pietrocola, Accounts Finance 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

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the List of Accounts Paid, paid under delegated authority, for October 2020.

Background

Nil

Comment

The List of Accounts Paid as presented has been reviewed by the MCCS.

Consultation

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Jasmine Pietrocola, Accounts 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 Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 12 & 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

Council would be contravening to the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if this item was not presented.

Financial Implications

Funds expended are in accordance with Council's adopted 2020/21 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 11.2

That, in accordance with Regulations 12 and 13 of the *Local Government (Financial Management) Regulations 1996*, Council 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 – October 2020

EFT8065 to EFT8148

\$325,743.54

Cheque 10848 to 10858	\$15,640.12
DD11096; NAB Credit Card; September 2020	\$2,932.64
DD11081; Puma Energy Fuel; September 2020	\$774.61
DD11100 & 11105; Superannuation	\$12,508.76
DD130871 & 130872; Bank Fees	\$1,057.13
DD11089 & 11092; Loan Repayments	\$36,438.86
Net Payroll; PPE 14 October 2020	\$46,930.72
Net Payroll; PPE 30 October 2020	\$48,039.17
TOTAL	\$490,065.55

11.3 Recalcitrant Rates Debtors

<div>Corporate & Community Services</div> <div>  SHIRE OF DOWERIN TIN DOG TERRITORY </div>	
Date:	3 November 2020
Location:	Various
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Sheldon Cox, Rates Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
Sharepoint Reference:	Organisation/Rates and Evaluations/Reporting/2020 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 September 2020 details non-pensioner 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% of the rates levied outstanding at the end of the financial year. Council is currently not achieving this due to several assessments that are holding a large debt.

Comment

Some of the outstanding debts are under review to determine the most appropriate and cost effective action to take. These decisions are made based on the cost of debt recovery action, the likelihood of debt recovery after any action and the consideration of staff time and resources.

Final warning letters have been sent to those not on arrangements and to those who have defaulted on their payment arrangements.

A report to write off the rates of Assessment A225 is presented in [Item 11.4](#), which, if approved, will clear a large portion of the current outstanding rates. Whilst it is not standard practice to write off such debts, there are exceptional circumstance to support this recommendation in this instance.

Consultation

Sheldon Cox, Rates Officer

Louise Sequerah, Acting Rates Officer

Cherie Delmage, Manager Corporate & Community Services

Lauren Marsh, Senior Account Manager – AMPAC Debt Recovery

Association of Rates Officers
Troy Hancock, Legislation Officer, DLGSC

Policy Implications

Nil

Statutory Implications

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

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

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	Moderate (3)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (8)
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

Whilst the 2019/20 EOY Audit is not yet complete, the Administration has been required to create a provision for doubtful rates debt of \$64,422, as this amount is considered unrecoverable. This action will impact the financial statements by increasing the liability due to the unlikelihood of these debts being recovered.

This provision does not stop or delay legal action, it simply ensures that the organisation is prepared to deal with future write off actions, if they do occur.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 11.3

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

11.4 Lot 10 (No. 4) Dowall Street, Minnivale 6462 – Request to Write-off Rates & Charges – A225

Corporate & Community Services



Date:	27 October 2020
Location:	Lot 10, No. 4 Dowall Street, Minnivale 6462
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Louise Sequerah, Acting Rates Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
Sharepoint Reference:	Organisation/Rates and Evaluations/Property Correspondence/A225
Disclosure of Interest:	Nil
Attachments:	Attachment 11.4A – Correspondence

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a proposal to write-off outstanding rates and charges to Council for consideration and, if satisfactory, endorsement.

Background

Correspondence has been received outlining a proposal from a prospective buyer wishing to purchase Lot 10 on Plan 139045, Certificate of Title 1673/198, known as 4 Dowall Street, MINNIVALE 6462 and rated as Assessment A225.

In order to make this private purchase from the existing owner viable the prospective buyer is requesting that the overdue rates and charges be written off.

The rates and charges on Assessment A225 were consistently paid on time until the 2013/14 financial year. Since that time no further payments have been made.

In July 2014, rates and rubbish charges were written off with a notation that the charges were written off due to the demolition of the buildings. The property has since been vacant land.

In May 2017 legal action commenced to recover the outstanding rates and charges. This action progressed to the auction of the property, under a Property Sale and Seizure Order. The property was passed in without a bid.

Comment

Council's next course of legal action would be to invoke Section 6.64 of the *Local Government Act 1995*, which will result in Council taking possession of the land. The estimated legal costs for completing this action is \$5,000.

Vacant land in Minnivale has little value to Council. Therefore, the cost of taking possession of the land would not be justified.

If Council invokes the 3 year rule in accordance with Section 6.64 to take possession of the land, the rates and charges totalling \$14,651.20 will need to be written off and the property will become non-rateable.

The current owner of the property has health issues which limit the capacity to pay rates and charges. The prospective purchaser is in current negotiations with the family to purchase the land.

The prospective purchaser is requesting that Council writes off arrears and current interest for a total amount of \$14,030.20 plus additional interest accruing. They propose to pay the current rates and all ESL amounts totalling \$621. If the sale of the property proceeds, future rates and charges will be levied to the new owner.

There is a risk that, should the sale of land not proceed, the current owner may have the expectation that the rates and charges will be written off.

Consultation

Sheldon Cox, Rates Officer

Louise Sequerah, Acting Rates Officer

Cherie Delmage, Manager Corporate & Community Services

Rebecca McCall, Chief Executive Officer

Policy Implications

Nil

Statutory Implications

Section 6.12(1)(c) of the *Local Government Act 1995* is applicable and states:

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

- (1) *Subject to subsection (2) and any other written law, a local government may —*
 - (a) *when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or*
 - (b) *waive or grant concessions in relation to any amount of money; or*
 - (c) *write off any amount of money,**which is owed to the local government.*
- * Absolute majority required.*
- (2) *Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.*
- (3) *The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.*
- (4) *Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.”*

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

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	\$5,001 - \$50,000
Consequence Rating	Moderate (3)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (8)
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

An expense of \$14,030.20 will be charged to GL: 120301170.2700 RATES - Doubtful Debts Expense MUN (budget \$10,000).

Voting Requirements

☐

Simple Majority

☒

Absolute Majority

Officer's Recommendation – 11.4

That, in accordance with Section 6.12(1)(c) of the *Local Government Act 1995*, Council resolves to write off the amount of \$14,030.20 plus any additional interest accrued on Lot 10 (No. 4) Dowall Street, Minnivale 6461 (Certificate of Title 1673/198 on Plan 139045) once the sale to the prospective purchaser has been settled.

11.5 Policy Manual Review – Policy 3.10 – Drug & Alcohol Policy, Policy 3.16 – Education & Assistance Policy, Policy 4.13 – Development of Policies & Administrative Procedures

<div> <div>Corporate & Community Services</div>  </div>	
Date:	3 November 2020
Location:	Not applicable
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	As above
Legislation:	<i>Local Government Act 1995</i>
Sharepoint Reference:	Organisation/Governance/Council Policies
Disclosure of Interest:	Nil
Attachments:	<p><u>Attachment 11.5A</u> – Policy 3.10 (old)</p> <p><u>Attachment 11.5B</u> – Policy 3.10 – Drug & Alcohol Policy</p> <p><u>Attachment 11.5C</u> – Policy 3.16 – Education & Assistance Policy</p> <p><u>Attachment 11.5D</u> – Policy 4.13 – Development of Policies & Administrative Procedures</p>

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a review of policies to Council for consideration and, if satisfactory, adoption.

Background

The following policies are due for review and are presented to Council for consideration:

1. Policy 3.10 – Drug & Alcohol Policy;
2. Policy 3.16 – Education & Assistance Policy; and
3. Policy 4.13 – Development of Policies & Administrative Procedures.

Clearly defined policies provide guidance and direction for both the employer and the employee and ensure consistency throughout the organisation. Regular review is required to ensure that policies remain relevant and compliant.

The Policy Manual has been the subject of a thorough review. This report forms part of that review. Unless legislated, it is good practice for all policies to be reviewed at least every two years.

Comment

It is proposed to completely replace Policy 3.10 – Drug & Alcohol Policy due to the amount of amendments considered necessary. The reviewed policy is based on the WALGA template and is considered best practice in terms of managing drugs and alcohol in the workplace. The amendments also align the policy with current industrial relations and legislative requirements.

Policy 3.16 - Education & Assistance Policy has been amended to provide for feedback from attendees which provides accountability for employees who benefit from Shire assistance.

The amendments proposed to Policy 4.13 - Development of Policies & Administrative Procedures are considered minor.

Consultation

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Les Vidovich, Manager Works & Assets

Vanessa Green, Executive & Governance Officer

Policy Implications

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

Statutory Implications

Section 2.27(2)(b) of the *Local Government Act 1995* is 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."*

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

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	Possible (3)
Risk Matrix Rating	Low (4)
Key Controls (in place)	Nil
Action (Treatment)	Nil
Risk Rating (after treatment)	Not Rated

Financial Implications

The adoption of the Officer's Recommendation will have the following financial implications:

1. Policy 3.16 - Education & Assistance Policy references a Shire contribution to education/training fees but the guidelines are broad. Employee training costs will form part of the annual budget deliberations; and
2. Policy 3.16 - Drug & Alcohol Policy allows for drug testing and medical assessments and will be included as an OSH expense during annual budget deliberations.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 11.5

That, in accordance with Section 2.27(2)(b) of the *Local Government Act 1995*, Council adopts the following policies:

- 1. Policy 3.10 – Drug & Alcohol Policy, as presented in Attachment 11.5B;**
- 2. Policy 3.16 – Education & Assistance Policy, as presented in Attachment 11.5C; and**
- 3. Policy 4.13 – Development of Policies & Administrative Procedures, as presented in Attachment 11.5D.**

12. OFFICER'S REPORTS – GOVERNANCE AND COMPLIANCE

12.1 2019 Regulation 17 Report - CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	27 October 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
SharePoint Reference:	Organisation/Compliance/Risk Management/Reporting/2019 CEO's Report for Audit Regulation 17 Organisation/Corporate Management/Reporting/2019 Compliance Audit Return	
Disclosure of Interest:	Nil	
Attachments:	Attachment 12.1A – 2019 Regulation 17 Report	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the 2019 Regulation 17 Report to Council for consideration and, if satisfactory, adoption.

Background

In preparation for the 2020 Regulation 17 Report staff have identified an error in the process undertaken for 2019 Regulation 17 Report in that, while it was presented to the Audit & Risk Committee at its meeting of 19 December 2019 (CMRef 0122), it was not presented to Council as required by Regulation 16(c) of the *Local Government (Audit) Regulations 1996* (see Statutory Implications below).

The mistake was not intentional and is due to human error. It does however identify a risk in the procedure for reporting Committee recommendations to Council.

Current practice was that any Committee recommendations are duplicated as an individual agenda item for presentation to Council. To reduce the risk of the mistake occurring in the future, it is recommended that the Council agenda be amended to include a 'standing item' to receive any recommendations from Committees immediately after Council has received the minutes of a Committee's meeting which contains said recommendation(s). It is believed this will act as a 'memory jog' to staff to review the Committee's minutes to identify any recommendations which need to be considered by Council. The change has been put in place for this November agenda.

In addition to the above, staff identified a follow-on error in the reporting on the 2019 Compliance Audit Return (CAR).

For question 2 of the Optional Questions relating to the Regulation 17 Report, staff answered the question as 'Yes', that the Report had been undertaken in the last 3 years using Council's November 2019 resolution as evidence (CMRef 0083).

However, that resolution was for the receipt/adoption of the supplementary report undertaken by Mr Gary Martin, not the report required to be completed by the CEO as presented to the Audit & Risk Committee's December 2019 meeting.

This Item addresses the requirement for Council to consider the CEO's 2019 Regulation 17 Report.

Comment

The above aside, it should be noted that in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance not less than once in every 3 financial years.

It is Management's preference that the Regulation 17 Report is completed and presented annually rather than the legislated timeframe of 3 years. The Shire of Dowerin's 2018 Regulation 17 Report was considered by the Audit & Risk Committee at its March 2019 meeting (Item 7.3) and was subsequently presented to Council at its March 2019 meeting (Item 10.2.6) therefore, despite the mistake with the 2019 Regulation 17 Report, the Shire can still be considered compliant with Regulation 17. For this reason, staff believe there is no action necessary to remedy the reporting from the 2019 CAR as it had still be completed within the last 3 years, it is just that the incorrect Council Meeting reference and date were listed as evidence.

In referring to the CEO's 2019 Regulation 17 Report, which is included as an Attachment, the following can be noted:

1. The 2019 review has identified that the Shire has made significant positive improvements relating to risk management since 2017 despite the changeover of CEOs, and these changes are continuing; and
2. The CEO acknowledges the delay in further implementing the risk management process during 2019 which included developing an internal Governance Calendar and implementing the Risk Dashboard. However, both these items are now operational with the Risk Dashboard being reviewed and reported to the Audit & Risk Committee and Council on a quarterly basis and the Governance Calendar is included as a standing item in the Senior Management Team's weekly meetings.

Consultation

Cr Darrel Hudson, Shire President

Audit & Risk Committee Meeting 28 October 2020

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Policy Implications

Council Policy 2.2 – Risk Management Policy applies.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulations 16(c) and 17 of the *Local Government (Audit) Regulations 1996* is applicable and states:

“16. Functions of audit committee

An audit committee has the following functions –

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

[Regulation 16 inserted: Gazette 26 Jun 2018 p. 2386-7.]

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 subregulation (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

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	Some temporary non compliances
Consequence Rating	Minor (2)
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

Nil

Committee Resolution - December 2019

Moved: Cr Ward

Seconded: Cr Metcalf

0122 That, 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 7.2A;
2. receives the Chief Executive Officer's review the Shire of Dowerin Risk Dashboard Report as presented in Attachment 7.2B; and
3. 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

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation - 12.1

That, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, Council adopts the Chief Executive Officer's 2019 review of the Regulation 17 Report consisting of Shire of Dowerin's Risk Management, Internal Controls and Legislative Compliance report, as presented in Attachment 12.1A.

12.2 Draft Chief Executive Officer Standards & Model Code of Conduct Regulations - Request for Comment on Proposed Legislation

Governance & Compliance



Date:	2 November 2020
Location:	Not applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Vanessa Green, Executive & Governance Officer
Legislation:	<i>Local Government Act 1995</i>
SharePoint Reference:	Organisation
Disclosure of Interest:	Nil
Attachments:	<p>Attachment 12.2A - Proposed CEO Standards Regulations & Explanatory Memorandum</p> <p>Attachment 12.2B - Proposed Model Code of Conduct Regulations & Explanatory Memorandum</p> <p>Attachment 12.2C - WALGA & LG Professionals WA Comment</p> <p>Attachment 12.2D - Draft Submission</p>

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the feedback on the draft regulations relating to the employment of local government CEOs and the model Code of Conduct to Council for consideration and, if satisfactory, endorsement.

Background

In 2017 the State Government announced a review of the *Local Government Act 1995* as the most significant and comprehensive reform of local government legislation conducted in more than two decades. The objective is for Western Australia to have a new, modern Act that empowers local governments to better deliver for the community.

The timeframe for the review process to date is:

November 2017	Consultation on priority reforms begins
August 2018	Policy positions for priority reforms are announced
September 2018	Consultation on second stage of reforms begins
March 2019	Priority reforms are introduced to Parliament
March 2019	Submissions to the second stage closed on 31 March 2019
June 2019	<i>Local Government Legislation Amendment Act 2019</i> passed
July 2019 to current time	Priority reforms progressively implemented
November 2019	Review Panel established

May 2020

Review Panel's preliminary report delivered

The *Local Government Legislation Amendment Act 2019* introduced numerous amendments to the *Local Government Act 1995* (LG Act) including the yet to commence insertion of new sections introducing mandatory model standards for CEO recruitment, performance and termination and the model Code of Conduct (CoC).

Comment

CEO Standards

In March 2019 the Department of Local Government, Sport & Cultural Industries (DLGSC) invited WALGA and other parties to participate in the CEO Recruitment, Performance Review and Termination Working Group to develop the model standards. The DLGSC discontinued the Working Group in May 2019 and released a Consultation Paper without endorsement by the Working Group in October 2019. The DLGSC previously sought feedback on a draft CoC and the draft CEO standards in late 2019, with submissions closing on 6 December 2019.

On 26 October 2020 the DLGSC announced the draft regulations that will introduce mandatory minimum standards covering the recruitment, selection, performance review and early termination of local government CEOs were available for consultation. A copy of the proposed regulations and explanatory memorandum is included as an Attachment.

It is interesting to note that, despite advocacy by WALGA, the Working Group has not since been reconvened, and the draft regulations include several elements that were highlighted as matters of concern by the sector.

The draft regulations will bring into effect Section 22 of the *Local Government Legislation Amendment Act 2019* which includes:

1. Section 5.39A - Model Standards for CEO recruitment, performance and termination;
2. Section 5.39B - Adoption of Model Standards; and
3. Section 5.39C - Policy for temporary employment or appointment of a CEO.

In addition, requirements for advertising vacant CEO positions have been updated to align with impending amendments to state-wide public notice provisions.

Upon the DLGSC's announcement WALGA immediately sought an extension as the original deadline proposed for comment from the sector was Friday 13 November 2020.

It is disappointing that the Department responsible for the sector appears to have such a disregard for the timeframes associated with local government decision making when it could be considered well known that many Councils only conduct meetings once per month. The above-mentioned deadline would not allow most of the State's local governments the ability to consider the proposed regulations at a formal Council meeting. The DLGSC subsequently extended the deadline for comment until Sunday 6 December 2020.

A copy of the initial feedback provided by WALGA and LG Professionals WA is included as an Attachment. From this staff have developed a draft submission which is also included as an Attachment for Council's consideration.

In summary, the main concerns with the Draft Regulations include:

Topic	Comment
Requirement to re-advertise CEO position upon 10 years continuous service	This requirement diminishes local governments' general competence powers, could risk allegations of non-compliance with Section 5.40 of the LG Act, increases unnecessary costs and time constraints and have further implications on the attraction of CEOs to a role due to family and social considerations
Independent panel member	There is no guidance on what the role of this panel member is or whether the position is paid or not. There are inadequate controls on the conduct of such a panel member. There is a risk that the panel member does not have the adequate knowledge of local government operations in order to be a valuable member of the panel

Selection panel as a Council Committee	By not being appointed as a Committee of Council there are limited controls around the conduct and operation of the panel, particularly around confidentiality and behaviours. The requirements appear to diminish Council's involvement in and control over the recruitment, selection and appointment of the CEO, which is the only position the Council are responsible for employing
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As the CEO is such a critical position within the organisation, and these Draft Regulations will mandate the process around the recruitment, selection, performance review and early termination of the CEO for many years to come, it is important that Council consider this matter and its implications appropriately.

Council may wish to add further comment to the draft submission or make any corrections and/or amendments.

Model CoC

On 27 June 2019, the *Local Government Legislation Amendment Act 2019* was passed in Parliament. The Act includes a requirement for the introduction of a mandatory CoC for council members, committee members and candidates.

New regulations will bring into effect Sections 48 to 51 of the *Local Government Legislation Amendment Act 2019* which includes:

1. Section 5.103 - Model CoC for council members, committee members and candidates; and
2. Section 5.104 - Adoption of the model CoC.

The new regulations set out:

1. The general principles to guide the behaviour of council members, committee members and candidates;
2. The requirements relating to the behaviour of council members, committee members and candidates;
3. The mechanism for dealing with alleged breaches of those requirements; and
4. The rules of conduct for council members and candidates.

The *Local Government (Rules of Conduct) Regulations 2007* will be repealed and be replaced with the proposed *Local Government (Model Code of Conduct) Regulations 2020*.

In preparation for the new CoC, the DLGSC invited WALGA and other parties to participate in a Working Group to consider the content of a future CoC. The DLGSC discontinued the Working Group in May 2019 and released a Consultation Paper without endorsement by the Working Group in September 2019. The DLGSC previously sought feedback on the draft CoC in late 2019, with submissions closing on 6 December 2019.

On 26 October 2020 the DLGSC announced the draft regulations that will introduce a model CoC were available for consultation. A copy of the proposed regulations and explanatory memorandum is included as an Attachment.

It is interesting to note that, despite advocacy by WALGA, the Working Group has not since been reconvened, and the draft regulations still include several elements that were highlighted as matters of concern by the sector.

WALGA have again provided comment and it should be noted that the LG Professionals WA comment was not available at the time of the release of this agenda hence it will be provided as a late item. Staff have considered the feedback and it is included in the Attachment.

Among concerns previously noted is the requirement for local governments to determine behavioural breach allegations specified in Division 3 of the Draft Regulations. The administrative process for dealing with breach allegations is unspecified and the option to use external consultants so that impartial and procedurally fair outcomes can be achieved will prove costly, particularly where numerous allegations arise. It is also open for 'any person' to make a complaint which may in extreme circumstances lead to a proliferation of complaints.

Further, in small communities it may make it difficult for the local government to consider the complaint, as the end result of any consideration may be that relationships become strained or the community perception is that the process was not fair or equitable.

Consultation

WALGA Governance Team
Council – email dated Thursday 29 October 2020
Rebecca McCall, Chief Executive Officer

Policy Implications

Upon gazettal of the draft regulations it is possible that Council Policy 3.12 – Senior Employees and Acting CEO Policy may require review and amendment, depending on the final content of the regulations. Advice from WALGA's Governance Team suggests the Policy is compliant with the legislative requirements as they currently stand.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Upon gazettal, and subject to any amendment(s) made prior, the requirements of the draft regulations relating to CEO recruitment, selection, appointment and termination will need to be complied with.

Upon gazettal of the model CoC Council will have three months in which to review/repeal its current CoC and adopt the model standards. An Absolute Majority decision will be required to adopt the CoC. Once adopted, the CoC must be published on the local government's website.

Risk Implications

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Minor (2)
Likelihood Rating	Rare (1)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Governance Management Framework
Action (Treatment)	Document Governance Management Framework
Risk Rating (after treatment)	Adequate

Financial Implications

The recruitment, selection, appointment and ongoing appraisal of a CEO can be an expensive process. It is anticipated that the new Regulation will result in additional costs for local governments to conduct that process. This is mainly due to the proposal for a mandated independent member of the selection panel and advertising costs. These additional costs will need to be factored into future budgets with Council needing to consider how it is to be resourced.

It is not anticipated that costs will increase greatly by adopting the model CoC, unless the requirements regarding breaches is required to be utilised.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 12.2

That, in accordance with the *Local Government Act 1995*, Council:

- 1. Endorses the draft submission to the proposed regulations and mandatory model standards for Chief Executive Officers' recruitment, performance and termination and the proposed regulations and mandatory model Code of Conduct, as presented in Attachment 12.2D; and**
- 2. Requests the submission be provided to the Department of Local Government, Sport and Cultural Industries prior to Sunday 6 December 2020, with a copy also provided to the WA Local Government Association.**

12.3 Integrated Planning and Reporting - Corporate Business Plan - Quarterly Monitoring Review - October 2020

Governance & Compliance



Date:	11 November 2020
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 - Corporate Business Plan - Quarterly Monitoring Review - October 2020 (will be available as a Late Item)

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the Integrated Planning & Reporting (IPR) Corporate Business Plan Quarterly Monitoring Review for October 2020 to Council for consideration and, if satisfactory, adoption.

Background

In 2013 the Shire of Dowerin prepared three components of its first suite of plans to meet the requirements of Western Australia's IPR framework.

Council has the responsibility to make strategic decisions, set policy and direction, provide oversight, and monitoring to ensure the adopted plans are achieved on behalf of its community. The CEO and the Administration's IPR responsibilities are to support Council through:

1. The design of the planning and monitoring processes;
2. Providing Council with the best available information to make decisions;
3. Following through to implement plans with the allocated resources; and
4. Tracking performance and reporting progress to Council.

The IPR planning and monitoring cycle is continuous. The planning cycle requires all local governments to undertake a major strategic review every four years. This meant the Shire of Dowerin's first Strategic Review was undertaken in 2017/18. Council's IPR Suite of Plans includes:

Name of Plan	Month Adopted
Reviewed Strategic Community Plan	Adopted March 2018
Asset Management Plan	Adopted May 2018
Long Term Financial Plan	Adopted May 2018

Reviewed Corporate Business Plan	Adopted March 2019
Reviewed Workforce Plan	Adopted May 2019

Comment

With the implementation of the IPR Suite of Plans, monitoring is undertaken through the IPR Framework Process Plan outlining Dowerin's Baseline Report to include:

1. Theme;
2. Objective;
3. Outcome;
4. Strategy; and
5. Key Actions.

The Corporate Business Plan Quarterly Monitoring Review – October 2020 will be presented to Council for its perusal.

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 Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability on involving community needs.

Outcome: 3

Reference: L6.2

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

The adoption, implementation and monitoring of the IPR Suite of Plans provides a mechanism to:

1. Deliver accountable and measurable outcomes; and
2. Deliver services and manage assets that can sustain the community.

Management of systems with the rigour of process and integrity of data to accurately reflect asset management costs.

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

Officer's Recommendation – 12.3

That, in accordance with Section 5.56(1) of the *Local Government Act 1995*, Council receives the Corporate Business Plan - Quarterly Monitoring Review - October 2020, as presented in Attachment 12.3A.

13. OFFICER'S REPORTS – WORKS AND ASSETS

13.1 Request for Tender – Appointment of Pre-qualified Supplier Panel for Wet & Dry Hire of Plant & Equipment

<h1>Works & Assets</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	9 November 2020	
Location:	Not applicable	
Responsible Officer:	Les Vidovich, Manager Works & Assets	
Author:	As above	
Legislation:	<i>Local Government Act 1995; Local Government (Functions & General) Regulations 1996</i>	
Sharepoint Reference:	Organisation/Corporate Management/Tendering	
Disclosure of Interest:	Nil	
Attachments:	Confidential Attachment 13.1A – Draft Tender Specifications	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the draft tender specifications for the selection of a pre-qualified supplier panel for wet and dry hire of plant and equipment to Council for consideration and, if satisfactory, adoption.

Background

At its February 2019 meeting Council considered the outcome of Tender 2019-02 and resolved (Confidential Item 13.1.5):

“That Council, by Absolute Majority, pursuant to Section 24(c) of the Local Government (Functions and General) Regulations 1996;

- 1. Include all tenderers on the panel of pre-qualified suppliers;***
- 2. Gives highest ranking to local panel members; and***
- 3. Source hire from multiple panel members when plant cannot be sourced from local panel members.”***

The Panel was established for a two-year period and expires on 25 February 2021. Within the original Request for Tender (RFT) document, no provision was included to allow for either a renewal or extension of the Panel.

A new RFT document has been prepared for a further two-year period with a possible twelve-month extension subject to performance, funding etc. The RFT document is included as a confidential Attachment.

Comment

By establishing a Pre-qualified Panel of Contractors for the supply of 'Wet and Dry Hire of Plant and Equipment', Officers will be able to obtain services from a Council approved list of suppliers without the need to undertake the time consuming procurement process of obtaining three quotes as currently stands in Council Policy 4.11 - Purchasing Policy.

Work will be awarded based on a ranking system determined by Council. Staff will then invite the highest ranked panel member to accept the offer of work. Should an offer be declined, an invitation to the next ranked panel member is to be made and so forth until one is appointed.

The RFT package will include all relevant documentation in accordance with legislative requirements and will incorporate the relevant selectional qualitative criteria and weightings (as approved by Council) to be applied during the tender analysis.

Permission is sought from Council to advertise this RFT in accordance with legislative requirements, with a report to be provided to the next Ordinary Meeting of Council following the close of tenders for determination, once the appropriate advertising and evaluation process is completed.

Consultation

Senior Management Team

Policy Implications

Policy 4.11 – Purchasing Policy is applicable and states:

“Panels of Pre-Qualified Suppliers

In accordance with Regulation 24AC of the Local Government (Functions and General) Regulations 1996, a Panel of Prequalified Suppliers (“Panel”) may be created where most of the following factors apply:

- 1. the Shire of Dowerin determines that a range of similar goods and services are required to be purchased on a continuing and regular basis;*
- 2. there are numerous potential suppliers in the local and regional procurement-related market sector(s) that satisfy the test of ‘value for money’;*
- 3. the purchasing activity under the intended Panel is assessed as being of a low to medium risk;*
- 4. the Panel will streamline and will improve procurement processes; and*
- 5. the Shire of Dowerin has the capability to establish, manage the risks and achieve the benefits expected of the proposed Panel.*

The Shire of Dowerin will endeavour to ensure that Panels will not be created unless most of the above factors are firmly and quantifiably established.

Should the Shire of Dowerin determine that a Panel is beneficial to be created, it must do so in accordance with Part 4, Division 3 the Local Government (Functions and General) Regulations 1996.

Panels may be established for one supply requirement, or a number of similar supply requirements under defined categories within the Panel.

Panels may be established for a minimum of two (2) years and for a maximum length of time deemed appropriate by the Shire of Dowerin.

Evaluation criteria must be determined and communicated in the application process by which applications will be assessed and accepted.

Where a Panel is to be established, the Shire of Dowerin will endeavour to appoint at least three (3) suppliers to each category, on the basis that best value for money is demonstrated. Where less than three (3) suppliers are appointed to each category within the Panel, the category is not to be established.

In each invitation to apply to become a pre-qualified supplier (through a procurement process advertised through a state-wide notice), the Shire of Dowerin must state the expected number of suppliers it intends to put on the panel.

Should a Panel member leave the Panel, they may be replaced by the next ranked Panel member determined in the value for money assessment should the supplier agree to do so, with this intention to be disclosed in the detailed information set out under Regulation 24AD(5)(d) and (e) when establishing the Panel.

To satisfy Regulation 24AD(5) of the Regulations, when establishing a Panel of pre-qualified suppliers, the detailed information associated with each invitation to apply to join the Panel must either prescribe whether the Shire of Dowerin intends to:

- 1. Obtain quotations from each pre-qualified supplier on the Panel with respect to all purchases, in accordance with Clause 11.4; or*
- 2. Purchase goods and services exclusively from any pre-qualified supplier appointed to that Panel, and under what circumstances; or*
- 3. Develop a ranking system for selection to the Panel, with work awarded in accordance with Clause 11.3(b).*

In considering the distribution of work among Panel members, the detailed information must also prescribe whether:

- 1. each Panel member will have the opportunity to bid for each item of work under the Panel, with pre-determined evaluation criteria forming part of the invitation to quote to assess the suitability of the supplier for particular items of work. Contracts under the pre-qualified panel will be awarded on the basis of value for money in every instance; or*
- 2. work will be awarded on a ranked basis, which is to be stipulated in the detailed information set out under Regulation 24AD(5)(f) when establishing the Panel. The Shire of Dowerin is to invite the highest ranked Panel member, who is to give written notice as to whether to accept the offer for the work to be undertaken. Should the offer be declined, an invitation to the next ranked Panel member is to be made and so forth until a Panel member accepts a Contract. Should the list of Panel members invited be exhausted with no Panel member accepting the offer to provide goods/services under the Panel, the Shire of Dowerin may then invite suppliers that are not pre-qualified under the Panel, in accordance with the Purchasing Thresholds stated in section 5.5 of this Policy. When a ranking system is established, the Panel must not operate for a period exceeding 12 months. In every instance, a contract must not be formed with a pre-qualified supplier for an item of work beyond 12 months, which includes options to extend the contract.*

The invitation to apply to be considered to join a panel of pre-qualified suppliers must state whether quotations are either to be invited to every member (within each category, if applicable) of the Panel for each purchasing requirement, whether a ranking system is to be established, or otherwise.

Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and notification of award communications must all be captured on the Shire of Dowerin's electronic records system. A separate file is to be maintained for each quotation process made under each Panel that captures all communications between the Shire of Dowerin and Panel members.

Records of all communications with Panel members, with respect to the quotation process and all subsequent purchases made through the Panel, must be kept. For the creation of a Panel, this includes:

- 1. The procurement initiation document such as a procurement business case which justifies the need for a Panel to be created;*
- 2. Procurement Planning and approval documentation which describes how the procurement is to be undertaken to create and manage the Panel;*
- 3. Request for Applications documentation;*
- 4. Copy of public advertisement inviting applications;*
- 5. Copies of applications received;*
- 6. Evaluation documentation, including clarifications sought;*
- 7. Negotiation documents such as negotiation plans and negotiation logs;*
- 8. Approval of award documentation;*
- 9. All correspondence to applicants notifying of the establishment and composition of the Panel*

such as award letters;

10. *Contract Management Plans which describes how the contract will be managed; and*

11. *Copies of framework agreements entered into with pre-qualified suppliers.*

The Shire of Dowerin is also to retain itemised records of all requests for quotation, including quotations received from pre-qualified suppliers and contracts awarded to Panel members. A unique reference number shall be applied to all records relating to each quotation process, which is to also be quoted on each purchase order issued under the Contract. Information with regards to the Panel offerings, including details of suppliers appointed to the Panel, must be kept up to date, consistent and made available for access by all officers and employees of the Shire of Dowerin."

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure

Objective: Our infrastructure will drive economic and population growth, be a key enabler of the digital economy and support reliable, efficient service delivery

Outcome: 1

Reference: 12

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Section 3.57 of the *Local Government Act 1995* is applicable and states:

"3.57. Tenders for providing goods or services

- (1) *A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) *Regulations may make provision about tenders."*

Division 2 of the *Local Government (Functions & General) Regulations 1996* is applicable for the conduct of a tender process.

Division 3 of the *Local Government (Functions & General) Regulations 1996* is applicable for the establishment of panels of pre-qualified supplier and states:

"Division 3 – Panels of pre-qualified suppliers

24AA. Terms used

In this Division –

panel of pre-qualified suppliers means a panel of pre-qualified suppliers of goods or services established in accordance with this Division;

pre-qualified supplier, of particular goods or services, means a person who is part of a panel of pre-qualified suppliers for the supply of those goods or services.

24AB. Local government may establish panels of pre-qualified suppliers

A local government may establish a panel of pre-qualified suppliers to supply particular goods or services to the local government in accordance with this Division.

24AC. Requirements before establishing panels of pre-qualified suppliers

- (1) *A local government must not establish a panel of pre-qualified suppliers unless –*

- (a) *it has a written policy that makes provision in respect of the matters set out in subregulation (2); and*
 - (b) *the local government is satisfied that there is, or will be, a continuing need for the particular goods or services to be supplied by pre-qualified suppliers.*
- (2) *The matters referred to in subregulation (1)(a) are —*
 - (a) *how the local government will procure goods or services from pre-qualified suppliers, including any process for obtaining quotations from them; and*
 - (b) *how the local government will ensure that each pre-qualified supplier on a panel of pre-qualified suppliers will be invited to quote for the supply of the goods or services that the pre-qualified suppliers will be expected to supply; and*
 - (c) *how the local government will ensure clear, consistent and regular communication between the local government and pre-qualified suppliers; and*
 - (d) *any factors that the local government will take into account when distributing work among pre-qualified suppliers; and*
 - (e) *the recording and retention of written information, or documents, in respect of —*
 - (i) *all quotations received from pre-qualified suppliers; and*
 - (ii) *all purchases made from pre-qualified suppliers.*

24AD. Requirements when inviting persons to apply to join panel of pre-qualified suppliers

- (1) *If a local government decides to establish a panel of pre-qualified suppliers of particular goods or services, persons are to be publicly invited to apply to join the panel.*
- (2) *Statewide public notice of the invitation to apply to join a panel of pre-qualified suppliers is to be given.*
- (3) *The local government must, before applications to join a panel of pre-qualified suppliers for particular goods or services are publicly invited, determine in writing the criteria for deciding which applications should be accepted.*
- (4) *A notice under subregulation (2) is to include —*
 - (a) *a brief description of the goods or services that persons on the panel of pre-qualified suppliers will be expected to supply; and*
 - (b) *particulars identifying a person from whom more detailed information about the proposed panel of pre-qualified suppliers of particular goods or services may be obtained; and*
 - (c) *information as to where and how applications to join the panel of pre-qualified suppliers may be submitted; and*
 - (d) *the date and time after which applications to join the panel of pre-qualified suppliers cannot be submitted.*
- (5) *In subregulation (4)(b) a reference to detailed information about a proposed panel of pre-qualified suppliers of particular goods or services includes a reference to —*
 - (a) *the local government's written policy referred to in regulation 24AC(1)(a); and*
 - (b) *such information as the local government decides should be disclosed to those interested in applying to join the panel; and*
 - (c) *detailed specifications of the goods or services that pre-qualified suppliers on the panel will be expected to supply; and*
 - (d) *the criteria for deciding which applications to join the panel should be accepted; and*
 - (e) *an explanation of how the panel will operate; and*
 - (f) *whether or not the local government intends to purchase the goods or services exclusively from pre-qualified suppliers on the panel; and*
 - (g) *a statement to the effect that there is no guarantee that the local government will purchase goods or services from pre-qualified suppliers on the panel; and*
 - (h) *the period for which the panel will be established; and*

- (i) *the number of pre-qualified suppliers the local government intends to put on the panel.*

- (6) *After a notice has been given under subregulation (2), a local government may vary the information referred to in subregulations (4) and (5) by taking reasonable steps to give each person who has sought detailed information about the proposed panel or each person who has submitted an application, as the case may be, notice of the variation.*

24AE. Minimum time to be allowed for submitting application to join panel of pre-qualified suppliers

If notice under regulation 24AD(2) is given, the date and time referred to in regulation 24AD(4)(d) has to be at least 14 days after the notice is —

- (a) *published on the local government's official website; and*
- (b) *published in at least 3 of the ways prescribed in the Local Government (Administration) Regulations 1996 regulation 3A(2).*

24AF. Procedure for receiving and opening applications

Regulation 16 applies to the receiving and opening of applications to join a panel of pre-qualified suppliers as if a reference in that regulation to a tender were a reference to an application to join a panel of pre-qualified suppliers.

24AG. Information about panels of pre-qualified suppliers to be included in tenders register

- (1) *The tenders register kept under these regulations must include, for each invitation to apply to join a panel of pre-qualified suppliers —*
 - (a) *a brief description of the goods or services persons on the panel will be expected to supply; and*
 - (b) *a copy of the notice of the invitation to apply to join the panel; and*
 - (c) *the name of each applicant whose application has been opened; and*
 - (d) *the name of any successful applicant.*
- (2) *The tenders register is to include for each invitation to apply to join a panel of pre-qualified suppliers the pricing schedule, or a summary of the amount of the consideration sought, in the applications accepted by the local government.*

24AH. Rejecting and accepting applications to join panel of pre-qualified suppliers

- (1) *An application to join a panel of pre-qualified suppliers (an **application**) is required to be rejected unless it is submitted at a place, and within the time, specified in the invitation for applications to join the panel.*
- (2) *An application that is submitted at a place, and within the time, specified in the invitation but that fails to comply with any other requirement specified in the invitation may be rejected without considering the merits of the application.*
- (3) *Applications that have not been rejected under subregulation (1) or (2) are to be assessed by the local government by means of a written evaluation of the extent to which each application satisfies the criteria for deciding which applications to accept and it is to decide which of them (if any) it thinks it would be most advantageous to the local government to accept.*
- (4) *To assist the local government in deciding whether an application would be advantageous to it to accept, the person who submitted the application may be requested to clarify the information provided in it.*
- (5) *The local government may decline to accept any application.*

24AI. Applicants to be notified of outcome

After the local government has decided under regulation 24AH which applications (if any) it will accept, the CEO is to give each person who submitted an application notice in writing advising —

- (a) *that the person's application was accepted and that the person is, for the period specified in the notice, to be part of a panel of pre-qualified suppliers of the particular goods or services; or*

(b) that the person's application was not accepted.

24AJ. Contracts with pre-qualified suppliers

- (1) The local government may enter into a contract, or contracts, for the supply of goods or services with a pre-qualified supplier who is part of a panel of pre-qualified suppliers for the supply of those particular goods or services.
- (2) A contract referred to in subregulation (1) must not —
 - (a) be for a term exceeding 12 months; or
 - (b) contain an option to renew or extend its term."

Risk Implications

Risk Profiling Theme	Supplier/Contract Management
Risk Category	Project Budget
Risk Description	\$200,001 - \$500,000
Consequence Rating	Minor (2)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Annual Budget
Action (Treatment)	Develop Standardised Contracts; Document Financial Controls
Risk Rating (after treatment)	Adequate

Financial Implications

Financial consideration of the approved Panel of 'Wet and Dry Hire of Plant and Equipment' will form part of annual budget deliberations and be included in relevant construction and operational budgets for the provision of the Shire's Works and Assets Department.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 13.1

That, in accordance with Section 3.57 of the *Local Government Act 1995* and Division 3 of the *Local Government (Functions and General) Regulations 1996*, Council:

1. Endorses the Tender Specifications for the establishment of a Pre-qualified Panel of Suppliers for Wet and Dry Hire of Plant and Equipment, as presented in Confidential Attachment 13.1A;
2. Approves the Selection Criteria and Weightings as contained in the Tender Specifications mentioned in point 1 above;
3. Endorses advertising of the Tender Specifications for the establishment of a Pre-qualified Panel of Suppliers for Wet and Dry Hire of Plant and Equipment; and
4. Notes that a confidential report will be presented to Council at the next Ordinary Meeting of Council following the close of tender submissions and completion of the tender evaluation process.

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

15. Elected Members' Motions

16. Matters Behind Closed Doors

16.1 Staff – Chief Executive Officer – Performance Appraisal 2020

In accordance with Section 5.23(2)(a) of the *Local Government Act 1995*, Council will go Behind Closed Doors to discuss a matter affecting an employee.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 16.1

That, in accordance with Section 5.23(2)(a) of the *Local Government Act 1995*, Council go Behind Closed Doors to discuss a matter affecting an employee.

The matter of the CEO's Performance Appraisal will be discussed and a resolution made.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation – 16.1A

That, in accordance with Section 5.23 of the *Local Government Act 1995*, Council come out from Behind Closed Doors.

The President will read aloud the Council Resolution made Behind Closed Doors. This will be reported in the Minutes.

17. Closure



MINUTES

Ordinary Council Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 20 October 2020



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

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14.	Elected Members' Motions
15.	Matters Behind Closed Doors
16.	Closure

Shire of Dowerin
Ordinary Council Meeting
Tuesday 20 October 2020



1. Official Opening / Obituaries

The President welcomed those in attendance and declared the meeting open at 2.06pm.

2. Record of Attendance / Apologies / Leave of Absence

Councillors:

Cr DP Hudson	President
Cr BA Ward	Deputy President
Cr LG Hagboom	
Cr LH Holberton	
Cr AJ Metcalf	
Cr JC Sewell	
Cr RI Trepp	

Staff:

Ms R McCall	Chief Executive Officer
Ms C Delmage	Manager Corporate & Community Services
Mr L Vidovich	Manager Works & Assets
Ms V Green	Executive & Governance Officer

Members of the Public: Nil

Apologies: Nil

Approved Leave of Absence: Nil

3. Public Question Time

Nil

4. Disclosure of Interest

Nil

5. Applications for Leave of Absence

Councillors Hagboom and Metcalf requested Leave of Absence for the November 2020 Council and Committee Meetings.

Voting Requirements



Simple Majority



Absolute Majority

Councillor's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Holberton

- 0283** That, in accordance with Section 2.25 of the *Local Government Act 1995*, Council grants Leave of Absence to Councillors Hagboom and Metcalf for the November 2020 Council and Committee Meetings.

CARRIED 7/0

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 15 September 2020

Attachment 7.1A

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution
--

Moved: Cr Trepp

Seconded: Cr Sewell

- 0284** That, in accordance with Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, Council confirms the Minutes of the Ordinary Council Meeting held on 15 September 2020, as presented in Attachment 7.1A, are a true and correct record of proceedings.

CARRIED 7/0

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

9.	Announcements by the President Without Discussion
-----------	--

The President advised Council that he officiated over the citizenship ceremony for the Scheepers family in Cadoux at the beginning of the month, which the Deputy President and CEO also attended. The President added that the ceremony was very well attended, with the support and facilitation for the event being a credit to the Cadoux community.

10. OFFICER'S REPORTS – CORPORATE AND COMMUNITY SERVICES

10.1 Financial Activity Statements

<div>Corporate & Community Services</div>		
Date:	14 October 2020	
Location:	Not Applicable	
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services	
Author:	As above	
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>	
SharePoint Reference:	Organisation / Financial Management / Reporting / Financial Statements / 2020-2021 Monthly Financial Statements	
Disclosure of Interest:	Nil	
Attachments:	Attachment 10.1A – Financial Activity Statements	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the Statement of Financial Activity to Council for the period ending 30 September 2020.

Background

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

Regulations 34 & 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 to 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

Megan Shirt, Consultant

Cherie Delmage, Manager Corporate & Community Services

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 Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

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 & Legislation
Action (Treatment)	Nil
Risk Rating (after treatment)	Adequate

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Cr Ward

0285 That, in accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, Council receives the statutory Financial Activity Statement report, as presented in Attachment 10.1A, for the period ending 30 September 2020.

CARRIED 7/0

10.2 List of Accounts Paid

Corporate & Community Services



Date:	8 October 2020
Location:	Not Applicable
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Jasmine Pietrocola, Accounts Finance 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 10.2A – List of Accounts Paid

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the List of Accounts Paid, paid under delegated authority, for September 2020.

Background

Nil

Comment

The List of Accounts Paid as presented has been reviewed by the MCCS.

Consultation

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Jasmine Pietrocola, Accounts 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 Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 12 & 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

Council would be contravening to the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if this item was not presented.

Financial Implications

Funds expended are in accordance with Council's adopted 2020/21 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Sewell

0286

That, in accordance with Regulations 12 and 13 of the *Local Government (Financial Management) Regulations 1996*, Council 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 10.2A, and as detailed below:

List of Accounts Paid – September 2020	
EFT7995 to EFT8064	\$208,942.44
Cheques 10840 to 10847	\$15,691.08
DD11062; NAB Credit Card; August 2020	\$5,693.03
DD11081; Puma Energy Fuel; August 2020	\$741.14
DD11053, 11058, 11068 & 11078; Superannuation	\$21,842.40
DD130870 & 130871; Bank Fees	\$844.00
Net Payroll; PPE 02 September 2020	\$65,807.18
Net Payroll; Interim Pay 08 September 2020	\$1,886.20
Net Payroll; PPE 16 September 2020	\$48,012.10
Net Payroll; PPE 30 September 2020	\$54,380.03
TOTAL	\$423,839.60

CARRIED 7/0

10.3 Recalcitrant Rates Debtors – September 2020

<div>Corporate & Community Services</div> <div>  <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p> </div>	
Date:	1 October 2020
Location:	Various
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Sheldon Cox, Rates Officer
Legislation:	<i>Local Government Act 1995; Local Government (Financial Management) Regulations 1996</i>
Sharepoint Reference:	Organisation/Rates and Evaluations/Reporting/2020 Recalcitrant Rates Debtors
Disclosure of Interest:	Nil
Attachments:	Attachment 10.3A – Recalcitrant Rates Debtors

Purpose of Report



Executive Decision



Legislative Requirement

Summary

The Shire of Dowerin recalcitrant rates debtors report for September 2020 details non-pensioner 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% of the rates levied outstanding at the end of the financial year. Council is currently not achieving this due to several assessments that are holding a large debt.

Comment

Instalment reminders and final notices have been sent to all outstanding ratepayers, including those on special arrangements.

Those on special arrangements who have upheld payments have been sent a letter attached to the notice, stating the notice is for records purposes only.

Those on special arrangements who have not upheld payments have been sent a letter stating the arrangement has been removed and legal action has recommenced. The outstanding total for these is now due immediately and accruing interest daily.

Various properties are being considered for the 3-year rule, and discussions with rates officers from other local governments has taken place to find similar situations and experiences to gather advice on the best course of action.

Contact has also been made with some other ratepayers who have not been paying on either arrangement or instalments.

Consultation

Sheldon Cox, Rates Officer

Louise Sequerah, Acting Rates Officer
Cherie Delmage, Manager Corporate & Community Services
Lauren Marsh, Senior Account Manager – AMPAC Debt Recovery
Association of Rates Officers
Troy Hancock, Legislation Officer, DLGSC

Policy Implications

Nil

Statutory Implications

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

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

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	Moderate (3)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (8)
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

It is estimated that \$64,422.28 of the outstanding balance will be considered an unrecoverable bad debt.

Cr Metcalf left 2.32pm in 2.33pm

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Cr Sewell

0287

That Council receives the report of Recalcitrant Rates Debtors, as presented in Attachment 10.3A.

CARRIED 7/0

10.4 Policy Manual Review – Policy 3.13 – Recruitment & Selection Policy

Corporate & Community Services		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	5 October 2020	
Location:	Not applicable	
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Fair Work Act 2009; Equal Employment Opportunity Act 1984; Sex Discrimination Act 1984; Racial Discrimination Act 1975; Disability Discrimination Act 1992</i>	
Sharepoint Reference:	Organisation/Governance/Council Policies	
Disclosure of Interest:	Nil	
Attachments:	<u>Attachment 10.4A</u> – Policy 3.13 – Recruitment & Selection Policy	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents Policy 3.13 – Recruitment & Selection Policy to Council for rescission.

Background

Policy 3.13 – Recruitment & Selection Policy was adopted by Council in March 2014 and was reviewed in April 2018.

Staff have undertaken a further review of the Policy.

Comment

Management considers the policy surplus to requirements, as the principles that apply to a local government in respect of its employees are covered by legislation, as is fair work, discrimination and equal employment opportunity.

Further, the recruitment of employees is a function of the CEO therefore it is administrative and procedural in nature. The Officer's Recommendation therefore suggests the policy be rescinded.

Consultation

Senior Management Team

Policy Implications

The Policy Manual will be updated accordingly, should Council resolve to rescind the policy.

Statutory Implications

Section 2.27(2)(b) of the *Local Government Act 1995* is 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.”*

Section 5.40 of the *Local Government Act 1995* is also applicable and states:

“5.40. Principles affecting employment by local governments

The following principles apply to a local government in respect of its employees –

- (a) employees are to be selected and promoted in accordance with the principles of merit and equity; and*
- (b) no power with regard to matters affecting employees is to be exercised on the basis of nepotism or patronage; and*
- (c) employees are to be treated fairly and consistently; and*
- (d) there is to be no unlawful discrimination against employees or persons seeking employment by a local government on a ground referred to in the Equal Opportunity Act 1984 or on any other ground; and*
- (e) employees are to be provided with safe and healthy working conditions in accordance with the Occupational Safety and Health Act 1984; and*
- (f) such other principles, not inconsistent with this Division, as may be prescribed.”*

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

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

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Holberton

Seconded: Cr Trepp

0288 That, in accordance with Section 2.27(2)(b) of the *Local Government Act 1995*, Council rescinds Policy 3.13 – Recruitment and Selection Policy, as presented in Attachment 10.4A.

CARRIED 7/0

11. OFFICER'S REPORTS – GOVERNANCE AND COMPLIANCE

11.1 2021 Ordinary Council Meeting Dates

<h1 style="color: red;">Governance & Compliance</h1>		 SHIRE OF DOWERIN <small>TIN DOG TERRITORY</small>
Date:	11 September 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995</i>	
SharePoint Reference:	Organisation/Governance/Council Meetings	
Disclosure of Interest:	Nil	
Attachments:	Nil	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the proposed dates for the 2021 Ordinary Council Meetings to Council for consideration and, if satisfactory, adoption.

Background

In accordance with Regulation 12 of the *Local Government (Administration) Regulations 1996* and Policy 1.7 – Council Meetings, at least once each year a local government is to give local public notice of the dates, times and place at which the Ordinary Meetings of Council are to be held in the next 12 months.

As such, the Shire of Dowerin is required to advertise the meeting dates for the Ordinary Meetings of Council for 2021.

Comment

Since November 2019, Council's Ordinary Meetings have been held on the third Tuesday of the month commencing at 2.00pm.

It should be noted that 2021 is an election year. Local Government Ordinary Elections are held on the third Saturday in October, being Saturday 16 October 2021. With the Ordinary Meeting of Council being held on the third Tuesday (Tuesday 19 October 2021) there will not be a need for a Special Meeting of Council to be called to swear in the Councillors-Elect.

Similarly, Easter 2021 is on Friday 2 April 2021 to Monday 5 April 2021 hence the Ordinary Council Meetings will not be affected.

Conducting the Ordinary Meetings of Council on the third Tuesday also avoids conflict with the Field Days therefore, in accordance with Council Policy 1.7 – Council Meetings, and as there has been no suggestion of a need to change the date or time of the Ordinary Meetings, the Officer's Recommendation suggests that the status quo remain.

Consultation

Nil

Policy Implications

Policy 1.7 – Council Meetings is applicable. The Policy states:

“Ordinary Meetings of Council shall be held on the third Tuesday of each month commencing at 2.00pm.

In accordance with Regulation 12 of the Local Government (Administration) Regulations 1996 the Chief Executive Officer is to present an Item to Council no later than December each year requesting Council confirm the dates for the Ordinary Meetings of Council for the following year.

When considering the Ordinary Meetings of Council dates for the following year, Council will make a determination on whether or not to conduct a meeting in January.”

Should Council wish to change the date or time of its Ordinary Council Meetings, the Policy will also require a review.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 12 of the *Local Government (Administration) Regulations 1996* is applicable and states:

“12. Meetings, public notice of (Act s. 5.25(1)(g))

- (1) *At least once each year a local government is to give local public notice of the dates on which and the time and place at which –
 - (a) the ordinary council meetings; and
 - (b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public,are to be held in the next 12 months.*
- (2) *A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).*
- (3) *Subject to subregulation (4), if a special meeting of a council is to be open to members of the public then the local government is to give local public notice of the date, time, place and purpose of the special meeting.*
- (4) *If a special meeting of a council is to be open to members of the public but, in the CEO’s opinion, it is not practicable to give local public notice of the matters referred to in subregulation (3), then the local government is to give public notice of the date, time, place and purpose of the special meeting in the manner and to the extent that, in the CEO’s opinion, is practicable.”*

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

Funds are included in the 2020/21 Budget to cover any costs associated with conducting Council Meetings, and to advertise and promote the dates of Ordinary Council Meetings.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Trepp

0289

That, in accordance with Regulation 12(1) of the *Local Government (Administration) Regulations 1996*, Council resolves to conduct its 2021 Ordinary Meetings of Council, commencing at 2.00pm, on the following dates:

Tuesday 19 January 2021	Tuesday 20 July 2021
Tuesday 16 February 2021	Tuesday 17 August 2021
Tuesday 16 March 2021	Tuesday 21 September 2021
Tuesday 20 April 2021	Tuesday 19 October 2021
Tuesday 18 May 2021	Tuesday 16 November 2021
Tuesday 15 June 2021	Tuesday 21 December 2021

CARRIED 7/0

11.2 Shire of Dowerin Christmas/New Year Opening Hours

Governance & Compliance



Date:	11 September 2020
Location:	Not applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Vanessa Green, Executive & Governance Officer
Legislation:	Nil
SharePoint Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Nil

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a proposal to close the Administration Office, Depot and Dowerin Home Care (DHC) Office over the Christmas/New Year period to Council for consideration and, if satisfactory, endorsement.

Background

For a number of years the Administration, Depot and DHC (the Offices) have closed during the Christmas/New Year period as it is an extremely quiet period with minimal visitations and phone enquiries. It is also common for many residents of the Shire to travel elsewhere at this time of year with other businesses also closing.

Comment

The Christmas Day public holiday will be observed on Friday 25 December 2020 with the Boxing Day public holiday being observed on Monday 28 December 2020, meaning the Offices would be closed on both those days. The New Year's Day public holiday will be observed on Friday 1 January 2021 and again, the Offices would be closed on that day. There are three business days during that week which the Offices could be open.

However, to allow time for staff to spend Christmas and New Year with family or friends it is requested that the Offices close from 4.00pm on Wednesday 23 December 2020 to Friday 1 January 2021. The Offices will reopen as usual on Monday 4 January 2021.

2020 has been a challenging, unprecedented and unpredictable year. Whereas much as possible, with the closure, it is hoped that staff are able to get time away from work and to spend Christmas and New Year with family, friends and loved ones.

The opening times over the Christmas/New Year period will be extensively advertised and circulated to the community in advance.

Consultation

Senior Management Team

Policy Implications

Nil

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

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

Financial Implications

Funds are included in the 2020/21 Budget to cover the costs of advertising and promoting the closure.

Staff will be required to take time in lieu, annual leave or accrued rostered days off. These costs are also contained within the 2020/21 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Holberton

Seconded: Cr Sewell

- 0290** That Council resolves to close the Administration Office, Depot and Dowerin Home Care Office for the Christmas/New Year period from 4.00pm on Wednesday 23 December 2020 to Friday 1 January 2021, reopening on Monday 4 January 2021, with the hours of operation and emergency contacts being advertised to the community.

CARRIED 7/0

11.3 Freedom of Information – Information Statement 2020/21

<h2>Governance & Compliance</h2>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	22 September 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995</i>	
SharePoint Reference:	Organisation/Information Management/Freedom of Information	
Disclosure of Interest:	Nil	
Attachments:	Attachment 11.3A – Information Statement 2020/21	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the reviewed Information Statement to Council for consideration and, if satisfactory, adoption.

Background

The *Freedom of Information Act 1992* (FOI Act) requires that agencies must prepare and publish an Information Statement which informs the public about the agency's operations, describes the types of documents that can be inspected, purchased or obtained with or without charge, and it also provides an outline of the Freedom of Information (FOI) process, including how to make an FOI application. It is a requirement to undertake an annual review of the Information Statement.

Council last considered its Information Statement at its November 2019 meeting (CMRef 0088).

As required by the FOI Act, a review of the Information Statement has been undertaken and the reviewed document is included as an Attachment.

Comment

There have been no major amendments to the Information Statement during this review, rather some aspects of the content have been 'fleshed out' a little more in order to provide more information to staff and applicants regarding the process, and to detail how FOI is managed and applicable at the Shire of Dowerin.

There are unfortunately some formatting issues in the document (page breaks etc) as a result of the tracked changes, however these will be resolved in the final document that is released for publication.

Consultation

Senior Management Team

Policy Implications

Nil

Statutory Implications

Section 94 of the FOI Act stipulates the information which must be included in an Information Statement and states:

“94. Term used: information statement

*A reference in this Act to an **information statement**, in relation to an agency, is a reference to a statement that contains —*

- (a) a statement of the structure and functions of the agency;*
- (b) a description of the ways in which the functions (including, in particular, the decision-making functions) of the agency affect members of the public;*
- (c) a description of any arrangements that exist to enable members of the public to participate in the formulation of the agency’s policy and the performance of the agency’s functions;*
- (d) a description of the kinds of documents that are usually held by the agency including —*
 - (i) which kinds of documents can be inspected at the agency under a written law other than this Act (whether or not inspection is subject to a fee or charge); and*
 - (ii) which kinds of documents can be purchased; and*
 - (iii) which kinds of documents can be obtained free of charge;*
- (e) a description of the agency’s arrangements for giving members of the public access to documents mentioned in paragraph (d)(i), (ii) or (iii) including details of library facilities of the agency that are available for use by members of the public;*
- (f) a description of the agency’s procedures for giving members of the public access to the documents of the agency under Part 2 including —*
 - (i) the designation of the officer or officers to whom initial inquiries as to access to documents can be made; and*
 - (ii) the address or addresses at which access applications can be lodged;*
- (g) a description of the agency’s procedures for amending personal information in the documents of the agency under Part 3 including —*
 - (i) the designation of the officer or officers to whom initial inquiries as to amendment of personal information can be made; and*
 - (ii) the address or addresses at which applications for amendment of personal information can be lodged.”*

The Information Statement as presented complies with the above requirements.

Section 96 of the FOI Act stipulates that an agency is to review its Information Statement annually, and states:

“96. Information statement, each agency to publish annually

- (1) An agency (other than a Minister or an exempt agency) has to cause an up-to-date information statement about the agency to be published in a manner approved by the Minister administering this Act —*
 - (a) within 12 months after the commencement of this Act; and*
 - (b) at subsequent intervals of not more than 12 months.*

- (2) *In giving approval under subsection (1) the Minister has to have regard, amongst other things, to the need to assist members of the public to exercise their rights under this Act effectively.*
- (3) *In the case of an agency that comes into existence after the commencement of this Act the reference in subsection (1)(a) to the commencement of this Act is to be read as a reference to the time when the agency commences its operations.*
- (4) *A subcontractor does not have to comply with subsection (1) if the relevant contractor has complied with that subsection on behalf of the subcontractor."*

In considering this Item, Council is complying with this requirement.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs.

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Risk Implications

Risk Profiling Theme	Document Management Processes
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; Information Management Framework
Action (Treatment)	Document Information Management Framework
Risk Rating (after treatment)	Adequate

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution


Moved: Cr Ward

Seconded: Cr Trepp

0291 That, in accordance with Sections 94 and 96 of the *Freedom of Information Act 1992*, Council adopts the reviewed Information Statement 2020/21, as presented in Attachment 11.3A.

CARRIED 7/0

11.4 Town Planning Scheme No. 2 – Local Planning Policies – Adoption

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	30 September 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Planning & Development (Local Planning Schemes) Regulations 2015</i>	
Sharepoint Reference:	Organisation/Governance/Council Policies Compliance/Development & Building/Planning Scheme/Local Planning Policies	
Disclosure of Interest:	Nil	
Attachments:	Attachment 11.4A – Proposed Local Planning Policies	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the reviewed Local Planning Policies to Council for consideration and, if satisfactory, adoption.

Background

During the past 12 months staff have been working to review the 2007 Policy Manual with the aim of either rescinding the policies or reviewing and incorporating them into the current Policy Manual.

The last lot of policies to be reviewed are those relating to planning. At its August 2020 Meeting, Council considered the matter of the local planning policies and resolved (CMRef 0266):

“That:

- 1. In accordance with Section 2.27(2)(b) of the Local Government Act 1995 and Schedule 2, Part 2, Clause 4(1) of the Planning and Development (Local Planning Schemes) Regulations 2015, Council prepares the following local planning policies:**
 - a. Outbuildings in Residential Areas, as presented in Attachment 11.4A;**
 - b. Second-hand Moveable Buildings, as presented in Attachment 11.4A; and**
 - c. Sea Containers and Similar Storage Containers, as presented in Attachment 11.4A; and**
- 2. In accordance with Schedule 2, Part 2, Clause 4(1)(a) of the Planning and Development (Local Planning Schemes) Regulations 2015, Council adopts for advertising purposes the local planning policies referenced in Part 1 a, b and c above in accordance with Clause 4(2) of the Planning and Development (Local Planning Schemes) Regulations 2015; and**
- 3. In accordance with Section 2.27(2)(b) of the Local Government Act 1995 and Schedule 2, Part 2, Clause 6(b) of the Planning and Development (Local Planning Schemes) Regulations 2015, Council rescinds the Communication Structures Policy, as presented in Attachment 11.4B.”**

The policies were subsequently advertised in the Dowerin Despatch on 3 September 2020 as well as the Shire's website and Facebook page, with the statutory advertising period closing at 12.00pm on Tuesday 29 September 2020.

Comment

At the close of the statutory advertising process no public submissions had been received.

Council must now resolve:

1. To proceed with the policies without modification; or
2. To proceed with the policies with modification; or
3. Not to proceed with the policies.

The following comment was provided to Council at its August 2020 meeting and details the proposed amendments to the policies:

Policy	Comment
Sea Containers & Similar Storage Containers	<p>The use of sea containers, particularly in rural-residential areas, is becoming more common place in recent years with a number of local governments now allowing their use subject to certain conditions being met.</p> <p>Whereas previously the policy prohibited the use of sea containers in Residential, Commercial and Rural Townsite lots, the amendments to the Policy would enable that to occur, subject to Council approval. This enables Council to consider each application on its merits and apply conditions to the development approval (such as screening, painting or landscaping) where it sees fit.</p> <p>The amendments bring the policy into line with that of similar and/or surrounding Shire's regarding the use of sea containers and similar storage containers.</p>
Secondhand & Moveable Buildings	<p>This is a fairly major review, with many aspects of the policy expanded upon to provide clarity to both the applicant and staff in assessing applications.</p> <p>The increase of the bond amount takes into account the current costs of moving or "making good" a structure which has not be done in accordance with the policy or Council's planning approval. Those costs have increased significantly since the policy's original adoption.</p> <p>Similarly with the sea containers policy, it also enables Council to consider each application on its merits and apply conditions to the development approval where it sees fit.</p>
Outbuildings in Residential Areas	<p>This is a proposed new policy which provides guidance to staff on the approved sizes and dimensions of outbuildings (excluding garden sheds) in residential areas. The policy would enable staff to determine building applications for these structures under delegated authority without the need for presentation to Council where the proposed structure meets the criteria in the policy.</p> <p>Doing so will enable timely processing of such applications.</p>

It is believed these amendments are justified and bring the policies into line with current day standards, therefore the Officer's Recommendation is for Council to proceed with the policies without modification.

Should Council adopt the policies, local public notice will be required and the policies will need to be included on the Shire's website in accordance with Part 2, Division 2, Clauses 4 and 6 of the *Planning & Development (Local Planning Schemes) Regulations 2015*.

Consultation

Local Public Notice period 3 September 2020 to 29 September 2020

Council Meeting 18 August 2020
Council Workshop 21 July 2020
Senior Management Team
Executive & Governance Officer

Policy Implications

The Policy Manual will be updated accordingly, should Council resolve to adopt the policies.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Section 2.27(2)(b) of the *Local Government Act 1995* is 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.”

Part 2, Division 2, Clauses 3 to 5 of the *Planning & Development (Local Planning Schemes) Regulations 2015* is also applicable and states:

“Division 2 – Local planning policies

3. Local planning policies

(1) The local government may prepare a local planning policy in respect of any matter related to the planning and development of the Scheme area.

(2) A local planning policy –

(a) may apply generally or in respect of a particular class or classes of matters specified in the policy; and

(b) may apply to the whole of the Scheme area or to part or parts of the Scheme area specified in the policy.

(3) A local planning policy must be based on sound town planning principles and may address either strategic or operational considerations in relation to the matters to which the policy applies.

(4) The local government may amend or repeal a local planning policy.

- (5) *In making a determination under this Scheme the local government must have regard to each relevant local planning policy to the extent that the policy is consistent with this Scheme.*

4. Procedure for making local planning policy

- (1) *If the local government resolves to prepare a local planning policy the local government must, unless the Commission otherwise agrees, advertise the proposed policy as follows –*
- (a) *publish a notice of the proposed policy in a newspaper circulating in the Scheme area, giving details of –*
 - (i) *the subject and nature of the proposed policy; and*
 - (ii) *the objectives of the proposed policy; and*
 - (iii) *where the proposed policy may be inspected; and*
 - (iv) *to whom, in what form and during what period submissions in relation to the proposed policy may be made;*
 - (b) *if, in the opinion of the local government, the policy is inconsistent with any State planning policy, give notice of the proposed policy to the Commission;*
 - (c) *give notice of the proposed policy in any other way and carry out any other consultation the local government considers appropriate.*
- (2) *The period for making submissions in relation to a local planning policy must not be less than a period of 21 days commencing on the day on which the notice of the policy is published under subclause (1)(a).*
- (3) *After the expiry of the period within which submissions may be made, the local government must –*
- (a) *review the proposed policy in the light of any submissions made; and*
 - (b) *resolve to –*
 - (i) *proceed with the policy without modification; or*
 - (ii) *proceed with the policy with modification; or*
 - (iii) *not to proceed with the policy.*
- (4) *If the local government resolves to proceed with the policy, the local government must publish notice of the policy in a newspaper circulating in the Scheme area.*
- (5) *A policy has effect on publication of a notice under subclause (4).*
- (6) *The local government –*
- (a) *must ensure that an up-to-date copy of each local planning policy made under this Scheme is kept and made available for public inspection during business hours at the offices of the local government; and*
 - (b) *may publish a copy of each of those local planning policies on the website of the local government.*

5. Procedure for amending local planning policy

- (1) *Clause 4, with any necessary changes, applies to the amendment to a local planning policy.*
- (2) *Despite subclause (1), the local government may make an amendment to a local planning policy without advertising the amendment if, in the opinion of the local government, the amendment is a minor amendment.*

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

There will be advertising costs associated with the public notice of adoption for the policies and this can be accommodated within Council's operating expenditure via GL 25840: ADMIN O/HEADS - Advertising.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Holberton

0292 That:

1. In accordance with Section 2.27(2)(b) of the *Local Government Act 1995* and Schedule 2, Part 2, Clause 4(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, Council notes there were no public submissions received and resolves to proceed with the following local planning policies without modification:
 - a. Outbuildings in Residential Areas, as presented in Attachment 11.4A;
 - b. Second-hand Moveable Buildings, as presented in Attachment 11.4A; and
 - c. Sea Containers and Similar Storage Containers, as presented in Attachment 11.4A;
2. In accordance with Schedule 2, Part 2, Clauses 4(4) and 4(6) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, Council publishes local notice of the local planning policies referenced in Part 1 a, b and c above; and
3. In accordance with Section 2.27(2)(b) of the *Local Government Act 1995*, Council rescinds the following policies from the 2007 Policy Manual as they have been superseded by Part 1 b and c above:
 - a. Secondhand Buildings (4/98); and
 - b. Sea Containers (3/07).

CARRIED 7/0

11.5 Local Law Review

Governance & Compliance



Date:	5 October 2020
Location:	Not applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Helen Westcott, BHW Consulting Vanessa Green, Executive & Governance Officer
Legislation:	<i>Local Government Act 1995</i>
Sharepoint Reference:	Organisation/Governance/Local Laws
Disclosure of Interest:	Nil
Attachments:	Nil

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a proposal to formally commence the eight year review of a number of current local laws to Council for consideration and, if satisfactory, adoption.

Background

The *Local Government Act 1995* (the Act) requires that a local government must every eight years, after adoption of any local law, or the last review, conduct a review of the local law to ensure that it still retains currency.

Section 3.16 of the Act requires that Council initiate the review following which it is to conduct local advertising detailing the local laws to be reviewed and inviting submissions within a period of 6 weeks (42 days). A copy of each local law is to be made available for inspection.

In developing the 2020/21 Budget, staff sought quotes from suitably qualified external consultants to assist with the review process. Following adoption of the Budget, BHW Consulting were appointed to assist in conducting the review.

Comment

The current list of local laws included in the review is as follows:

Name of Local Law	Date Adopted	Date Gazetted
Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law Adopted by reference to the <i>Shire of Donnybrook/Balingup Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law</i>	16 October 2001	8 January 2002

Dowerin and Minnivale Cemeteries (Reserves 16736 and 14985) Bylaws (Local Laws)	17 June 1969	9 February 1970
Fencing Local Law 2008 Adopted by reference to the <i>Shire of Goomalling Local Law Relating to Fencing 2007</i>	16 September 2008	30 September 2008
Local Law (Standing Orders) 2001 Adopted by reference to the <i>Shire of Coolgardie Local Law Relating to Local Law (Standing Orders) 2000</i>	16 October 2001	8 January 2002

According to the Local Laws Register on the Department of Local Government, Sport and Cultural Industries website (accessed 4 October 2020) the Shire has several other local laws as follows:

1. Dogs Local Law 2018;
2. Health Local Law (gazetted 1998);
3. Local Government Property Local Law 2018; and
4. Parking and Parking Facilities Local Law 2018.

The local laws that were adopted and gazetted in 2018 are not required to be reviewed as it is less than 8 years since they were approved. The Health Local Law is not being reviewed as it is proposed to be repealed and replaced as part of the implementation of the new *Public Health Act 2016*.

In addition, the Local Laws Register lists two further local laws being the Damage to Streets Draft Model No. 1 and Removal and Disposal of Obstructing Animals or Vehicles. Research has shown that these two local laws were superseded when the current Act was enacted.

It is proposed that the Shire conduct a review in accordance with Section 3.16 of the Act of the following local laws:

1. Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law;
2. Dowerin and Minnivale Cemeteries (Reserves 16736 and 14985) Bylaws (Local Laws);
3. Fencing Local Law 2008; and
4. Local Law (Standing Orders) 2001.

Section 3.16 of the Act outlines the process to be followed for a review of local laws. It is appropriate to point out that any outcomes from a review that result in amendments to an existing local law (or the repeal and replacement) outlined in this report must then be processed as though it was an amendment (or new local law) to the local law and formally adopted using the procedures outlined in Section 3.12 of the Act.

This, in effect, means there are two distinct processes to follow, the first being a review and the second being the implementation of the outcome of the review.

To commence the review process, the Shire is required to determine the local laws it wishes to review and approve local advertising, for a period of not less than 6 weeks, its intention to undertake the review.

During the advertising period BHW Consulting will undertake an examination of each local law to determine what amendments, if any, may be required to improve their effectiveness or whether a local law should be repealed and replaced.

Consultation

BHW Consulting

Senior Management Team

Executive & Governance Officer

The review process includes undertaking advertising seeking community comments on the local laws and, in particular, any views on deficiencies in their operation and whether some provisions need to be amended.

It is not necessary at this point to seek input from Government Agencies unless it is felt any of the agencies can add value to the process.

Policy Implications

Nil at this time.

Depending on the outcome of the review process, it may be that some policies will require a review or new policies may need to be developed and considered by Council.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Section 3.16 of the *Local Government Act 1995* is applicable and states:

“ 3.16. Periodic review of local laws

- (1) Within a period of 8 years from the day when a local law commenced or a report of a review of the local law was accepted under this section, as the case requires, a local government is to carry out a review of the local law to determine whether or not it considers that it should be repealed or amended.*
- (2) The local government is to give local public notice stating that —*
 - (a) the local government proposes to review the local law; and*
 - (b) a copy of the local law may be inspected or obtained at any place specified in the notice; and*
 - (c) submissions about the local law may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given.*
- (3) After the last day for submissions, the local government is to consider any submissions made and cause a report of the review to be prepared and submitted to its council.*
- (4) When its council has considered the report, the local government may determine* whether or not it considers that the local law should be repealed or amended.*

** Absolute majority required.”*

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

As mentioned above, the 2020/21 Budget includes an allocation for the conduct of the local law review at GL: 20552 GOV Other: Consultants – Regulation & Compliance.

It should be noted that this allocation includes costs associated with the review and the implementation of the outcome of the review, as well as advertising and gazettal costs associated with both processes within the review.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Sewell

Seconded: Cr Ward

0293


That, in accordance with Section 3.16 of the *Local Government Act 1995*, Council proceed with a review of its local laws and advertise the review of the following local laws:

- 1. Activities on Thoroughfares and Trading in Thoroughfares and Public Places Local Law;**
- 2. Dowerin and Minnivale Cemeteries (Reserves 16736 and 14985) Bylaws (Local Laws);**
- 3. Fencing Local Law 2008; and**
- 4. Local Law (Standing Orders) 2001.**

CARRIED 7/0

12. OFFICER'S REPORTS – WORKS AND ASSETS

12.1 Replacement of Existing 2003 Multi-tyre Roller

<div>Works & Assets</div> <div>  <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p> </div>	
Date:	13 October 2020
Location:	Not applicable
Responsible Officer:	Les Vidovich, Manager Works & Assets
Author:	As above
Legislation:	<i>Local Government Act 1995; Local Government (Functions & General) Regulations 1996</i>
Sharepoint Reference:	Technical/Asset Management/Asset Acquisition & Disposal
Disclosure of Interest:	Nil
Attachments:	Confidential Attachment 12.1A – Evaluation, Report, Loan Documentation & draft 10 Year Plant Replacement Program

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the quotations received for the replacement of the 2003 multi-tyred roller in accordance with the 2020/21 Budget to Council for consideration and, if satisfactory, adoption.

Background

The 2020/21 Budget includes an allocation for the changeover of Council's existing multi-tyre roller. In most cases, local governments are required to tender for supplies or contracts over \$250,000 in value. However, there is a regulatory exemption under the *Local Government (Functions & General) Regulations 1996*, where members can access WALGA's list of preferred suppliers without the need to independently tender, irrespective of the value of the purchase. The preferred supplier arrangement was established to combine the purchasing power of local governments to deliver both a financial saving and administrative efficiency to the sector.

Multi-tyre rollers use pneumatic-tyred wheels that overlap, providing a rolling, kneading action that compacts and seals the surface. With a lower compaction rate than a smooth drum roller with vibs, this type of compactor is used for most of the year as part of winter maintenance grading, road construction for compaction, water binding and bitumen surface sealing works along with shoulder maintenance and grading.

As a guide, the Institute of Public Works and Engineering Australia (IPWEA) specifies that the optimum replacement/changeover time for a multi-tyre roller is 10 years or 5,000 hours, whichever comes first. Council currently owns a 2003 Multi Pac multi-tyre roller with approximately 7,000 hours on the machine. The cost to hire the equivalent multi-tyre roller is approximately \$250 per day plus mobilisation costs. Below is a photo of Council's existing roller.



Comment

At the close of submissions on 23 September 2020, six quotations were received from five suppliers. The confidential Attachment shows the assessment of each item of plant against the pre-determined specification inventory.

To assist in the evaluation and in addition to the qualitative criteria, the Manager Works & Assets and Construction Leading Hand travelled to Perth to inspect the multi-tyre rollers on offer. A copy of these results are included in the confidential Attachment.

If the Officer's Recommendation is endorsed by Council, the purchase will be funded via an approved loan through the Western Australian Treasury Corporation over a period of eight years.

A copy of the confidential loan repayments schedule is included in the Attachment, along with a Draft 10 Year Plant Replacement Program. It must be noted that the Draft Ten Year Plant Replacement Program is still being finalised and has included the proposed 2020/21 Budget purchases along with an additional \$45,000 in sundry depot plant purchases.

As it is possible some of the proposed 2020/21 plant purchases will be deferred, this will then move through to the next year and impact each year going forward.

Consultation

Rebecca McCall, Chief Executive Officer
Les Vidovich, Manager Works & Assets
Gavin Rickwood, Construction Leading Hand
Works Plant Operators

Policy Implications

This report complies in accordance with Council Policy 4.11 – Purchasing Policy:

“An exemption to publicly invite tenders may apply in the following instances:

- 1. The supply of goods or services is associated with a state of emergency;*
- 2. Where the contract is a renewal or extension of the terms of the original contract in certain circumstances related to a state of emergency;*
- 3. The purchase is obtained from a pre-qualified supplier under the WALGA Preferred Supplier Program or State Government Common Use Arrangement;*
- 4. The purchase is from a Regional Local Government or another Local Government;*

5. *The purchase if from a pre-qualified supplier under a Panel established by the Shire of Dowerin; or*
6. *Any of the other exclusions under Regulation 11 of the Regulations apply.”*

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure

Objective: Our infrastructure will drive economic and population growth, be a key enabler of the digital economy and support reliable, efficient service delivery

Outcome: 1

Reference: I2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 11(2)(b) of the *Local Government (Functions & General) Regulations 1996* is applicable and states:

11. ***When tenders have to be publicly invited***

(1A) *In this regulation —*

state of emergency declaration has the meaning given in the *Emergency Management Act 2005* section 3.

(1) *Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$250 000 unless subregulation (2) states otherwise.*

(2) *Tenders do not have to be publicly invited according to the requirements of this Division if —*

(a) *the supply of the goods or services is to be obtained from expenditure authorised in an emergency under section 6.8(1)(c) of the Act; or*

(aa) *the supply of the goods or services is associated with a state of emergency; or*

(b) *the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program; or*

[(ba) *deleted*]

(c) *within the last 6 months —*

(i) *the local government has, according to the requirements of this Division, publicly invited tenders for the supply of the goods or services but no tender was submitted that met the tender specifications or satisfied the value for money assessment; or*

(ii) *the local government has, under regulation 21(1), sought expressions of interest with respect to the supply of the goods or services but no person was, as a result, listed as an acceptable tenderer;*

or

(d) *the contract is to be entered into by auction after being expressly authorised by a resolution of the council of the local government; or*

- (e) *the goods or services are to be supplied by or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government; or*
- (ea) *the goods or services are to be supplied —*
 - (i) *in respect of an area of land that has been incorporated in a district as a result of an order made under section 2.1 of the Act changing the boundaries of the district; and*
 - (ii) *by a person who, on the commencement of the order referred to in subparagraph (i), has a contract to supply the same kind of goods or services to the local government of the district referred to in that subparagraph;*

or
- (f) *the local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier; or*
- (g) *the goods to be supplied under the contract are —*
 - (i) *petrol or oil; or*
 - (ii) *any other liquid, or any gas, used for internal combustion engines;*

or
- (h) *the following apply —*
 - (i) *the goods or services are to be supplied by —*
 - (I) *a person registered on the Aboriginal Business Directory WA published by the Chamber of Commerce and Industry of Western Australia Limited ABN 96 929 977 985; or*
 - (II) *a person registered with the Australian Indigenous Minority Supplier Office Limited (trading as Supply Nation) ABN 50 134 720 362;*

and
 - (ii) *the consideration under the contract is \$250 000 or less, or worth \$250 000 or less; and*
 - (iii) *the local government is satisfied that the contract represents value for money;*

or
- (i) *the goods or services are to be supplied by an Australian Disability Enterprise; or*
- (j) *the contract is a renewal or extension of the term of a contract (the **original contract**) where —*
 - (i) *the original contract was entered into after the local government, according to the requirements of this Division, publicly invited tenders for the supply of goods or services; and*
 - (ii) *the invitation for tenders contained provision for the renewal or extension of a contract entered into with a successful tenderer; and*
 - (iii) *the original contract contains an option to renew or extend its term; and*
 - (iv) *the supplier's tender included a requirement for such an option and specified the consideration payable, or the method by which the consideration is to be calculated, if the option were exercised;*

or
- (ja) *the contract is a renewal or extension of the term of a contract (the **original contract**) where —*
 - (i) *the original contract is to expire within 3 months; and*

- (ii) *the renewal or extension is for a term of not more than 12 months from the expiry of the original contract; and*
 - (iii) *the contract for renewal or extension is entered into at a time when there is in force a state of emergency declaration applying to the district, or part of the district, of the local government;*
- or*
- (k) *the goods or services are to be supplied by a pre-qualified supplier under Division 3.*
- (3) *For the purposes of subregulation (2)(aa) a supply of goods or services is associated with a state of emergency if –*
 - (a) *the contract for the supply is entered into while there is in force a state of emergency declaration applying to the district, or part of the district, of the local government; and*
 - (b) *the local government considers that the goods or services are required for the purposes of addressing a need arising from the hazard, or from the impact or consequences of the hazard, to which the state of emergency declaration relates.”*

Regulation 30(3) of the *Local Government (Functions & General) Regulations 1996* is also applicable and states:

“30. Dispositions of property excluded from Act s. 3.58

- (1) *A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*
- (2) *A disposition of land is an exempt disposition if –*
 - (a) *the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and –*
 - (i) *its market value is less than \$5 000; and*
 - (ii) *the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee;*
 - or*
 - (b) *the land is disposed of to a body, whether incorporated or not –*
 - (i) *the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
 - (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*
 - or*
 - (c) *the land is disposed of to –*
 - (i) *the Crown in right of the State or the Commonwealth; or*
 - (ii) *a department, agency, or instrumentality of the Crown in right of the State or the Commonwealth; or*
 - (iii) *another local government or a regional local government;*
 - or*
 - (d) *it is the leasing of land to an employee of the local government for use as the employee's residence; or*
 - (e) *it is the leasing of land for a period of less than 2 years during all or any of which time the lease does not give the lessee the exclusive use of the land; or*
 - (f) *it is the leasing of land to a person registered under the Health Practitioner Regulation National Law (Western Australia) in the medical profession to be used for carrying on his or her medical practice; or*
 - (g) *it is the leasing of residential property to a person.*
- (2a) *A disposition of property is an exempt disposition if the property is disposed of within 6 months after it has been –*

- (a) *put out to the highest bidder at public auction, in accordance with section 3.58(2)(a) of the Act, but either no bid is made or any bid made does not reach a reserve price fixed by the local government; or*
- (b) *the subject of a public tender process called by the local government, in accordance with section 3.58(2)(b) of the Act, but either no tender is received or any tender received is unacceptable; or*
- (c) *the subject of Statewide public notice under section 3.59(4) of the Act, and if the business plan referred to in that notice described the property concerned and gave details of the proposed disposition including –*
 - (i) *the names of all other parties concerned; and*
 - (ii) *the consideration to be received by the local government for the disposition; and*
 - (iii) *the market value of the disposition as ascertained by a valuation carried out not more than 12 months before the proposed disposition.*
- (2b) *Details (see section 3.58(4) of the Act) of a disposition of property under subregulation (2a) must be made available for public inspection for at least 12 months from the initial auction or tender, as the case requires.*
- (3) *A disposition of property other than land is an exempt disposition if –*
 - (a) *its market value is less than \$20 000; or*
 - (b) *the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75 000."*

Risk Implications

Risk Profiling Theme	Asset Management Practices
Risk Category	Project Budget
Risk Description	\$50,001 - \$200,000
Consequence Rating	Moderate (3)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Plant Asset Management Program
Action (Treatment)	Review Plant Management Plan
Risk Rating (after treatment)	Adequate

Financial Implications

The 2020/21 Budget includes a provision of \$170,000 (excluding GST) for the purchase of a multi-tyre roller and a trade-in of Council's existing 2003 multi-tyre roller of \$10,000 (excluding GST).

If the Officer's Recommendation is endorsed, the purchase will exceed the budget allocation by \$10,000 (excluding GST). This shortfall will be addressed in the 2020/21 Budget Review.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation

That, in accordance with Regulation 11(2)(b) and Regulation 30(3) of the *Local Government (Functions & General) Regulations 1996*, Council:

1. Accepts the quote from Westrac Pty Ltd for the purchase of one new Caterpillar Multi-Tyre Roller (CW34) for \$179,000 excluding GST;
2. Authorises the trade-in of Council's existing 2003 VP2000 Multi Pac Multi-tyre Roller, registration D-014, for \$10,000 excluding GST; and
3. Approves the draw-down of approved Loan 103 from the Western Australian Treasury Corporation to proceed with the purchase of a new Multi-tyre Roller in accordance with the 2020/21 Budget.

Resolution

Moved: Cr Metcalf

Seconded: Cr Ward

0294 That, in accordance with Regulation 11(2)(b) and Regulation 30(3) of the *Local Government (Functions & General) Regulations 1996*, Council:


1. Accepts the quote from BT Equipment Pty Ltd for the purchase of one new BOMAG Multi-Tyre Roller (BW28RH) for \$166,950 excluding GST;
2. Authorises the trade-in of Council's existing 2003 VP2000 Multi Pac Multi-tyre Roller, registration D-014, for \$20,000 excluding GST; and
3. Approves the draw-down of approved Loan 103 from the Western Australian Treasury Corporation to proceed with the purchase of a new Multi-tyre Roller in accordance with the 2020/21 Budget.

CARRIED 7/0

Reason

Council resolved to accept the quote from BT Equipment because it does not exceed the allocation for the purchase in the 2020/21 Budget.

12.2 Purchase of New Smooth Steel Vibrating Drum Roller

<div>Works & Assets</div> <div>  SHIRE OF DOWERIN TIN DOG TERRITORY </div>	
Date:	13 October 2020
Location:	Not applicable
Responsible Officer:	Les Vidovich, Manager Works & Assets
Author:	As above
Legislation:	<i>Local Government Act 1995; Local Government (Functions & General) Regulations 1996</i>
Sharepoint Reference:	Technical/Asset Management/Asset Acquisition & Disposal
Disclosure of Interest:	Nil
Attachments:	Confidential Attachment 12.2A – Evaluation, Report, Loan Documentation & draft 10 Year Plant Replacement Program

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents the quotations received for the purchase of a new smooth steel vibrating drum roller in accordance with the 2020/21 Budget to Council for consideration and, if satisfactory, adoption.

Background

As per [Item 12.1](#) regarding the multi-tyre roller, quotations were sought through the Western Australian Local Government Association (WALGA) Preferred Supplier Panels. These panels are provided under the *Local Government (Function & General) Regulations 1996* which provides a tender exemption to Preferred Supplier Contracts. WALGA claim that most brands are represented and discounted prices can be obtained on machinery below market price.

A smooth steel vibrating drum roller is used in road construction to create a hard, smooth and flat surface. This is achieved by combining pressure and vibration to compress and compact gravel, asphalt, rocks and sand to a required dry density percentage. They are commonly used and recommended for the purpose of construction and road works as a result of their achievable compaction rates.

The Institute of Public Works and Engineering Australia (IPWEA) states that the annual utilisation benchmark to justify the purchase of a smooth steel vibrating drum roller is 500 hours. Last financial year the Shire of Dowerin hired this type of machine through Mayday and Sherrin Plant Rentals to construct sections of the Dowerin-Koorda, Dowerin-Kalannie and Dowerin-Meckering Roads. The drum roller was rented at a total cost of \$38,755 inclusive of mobilisation excluding GST.

Road construction activities including gravel sheeting, reconstruction or rehabilitation works usually commence mid-September through to mid-April each year. This seven-month period for construction will require the use of a smooth steel vibrating drum roller for compaction purposes during this time. The daily dry hire rate for a drum roller is around \$250 per day, which will equate to a total hire cost of \$32,500 plus any mobilisation costs.

Comment

At the close of submissions on 23 September 2020, eight quotations were received from seven suppliers for the purchase of a new smooth steel vibrating drum roller. The confidential Attachment shows the assessment of each item of plant against the pre-determined specification inventory.

To assist in the evaluation and in addition to the qualitative criteria, the Manager Works & Assets and Construction Leading Hand travelled to Perth to inspect the various smooth steel vibrating drum rollers on offer. A copy of these results are included in the confidential Attachment.

If the Officer's Recommendation is endorsed by Council, the purchase will be funded via an approved loan through the Western Australian Treasury Corporation over a period of eight years.

A copy of the confidential loan repayments schedule is included in the Attachment, along with a Draft 10 Year Plant Replacement Program. It must be noted that the Draft Ten Year Plant Replacement Program is still being finalised and has included the proposed 2020/21 Budget purchases along with an additional \$45,000 in sundry depot plant purchases.

As it is possible some of the proposed 2020/21 plant purchases will be deferred, this will then move through to the next year and impact each year going forward.

Consultation

Rebecca McCall, Chief Executive Officer

Les Vidovich, Manager Works & Assets

Gavin Rickwood, Construction Leading Hand

Works Plant Operators

Policy Implications

This report complies in accordance with Council Policy 4.11 – Purchasing Policy:

“An exemption to publicly invite tenders may apply in the following instances:

- 1. The supply of goods or services is associated with a state of emergency;*
- 2. Where the contract is a renewal or extension of the terms of the original contract in certain circumstances related to a state of emergency;*
- 3. The purchase is obtained from a pre-qualified supplier under the WALGA Preferred Supplier Program or State Government Common Use Arrangement;*
- 4. The purchase is from a Regional Local Government or another Local Government;*
- 5. The purchase is from a pre-qualified supplier under a Panel established by the Shire of Dowerin; or*
- 6. Any of the other exclusions under Regulation 11 of the Regulations apply.”*

Strategic Implications

Strategic Community Plan

Community Priority: Our Infrastructure

Objective: Our infrastructure will drive economic and population growth, be a key enabler of the digital economy and support reliable, efficient service delivery

Outcome: 1

Reference: 12

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 11(2)(b) of the *Local Government (Functions & General) Regulations 1996* is applicable and states:

11. ***When tenders have to be publicly invited***

(1A) *In this regulation —*

state of emergency declaration has the meaning given in the *Emergency Management Act 2005* section 3.

(1) *Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$250 000 unless subregulation (2) states otherwise.*

(2) *Tenders do not have to be publicly invited according to the requirements of this Division if —*

(a) *the supply of the goods or services is to be obtained from expenditure authorised in an emergency under section 6.8(1)(c) of the Act; or*

(aa) *the supply of the goods or services is associated with a state of emergency; or*

(b) *the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program; or*

[(ba) *deleted*]

(c) *within the last 6 months —*

(i) *the local government has, according to the requirements of this Division, publicly invited tenders for the supply of the goods or services but no tender was submitted that met the tender specifications or satisfied the value for money assessment; or*

(ii) *the local government has, under regulation 21(1), sought expressions of interest with respect to the supply of the goods or services but no person was, as a result, listed as an acceptable tenderer;*

or

(d) *the contract is to be entered into by auction after being expressly authorised by a resolution of the council of the local government; or*

(e) *the goods or services are to be supplied by or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government; or*

(ea) *the goods or services are to be supplied —*

(i) *in respect of an area of land that has been incorporated in a district as a result of an order made under section 2.1 of the Act changing the boundaries of the district; and*

(ii) *by a person who, on the commencement of the order referred to in subparagraph (i), has a contract to supply the same kind of goods or services to the local government of the district referred to in that subparagraph;*

or

(f) *the local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier; or*

(g) *the goods to be supplied under the contract are —*

(i) *petrol or oil; or*

(ii) *any other liquid, or any gas, used for internal combustion engines;*

or

- (h) *the following apply —*
 - (i) *the goods or services are to be supplied by —*
 - (I) *a person registered on the Aboriginal Business Directory WA published by the Chamber of Commerce and Industry of Western Australia Limited ABN 96 929 977 985; or*
 - (II) *a person registered with the Australian Indigenous Minority Supplier Office Limited (trading as Supply Nation) ABN 50 134 720 362;*
 - and*
 - (ii) *the consideration under the contract is \$250 000 or less, or worth \$250 000 or less; and*
 - (iii) *the local government is satisfied that the contract represents value for money;*
- or*
- (i) *the goods or services are to be supplied by an Australian Disability Enterprise; or*
- (j) *the contract is a renewal or extension of the term of a contract (the **original contract**) where —*
 - (i) *the original contract was entered into after the local government, according to the requirements of this Division, publicly invited tenders for the supply of goods or services; and*
 - (ii) *the invitation for tenders contained provision for the renewal or extension of a contract entered into with a successful tenderer; and*
 - (iii) *the original contract contains an option to renew or extend its term; and*
 - (iv) *the supplier's tender included a requirement for such an option and specified the consideration payable, or the method by which the consideration is to be calculated, if the option were exercised;*
- or*
- (ja) *the contract is a renewal or extension of the term of a contract (the **original contract**) where —*
 - (i) *the original contract is to expire within 3 months; and*
 - (ii) *the renewal or extension is for a term of not more than 12 months from the expiry of the original contract; and*
 - (iii) *the contract for renewal or extension is entered into at a time when there is in force a state of emergency declaration applying to the district, or part of the district, of the local government;*
- or*
- (k) *the goods or services are to be supplied by a pre-qualified supplier under Division 3.*
- (3) *For the purposes of subregulation (2)(aa) a supply of goods or services is associated with a state of emergency if —*
 - (a) *the contract for the supply is entered into while there is in force a state of emergency declaration applying to the district, or part of the district, of the local government; and*
 - (b) *the local government considers that the goods or services are required for the purposes of addressing a need arising from the hazard, or from the impact or consequences of the hazard, to which the state of emergency declaration relates."*

Risk Implications

Risk Profiling Theme

Asset Management Practices

Risk Category	Project Budget
Risk Description	\$50,001 - \$200,000
Consequence Rating	Moderate (3)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (1)
Key Controls (in place)	Plant Asset Management Program
Action (Treatment)	Review Plant Management Plan
Risk Rating (after treatment)	Adequate

Financial Implications

The 2020/21 Budget includes a provision of \$150,000 (excluding GST) for the purchase of a smooth steel vibrating drum roller. If the Officer's Recommendation is endorsed, the purchase will exceed the budget allocation by \$4,500 (excluding GST). This shortfall will be addressed in the 2020/21 Budget Review.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Cr Hagboom

0295

That, in accordance with Regulation 11(2)(b) of the *Local Government (Functions & General) Regulations 1996*, Council:

- 1. Accepts the quote from Westrac Pty Ltd for the purchase of one new Caterpillar CS68B Smooth Steel Vibrating Drum Roller for \$154,500 (excluding GST); and**
- 2. Approves the draw-down of approved Loan 104 from the Western Australian Treasury Corporation to proceed with the purchase of a new Smooth Steel Vibrating Drum Roller in accordance with the 2020/21 Budget.**

CARRIED 7/0

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

14.	Elected Members' Motions
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Nil

15.	Matters Behind Closed Doors
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Nil

16.	Closure
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There being no further business the President thanked those in attendance and declared the meeting closed at 3.34pm.




MINUTES

Audit & Risk Committee Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Wednesday 28 October 2020



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Shire of Dowerin
Audit & Risk Committee Meeting
Wednesday 28 October 2020



1. Official Opening

The Chair welcomed those in attendance and declared the meeting open at 2.00pm.

2. Record of Attendance / Apologies / Leave of Absence

Committee Members:

Cr DP Hudson	President & Chair
Cr BA Ward	Deputy President
Cr RI Trepp	

Staff:

Ms R McCall	Chief Executive Officer
Ms C Delmage	Manager Corporate & Community Services
Ms V Green	Executive & Governance Officer

Apologies: Mr JB Whiteaker, CEO Shire of Northam (external member)

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 21 July 2020

Attachment 5.1A

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Trepp

Seconded: Cr Hudson

0296 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 21 July 2020, 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 - September 2020

<h1>Governance & Compliance</h1>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	19 October 2020	
Location:	Not Applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	As above	
Legislation:	<i>Local Government Act 1995</i>	
Sharepoint Reference:	Compliance/Risk Management/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.1A - Risk Dashboard Quarterly Report - September 2020	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

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

Background

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

Appropriate governance of risk management within the Shire provides:

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

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

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

It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and efficiency of controls and appropriateness of treatment/action options selected, it can be determined if the organisation's resources are being put to the best use possible. During the quarterly reporting process, Management are required to review any risks within their area and follow up controls and treatments/actions that are mitigating those risks.

Comment

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

At its July 2020 meeting the Committee were advised that Management proposed to introduce a new Risk Theme covering Financial Management as with the introduction of the Risk Implications Table (which is directly linked to the Risk Management Framework and the Risk Dashboard) to the agenda templates, it was identified that some Items are not appropriately addressed in the existing Risk Themes. In discussing the proposal with Michael Spark from LGIS, he suggested not introducing Financial Management as a separate theme as aspects of financial controls are identified throughout the existing themes. Feedback from the Committee is sought on whether it wishes to proceed with developing a new theme specifically for financial management or leave the Risk Dashboard with its current themes.

In this latest review, Management has concentrated on refining measurable indicators that have a purpose. Further refinement and identification of suitable indicators continues. Over the next six months Management plans to include more detail to report on control assurance.

Consultation

Michael Sparks, Senior Risk Consultant - Risk and Governance Services, LGIS

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Vanessa Green, Executive & Governance Officer

Policy Implications

Policy 2.2 – Risk Management Policy is applicable.

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 3

Reference: L5

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

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

Financial Implications

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

Meeting Comment

Prior to the meeting Mr Whiteaker provided a written query noting there were quite a number of items due in 2020 which have not been completed. Staff acknowledge this is the case and have included new deadline dates for those items (refer to the Status of Actions and Comments fields in the Attachment). To further address this it is proposed that the current status of the deferred items is specifically reported on in the Comment section of future agenda items relating to the quarterly reviews of the Risk Dashboard.

Mr Whiteaker also raised a concern relating to the lack of controls around internal fraud. The CEO advised the Misconduct Theme would be reviewed and suggested a June 2021 deadline.

The CEO advised the committee it is anticipated to include a new format for Control Assurance. It is hoped this will be implemented for the December quarterly review but if not, it will be in place for the March quarterly report. Again, it is proposed that where a deadline has not been achieved this is specifically reported on in the Comment section of future agenda items.

The main focus for the September quarterly review has been on identifying appropriate indicators to ensure they are measurable and clearly outline what the target is. This will also assist in identifying trends.

The Committee proposed a new example of Types and Targets to be included in the next quarter's reports as it is felt the terminology does not accurately capture the intent behind the Indicators.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation

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

1. Receives the Risk Dashboard Quarterly Report – September 2020, as presented in Attachment 7.1A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin; and
2. Recommends to Council that it adopts the Risk Dashboard Quarterly Report – September 2020.

Resolution

Moved: Cr Trepp

Seconded: Cr Ward

0297 That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:


1. Receives the Risk Dashboard Quarterly Report – September 2020, 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, noting and endorsing the deferment due dates for various actions not able to be completed in 2020; and
2. Recommends to Council that it adopts the Risk Dashboard Quarterly Report – September 2020.

CARRIED 3/0

Reason

The Committee recognised that some actions were unable to be completed due to COVID-19 and other operational issues and accepted the proposed new deadline dates for these items.

7.2 2020 Compliance Audit Return – Consideration of External Consultants

<h1>Governance & Compliance</h1>		 SHIRE OF DOWERIN TIN DOG TERRITORY
Date:	19 October 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
Sharepoint Reference:	Organisation/Corporate Management/Reporting/2020 Compliance Audit Return	
Disclosure of Interest:	Nil	
Attachments:	Confidential Attachment 7.2A - Quotations	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a proposal to appoint an external consultant to complete the Shire's 2020 Compliance Audit Return (CAR) to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for endorsement.

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. The CAR is one of the tools available to the Audit & Risk Committee and Council in its governance monitoring role. The CAR also forms part of the Department of Local Government, Sport & Cultural Industry's (DLGSC) monitoring program.

The CAR covers a robust area of risk assessment and compliance with auditing in compliance with the *Local Government Act 1995* and associated Regulations. The objective of the CAR is to identify risks to the organisation where non-compliant activities may have taken place enabling processes and procedures to be developed or reviewed and amended, if required.

The below table details the Shire's previous CAR results:

Year	No. Questions	% Result
2019	104	97%
2018	95	94.7%
2017	94	98.9%

The Shire's 2018 and 2019 CAR were completed in-house, with Mr Gary Martin being appointed by the then CEO to complete the 2017 CAR. It is best practice for local governments to appoint external consultants to complete the CAR every three or so years as it can improve confidence and

rigour around the process. In addition, it can be used as a method for improving current practices with an outside perspective on operations and business practices.

To that end, staff sought quotes from suitably qualified consultants to complete the 2020 CAR.

Comment

Council Policy 4.11 – Purchasing Policy states that for purchases less than \$5,000, one oral or written quotation is to be obtained, however in order to appropriately test the market five quotes were requested.

The quotes received, in order of price, include:

Consultant	Quotation	Comment
Conway Highbury	\$2,500	Includes travel and accommodation
Gary Martin	\$3,000	Plus accommodation (2 nights @ \$110/night = \$3,200)
DL Consulting	\$3,255	Plus accommodation (1 night @ \$110/night = \$3,365)
BHW Consulting	\$4,700	Includes travel and accommodation
Quantam Assurance	\$5,450	Includes travel and accommodation

The prices above exclude GST. It should be noted that most of the above quotes allow for one (overnight) site visit to Dowerin. However, the quote from Mr Martin suggests a site visit for 3-4 days which will increase the cost of accommodation. Staff suggest a 2-night stay would be more than adequate and this has been detailed above.

Further information on the consultants and their methodology for conducting the CAR is included in the confidential Attachment.

Staff have made significant inroads into the matter of improving governance and compliance within the organisation, however for the benefit of a fresh perspective on compliance, it is recommended that an external consultant be appointed to conduct the Shire's 2020 CAR.

Consultation

Senior Management Group

Policy Implications

Policy 2.2 – Risk Management Policy is applicable

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 16 of the *Local Government (Audit) Regulations 1996* is applicable and states:

“16. Functions of audit committee

An audit committee has the following functions —

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

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 Regulation.

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 subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and*
 - (b) adopted by the council; and*
 - (c) recorded in the minutes of the meeting at which it is adopted.”**

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

The 2020/21 Budget does not include a specific allocation to cover the costs of an external consultant to complete the 2020 CAR. However, there is a general consultant allocation at GL: 20554 GOV Other – Consultants which includes an amount of \$10,000.

Should the Audit & Risk Committee wish to conduct the 2020 CAR in-house, an alternative may be to include funds in the 2021/22 Budget, based on the quotes received, for an external consultant to complete the Shire's 2021 CAR.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Trepp

0298

That, in accordance with Regulation 16(b) of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee recommends to Council that Conway Highbury be appointed to complete the 2020 Compliance Audit Return for the quoted price of \$2,500 including travel and accommodation, with funds allocated from GL: 20554 GOV Other - Consultants.

CARRIED 3/0

7.3 Considerations from the Inquiry into the City of Perth and the Inquiry into the Shire of Toodyay – Options for Internal Audit

<h2 style="color: red;">Governance & Compliance</h2>		 <p>SHIRE OF DOWERIN TIN DOG TERRITORY</p>
Date:	22 October 2020	
Location:	Not applicable	
Responsible Officer:	Rebecca McCall, Chief Executive Officer	
Author:	Vanessa Green, Executive & Governance Officer	
Legislation:	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
Sharepoint Reference:	Organisation/Corporate Management/Reporting	
Disclosure of Interest:	Nil	
Attachments:	Attachment 7.3A – City of Perth Inquiry Report Attachment 7.3B – Shire of Toodyay Inquiry Report Attachment 7.3C – OAG Audit Committee Better Practice Guide	

Purpose of Report



Executive Decision



Legislative Requirement

Summary

This Item presents a proposal to conduct a desktop internal audit to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for endorsement.

Background

The Inquiry into the City of Perth was announced in April 2018 by the Minister for Local Government under Section 8.16 of the *Local Government Act 1995* with the final Report of Inquiry into the City of Perth being tabled in Parliament on 11 August 2020. The Report outlined a litany of dysfunction, poor governance, factionalism, and fertile ground for greed, incompetence and mismanagement.

The Report is massive at 2,000 pages containing 250 Findings and 350 Recommendations which have implications for both the City of Perth and the wider local government sector. The Report's Recommendations that apply to the local government sector are broadly supported by the State Government hence it is likely that these, together with the recommendations of the Local Government Act Review Report and the , will feed into the Local Government Act Review process.

The Report's Recommendations are significant and have the potential to greatly change the way in which local governments are expected to operate and behave into the future.

In addition to the City of Perth inquiry, the Report into the Inquiry into the Shire of Toodyay was tabled in Parliament on 13 October 2020. The report includes 25 Findings and 5 Recommendations. Through the investigation, poor financial and administration management practices were identified.

Comment

Council discussed the implications of the City of Perth Inquiry Report at its October 2020 Workshop, and also mentioned the findings from the Shire of Toodyay Report, with it being suggested that conducting an internal audit on some of the findings from those Reports may be

beneficial for the Shire of Dowerin. As a result of that discussion, this matter is presented to the Audit & Risk Committee for consideration.

In June 2020 the Office of the Auditor General (OAG) released its report on Western Australian Public Sector Audit Committees – Better Practice Guide. The Guide's purpose and objectives are to provide better practice principles and guidance to enable audit committees to perform efficiently and effectively.

Tool 8 in the OAG Guide (page 50) includes a template which audit committees can use to self-assess an entity's performance. It is proposed that this tool be used to conduct a desktop internal audit on select findings from the City of Perth and Shire of Toodyay Inquiry Reports for the purpose of identifying risks and improvement opportunities within the Shire of Dowerin as part of our work towards continuous improvement.

Copies of both Inquiry Reports are included as an Attachment. Staff have not made recommendations to the Audit & Risk Committee on which Findings should be included in the internal audit so as not to sway the Committee's decision on the topics or areas it believes an audit could be beneficial.

Committee Members are requested to review both Inquiry Reports and provide direction to staff on which Findings to include in the internal audit. For the audit to be relevant, staff recommend that the Findings cover a broad area of business operations and suggest that at least 10 Findings be included, with the final number being the decision of the Committee. The Committee's recommendation will be presented to Council who may wish to include additional Findings to the audit.

It is proposed that the results of the internal audit will be presented to the Committee in the early new year.

Consultation

Council Workshop 20 October 2020

Senior Management Group

Policy Implications

Policy 2.2 – Risk Management Policy is applicable.

Whilst not policy, the Audit & Risk Committee's Terms of Reference include (but are not limited to) the following Functions:

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 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;*
3. *Monitor management's implementation of internal audit recommendations;*
4. *Receive the findings of special internal audit assignments undertaken at the request of Council or the CEO;*
5. *Receive recommendations arising from reviews of local government systems and procedures; and*
6. *Oversee the effectiveness of the systems for monitoring compliance with relevant laws, regulations and associated government policies."*

Strategic Implications

Strategic Community Plan

Community Priority: Our Leaders

Objective: A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to evolving community needs

Outcome: 2 & 3

Reference: L3, L4 & L5

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Regulation 16 of the *Local Government (Audit) Regulations 1996* is applicable and states:

“16. Functions of audit committee

An audit committee has the following functions –

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

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

Any costs associated with staff time in completing the internal audit can be accommodated within the 2020/21 Budget.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation

That, in accordance with Regulation 16(g) of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee recommends to Council that staff undertake a desktop internal audit of the following selected Findings from the Report of Inquiry into the City of Perth and the Report of Inquiry into the Shire of Toodyay, with the results of the audit to be presented to the Audit and Risk Committee and Council for consideration:

1. _____
2. _____
3. _____
4. _____
5. _____

Resolution

Moved: Cr Ward

Seconded: Cr Trepp

0299 That, in accordance with Regulation 16(g) of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee recommends to Council that staff undertake a desktop internal audit of the following items, with the results of the audit to be presented to the Audit and Risk Committee and Council for consideration:

1. Previous audit findings to ensure they have been actioned and completed;
2. Disposal of the Anderson Street properties to ensure compliance;
3. Procurement processes and procedures to ensure compliance; and
4. Provide a status update on the Recommendations from the Financial Management Review Report conducted by Mr Ron Back in March 2016.

CARRIED 3/0

Reason

The Committee believed that auditing actions, processes and procedures considered more applicable to Dowerin was a higher priority and more relevant as a benefit to the organisation.

8.	Questions from Members
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Nil

9.	Urgent Business Approved by the Person Presiding or by Decision
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9.1 2019 Regulation 17 Report – Report to Council

This matter is being reported to the Audit & Risk Committee for the purposes of maintaining integrity and transparency.

In preparation for the 2020 Regulation 17 Report staff have identified an error in the process undertaken for 2019 Regulation 17 Report in that, while it was presented to the Audit & Risk Committee at its meeting of 19 December 2019 (CMRef 0122), it was not presented to Council as required by Regulation 16(c) of the *Local Government (Audit) Regulations 1996*, which states:

“16. Functions of audit committee

An audit committee has the following functions –

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

The mistake was not intentional and is due to human error. It does however identify a risk in the procedure for reporting Committee recommendations to Council.

Current practice is that any Committee recommendations are duplicated as an individual agenda item for presentation to Council. To reduce the risk of the mistake occurring in the future, it is proposed that the Council agenda be amended to include a 'standing

item' to receive any recommendations from Committees immediately after Council has received the minutes of a Committee's meeting which contains said recommendation(s). It is believed this will act as a 'memory jog' to staff to review the Committee's minutes to identify any recommendations which need to be considered by Council.

A report on the 2019 Regulation 17 Report will be presented to Council's November 2020 meeting in order to comply with Regulation 16(c).

In addition to the above, staff have identified a follow-on error in the reporting on the 2019 Compliance Audit Return.

For question 2 of the Optional Questions relating to the Regulation 17 Report, staff answered the question as Yes, that the Report had been undertaken in the last 3 years using Council's November 2019 resolution as evidence (CMRef 0083). However, that resolution was for the receipt/adoption of the supplementary report undertaken by Mr Gary Martin, not the report required to be completed by the CEO as presented to the Audit & Risk Committee's December 2019 meeting. Hence, what was adopted by Council at its November 2019 meeting cannot be considered as the actual Regulation 17 Report as it requires a recommendation from the Committee to Council for it consider the review report and findings.

That aside, it should be noted that, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance not less than once in every 3 financial years.

It is Management's preference that the Regulation 17 Report is presented to the Audit & Risk Committee and Council annually rather than the legislated timeframe of 3 years. The Shire of Dowerin's 2018 Regulation 17 Report was considered by the Audit & Risk Committee at its March 2019 meeting (Item 7.3) and was subsequently presented to Council at its March 2019 meeting (Item 10.2.6) therefore, despite the mistake with the 2019 Regulation 17 Report, the Shire can still be considered compliant with Regulation 17. It is the March 2019 meeting reference which should have been included in the Comment section of question 2 mentioned above.

While no resolution was made, the Committee noted the information.

10.	Date of the Next Meeting
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As it is noted that the date of the next meeting will depend on when the audited financial statements are received from the Office of the Auditor General it was the Committee's preference to wait until the Management Letter is available prior to conducting the next meeting, as opposed to conducting a meeting in December 2020 for any other reason.

Therefore, the next meeting will be held on a date and at a time yet to be determined.

11.	Closure
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There being no further business the Chair thanked those in attendance and declared the meeting closed at 2.52pm.



Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

Last EFT No: EFT8064

Chq/EFT	Date	Name	Description	Amount
EFT8065	05/10/2020	Avon Concrete	RCPs and Stab Backfill & Rock End Treatments, Supply RCPs Stab Backfill & Precast End Treatments	\$ 18,887.00
EFT8066	05/10/2020	Commercial Hotel Dowerin	HCP Purchase - 7x Meals per week @ \$15/meal 23 September 2020 - Mr F. Robb	\$ 105.00
EFT8067	05/10/2020	Department of Justice - Public Trustee	Rent Refund - Unit D, 11 Hilda Street	\$ 302.35
EFT8068	05/10/2020	Dowerin & Districts Farm Shed	Swimming Pool Grounds & Garden Maintenance - Reticulation Supplies	\$ 3,918.35
EFT8069	05/10/2020	Green, Vanessa	Reimbursement - Travel for LG Governance Network Meeting and Integrity & Ethics Forum 322km @ \$0.70 per km	\$ 225.40
EFT8070	05/10/2020	Holberton Earthmoving	Koorda-Wongan Road - Semi-Side Tipper Hire - 43.5 Hours	\$ 25,525.50
EFT8071	05/10/2020	Jim Mckenzie Pty Ltd	Oval - Locate and Mark Up Known Existing Services - Power, Water and Telstra	\$ 1,980.00
EFT8072	05/10/2020	LGIS Liability	Liability Insurance 2020/2021 2nd Instalment	\$ 12,067.00
EFT8073	05/10/2020	LGIS Property	Property Insurance 2nd Instalment - Credit Note Deducted	\$ 32,342.96
EFT8074	05/10/2020	LGIS Workcare	Workcare Insurance 2020/2021 Instalment 2	\$ 20,919.36
EFT8075	05/10/2020	Navsdron Pty Ltd	Financial Assistance - Accounting, Budget & Monthly Financial Statements	\$ 4,092.00
EFT8076	05/10/2020	Ralph Thaxter	Toyota Hilux D18 - Replace Brakes	\$ 1,005.20
EFT8077	05/10/2020	WA Country Chemist	HCP Purchase - 10x Molicare Premium Men Pants 5 Drop 8pk - G Begley	\$ 143.50
EFT8078	05/10/2020	Rebecca Windsor	2x Gym Inductions @ \$20 per Induction	\$ 40.00
EFT8079	07/10/2020	Avon Waste	REFUSE - Rubbish Collection - Waste & Recycling to 15 September 2020	\$ 2,400.44
EFT8080	07/10/2020	Australia Day Council of South Australia	Citizenship Ceremony Gifts	\$ 167.00
EFT8081	07/10/2020	Boekeman Machinery	D005 Hino Truck - Service @ 112,000km	\$ 3,787.48
EFT8082	07/10/2020	BGC Australia T/As Brikmakers	Pavers - Silver & Charcoal	\$ 3,174.64
EFT8083	07/10/2020	BOC Limited	Oxygen & Acetylene Cylinder Rental 29 August to 27 September 2020	\$ 42.28
EFT8084	07/10/2020	C & F Building Approvals	Provision of Building Services (SA01-2020) - September 2020	\$ 682.00
EFT8085	07/10/2020	Cody Express Transport	Transport of Building Materials to Dowerin	\$ 237.85
EFT8086	07/10/2020	Dowerin Bakery and News	Catering for DHC Community Meeting	\$ 130.00
EFT8087	07/10/2020	Department of Fire and Emergency Services	ESL 2020/2021	\$ 2,940.00
EFT8088	07/10/2020	Gevers Goddard Jones Pty Ltd	Dowerin Home Care - Policies & Procedures Support Renewal - 1 November 2020 to 31 October 2021 for One Outlet	\$ 660.00
EFT8089	07/10/2020	Gutter Gobbler Perth	Clean All Gutters - Shire Buildings	\$ 6,075.00
EFT8090	07/10/2020	Go Handy	HCP Purchase - Property & Garden Maintenance - A. Bergeron (Covered by Funding)	\$ 615.00

Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

EFT8091	07/10/2020	Holberton Earthmoving	Koorda-Wongan Road - Grader Hire - 35.5 Hours	\$	9,058.50
EFT8092	07/10/2020	Hawke-View Kennels	Pound Fees - 2x Dogs 22 July to 26 July 2020 - Impound Numbers 20-011 & 20-012	\$	250.00
EFT8093	07/10/2020	Jtagz	Registration Tags - Expiry 2021	\$	157.30
EFT8094	07/10/2020	Market Creations	Trend Micro Software, Monthly Monitoring and Management tools, Monthly Preventative Maintenance & Monthly Managed Service Agreement for 14 Users	\$	2,578.88
EFT8095	07/10/2020	Mayday Earthmoving	Koorda-Wongan Road - Dry Hire of Smooth Drum Roller 4 Days & Mobilisation	\$	1,661.00
EFT8096	07/10/2020	IXOM Operations Pty Ltd	Swimming Pool - 2x 70kg Chlorine & Service Fee	\$	81.84
EFT8097	07/10/2020	R B Motors Pty Ltd	D07 Single Cab Ford - Service @ 30,000km	\$	537.68
EFT8098	07/10/2020	Ramm Software Pty Ltd	RAMM Annual Support & Maintenance - 1 July 2020 to 30 June 2021	\$	6,908.54
EFT8099	07/10/2020	Rural Ranger Services	Ranger Services September 2020	\$	1,143.90
EFT8100	07/10/2020	IT Vision	COA Renumbering Engagement - Milestone 3	\$	14,140.54
EFT8101	07/10/2020	Wesfarmers Kleenheat Gas	Annual Facility Fee - Hilda Street Units, SSA BBQ Area & 18 O'Loghlen Street	\$	705.05
EFT8102	07/10/2020	WCS Concrete	Concrete for plinth for Replica Tin Dog	\$	1,114.96
EFT8103	07/10/2020	Rebecca Windsor	1x Gym Induction @ \$20 per Induction	\$	20.00
EFT8104	07/10/2020	Wyliewhere	HCP Purchase - Transport Pickup from RPH 8 September - G. Templeman (Covered by Funding)	\$	507.75
EFT8105	29/10/2020	Avon Waste	REFUSE - Rubbish Collection - Waste & Recycling to 9 October 2020	\$	2,372.56
EFT8106	29/10/2020	Australian Tax Office	BAS - October 2020	\$	44,898.00
EFT8107	29/10/2020	Boekeman Machinery	Light Vehicle Purchase - Manager of Corporate & Community Services Vehicle - Toyota Fortuner & Trade in	\$	5,999.00
EFT8108	29/10/2020	Ashlee Banks	Reimbursement - Community Development Training Meals & Parking	\$	31.28
EFT8109	29/10/2020	Commercial Hotel Dowerin	Refreshments for Council Meetings & Civic Functions	\$	333.00
EFT8110	29/10/2020	Comcater Pty Ltd	DCC Kitchen - service all kitchen equipment and repairs to hotplate	\$	1,540.00
EFT8111	29/10/2020	Mitchell Collard	Reimbursement - Synergy Electricity Usage & Service Charges - Electricity for Emergency Tower 21 July to 29 September 2020	\$	138.76
EFT8112	29/10/2020	Cody Express Transport	Freight - Fielders- flashing Minnivale bakery	\$	260.68
EFT8113	29/10/2020	Country Wide Windscreens	D009 HINO - replace windscreen	\$	506.00
EFT8114	29/10/2020	Dowerin Engineering Works	Pioneer Pathway Project - Construct, Design & Install Replica Tin Dog	\$	20,420.19
EFT8115	29/10/2020	Landgate	SLIP Subscription Services Annual Fee 2020/2021	\$	2,505.90
EFT8116	29/10/2020	Dowerin Despatch	September Despatch Advertising	\$	686.50
EFT8117	29/10/2020	Dowerin Tyre and Exhaust	HACC trailer - Repairs to tyre	\$	50.00
EFT8118	29/10/2020	Dowerin & Districts Farm Shed	Football & Hockey Oval - Baileys Brilliance Fertilizer 1 Tonne	\$	3,368.05
EFT8119	29/10/2020	Dowerin Roadhouse	Rates refund for assessment A445 DOWERIN ROADHOUSE 2 GOLDFIELDS ROAD	\$	2,785.63
EFT8120	29/10/2020	Firefly Graphics & VA Services	Graphic Design Services - Re-design of trough along Stewart Street	\$	250.00

Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

EFT8121	29/10/2020 Grace Worldwide (Aust) Pty Ltd	HCP Purchase - Removal Fee - G. Templeman (Covered by Funding)	\$ 1,912.63
EFT8122	29/10/2020 Holberton Earthmoving	Koorda-Wongan Road - Grader Hire - 39 Hours	\$ 23,047.75
EFT8123	29/10/2020 JK Williams & Co	SSA Abultions - Tape Air Cell	\$ 48.50
EFT8124	29/10/2020 Local Government Professional	CEO Early Bird Registration to LG Professionals WA 2020 State Conference	\$ 1,005.00
EFT8125	29/10/2020 LG Best Practices	2 Hours Assistance with the Implementation of new Chart of Account Structure	\$ 200.00
EFT8126	29/10/2020 Mayday Earthmoving	Hire of smooth drum roller - 24 Days - September 2020	\$ 5,775.00
EFT8127	29/10/2020 Lilypad VA	Formatting & Design of Municipal Heritage Inventory	\$ 695.00
EFT8128	29/10/2020 Naughty Bugs Pest Control	External Spider & Insect Treatment - Shire Buildings	\$ 4,598.00
EFT8129	29/10/2020 Kylie Neaves	Environmental Health Officer - 7 Hours - Waste Annual Reporting	\$ 525.00
EFT8130	29/10/2020 Petchell Mechanical	CAT Loader - Repair Gasket, Parts & Travel	\$ 950.26
EFT8131	29/10/2020 Proform Civil Pty Ltd ATF The Dale Weerts Family	R2R Dowerin-Koorda Road; Intersection Design & Site Inspection	\$ 4,537.50
EFT8132	29/10/2020 Workwear Group Pty Ltd	Admin Corporate Uniform Order - K. Hathaway	\$ 579.65
EFT8133	29/10/2020 Perth Laundry Equipment	SSA Washing Machine & Dryer Rental 22 October - 21 November 2020	\$ 419.46
EFT8134	29/10/2020 Elaine Podmore	HCP 3 - Provision of Volunteer Transport - Wyalkatchem to Perth	\$ 30.00
EFT8135	29/10/2020 Quick Corporate Australia Pty Ltd	Admin Stationary Order - Kettle, 2021 Diaries & Batteries	\$ 427.65
EFT8136	29/10/2020 5Rivers Plumbing & Gas	26 O'Loghlen Street - Install electric hot water system	\$ 4,374.32
EFT8137	29/10/2020 Roadside Products Pty Ltd	100x Steel guide posts	\$ 1,607.10
EFT8138	29/10/2020 Resonline Pty Ltd	Short Stay Accommodation - Monthly Room Manager Invoice - September 2020	\$ 220.00
EFT8139	29/10/2020 RM Surveys	Oval & UAM Feature Survey	\$ 2,640.00
EFT8140	29/10/2020 Riccardo Ruggieri	Reimbursement - Paint for Town Hall	\$ 42.16
EFT8141	29/10/2020 Sheridans for Badges	Chambers Desk Plaques - Cr Ward & Cr Metcalf	\$ 108.90
EFT8142	29/10/2020 St John Ambulance WA Ltd	Restock & Service First Aid Kits - Shire Buildings & Vehicles	\$ 1,294.38
EFT8143	29/10/2020 Total Tools Midland	Tools - Screwdriver & Drill Set	\$ 128.79
EFT8144	29/10/2020 Ucarty Holdings Pty Ltd	Stewart Street Gardens - 2 small loads of cow manure	\$ 220.00
EFT8145	29/10/2020 IT Vision User Group	IT Vision User Group Membership Subscription 2020/2021	\$ 748.00
EFT8146	29/10/2020 Westrac Equipment	CAT Loader - 2x 18L Coolant	\$ 239.69
EFT8147	29/10/2020 Rebecca Windsor	1 Gym Induction @ \$20 per Induction	\$ 20.00
EFT8148	29/10/2020 Wyliewhere	HCP Purchase - 13 Hours Assistance in Preparation for Moving - G. Templeman (Covered by Funding)	\$ 1,872.00



Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

Last Cheque No: 10847

10848	07/10/2020	Shire of Dowerin	Payroll deductions	\$	327.59	
10849	07/10/2020	LGRCEU	Payroll deductions	\$	61.50	
10850	07/10/2020	Synergy	Electricity Usage & Service Charges to 16 September 2020 - SSA	\$	1,514.46	
10851	07/10/2020	Telstra	Telephone Usage & Service Charges to 10 September 2020 - Admin, Internet, Dowerin Home Care, Licensing, Sewerage, Health, Swimming Pool & Depot	\$	1,507.19	
10852	13/10/2020	Shire of Dowerin	Rates refund for assessment A812 18 MEMORIAL AVENUE DOWERIN WA 6461	\$	618.26	
10853	14/10/2020	LGRCEU	Payroll deductions	\$	20.50	
10854	29/10/2020	Rural Water Council (Inc.)	Annual Membership to Rural Water Council	\$	300.00	
10855	29/10/2020	Synergy	Electricity Usage & Service Charges 25 August to 24 September 2020 - Street Lighting	\$	2,467.12	
10856	29/10/2020	Telstra	Telephone Usage & Service Charges to 10 October 2020 - Admin, Depot, DHC, Licensing, Sewerage, Pool & Health Lines, Admin DHC & Dowerin Fire Shed Data	\$	2,005.40	
10857	29/10/2020	Water Corporation	Water Usage & Service Charges to 31 October 2020 - Admin Building & Gardens and Centenary	\$	6,403.55	
10858	29/10/2020	F A & J L Windsor	robin motor sewerage pump	\$	414.55	
				\$	325,743.54	EFT

Last Direct Debit No: 11081

DD11096.1	05/10/2020	Shire of Dowerin - Visa Card Payments	NAB Business Visa - September 2020	\$	2,932.64	
DD11110.1	21/10/2020	Puma Energy	Fuel Usage - September 2020	\$	774.61	
DD11100.1	14/10/2020	WA Super	Payroll deductions	\$	4,000.66	
DD11100.2	14/10/2020	AMP Superannuation Saving Trust	Superannuation contributions	\$	222.59	
DD11100.3	14/10/2020	Australian Super	Superannuation contributions	\$	337.47	
DD11100.4	14/10/2020	MLC Super Fund	Superannuation contributions	\$	228.38	
DD11100.5	14/10/2020	Cbus	Superannuation contributions	\$	211.29	
DD11100.6	14/10/2020	Fiducian Portfolio Services Limited	Superannuation contributions	\$	108.14	
DD11100.7	14/10/2020	Australian Super	Superannuation contributions	\$	143.65	
DD11100.8	14/10/2020	Care Super	Superannuation contributions	\$	184.77	
DD11100.9	14/10/2020	Asgard Super	Superannuation contributions	\$	57.37	
DD11105.1	28/10/2020	WA Super	Payroll deductions	\$	4,038.52	
DD11105.2	28/10/2020	AMP Superannuation Saving Trust	Superannuation contributions	\$	222.59	
DD11105.3	28/10/2020	Australian Super	Superannuation contributions	\$	349.80	
DD11105.4	28/10/2020	MLC Super Fund	Superannuation contributions	\$	259.05	
				\$	15,640.12	CHQ



Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

DD11105.5	28/10/2020 Cbus	Superannuation contributions	\$	211.29
DD11105.6	28/10/2020 Fiducian Portfolio Services Limited	Superannuation contributions	\$	106.82
DD11105.7	28/10/2020 Australian Super	Superannuation contributions	\$	165.14
DD11105.8	28/10/2020 Care Super	Superannuation contributions	\$	185.38
DD11105.9	28/10/2020 Asgard Super	Superannuation contributions	\$	120.07
DD11100.10	14/10/2020 REST Superannuation	Superannuation contributions	\$	440.79
DD11100.11	14/10/2020 PRIME Super	Superannuation contributions	\$	222.59
DD11105.10	28/10/2020 REST Superannuation	Superannuation contributions	\$	469.81
DD11105.11	28/10/2020 Prime Super	Superannuation contributions	\$	222.59
130871	01/10/2020 BF - Bank Fee	Bank Fee	\$	710.49
130872	16/10/2020 BF - Bank Fee	Bank Fee	\$	5.00
130872	29/10/2020 BF - Bank Fee	Bank Fee	\$	39.24
130872	30/10/2020 BF - Bank Fee	Bank Fee	\$	249.90
130872	30/10/2020 BF - Bank Fee	Bank Fee	\$	52.50
DD11089.1	02/10/2020 Western Australian Treasury Corporation	Loan No. 100 Interest payment - Government Housing accommodation	\$	9,853.62
DD11092.1	04/10/2020 Western Australian Treasury Corporation	Loan No. 99 Interest payment - Short term Accomodation units	\$	26,585.24
			\$	53,712.00 DD

\$ 395,095.66

\$	325,743.54	EFT8065 to EFT8148
\$	15,640.12	Cheque 10848 to 10858
\$	2,932.64	Direct Debit 11096: Credit Card Payment: September 2020
\$	774.61	Direct Debit 11110: Puma Energy: Fuel - September 2020
\$	12,508.76	Superannuation Payments
\$	1,057.13	Direct Debit 130871 & 130872: Bank Fees
\$	36,438.86	Direct Debit 11089 & 11092: Loan Repayments
\$	395,095.66	
\$	46,930.72	PPE 14 October 2020 - Wages of Dowerin Home Care Funded
\$	48,039.17	PPE 28 October 2020 - Wages of Dowerin Home Care Funded



\$ 94,969.89

\$ 490,065.55 Total Payments for October 2020 Including Payroll x2

Shire of Dowerin
List of Payments For The Period Ending 31 October 2020

SHIRE OF DOWERIN

Date: 3.11.2020
Voucher: 553
Chq: DD

Amount in words: Four Thousand Eight Hundred and Fifty Five Dollars and Twelve Cents

\$ 4,855.12

Dr to: **D89 - Shire of Dowerin NAB Business Visa**

MUNICIPAL FUND

CEO

We hereby certify in accordance with "The Local Government Act 1995" and Local Government (Financial Management) Regulations that the work as specified below has been duly and faithfully performed and approved.

Recommended by the Finance Committee

DATE OF SERVICE	GL	PARTICULARS <small>(If progress payment, state total amount of contract and amount of previous payments, if any)</small>	GST	AMOUNT
30.09.2020	2040121	Telstra; Councillor iPad - Data Recharge	\$ -	\$ 150.00
30.09.2020	2130240	TryBooking Australia; 2x Tickets to Bencubbin Luncheon - R. McCall & A. Banks	\$ 0.32	\$ 103.50
8.10.2020	2140221	Dropbox; 1 Year Sropbox Plus Subscription - CEO	\$ 16.79	\$ 184.67
8.10.2020	2130265	Kmart; SSA - Spare Double Sheets & Quilt Covers	\$ 15.82	\$ 174.00
19.10.2020	2140221	Adobe Pro DC; Monthly Software Subscription	\$ 2.00	\$ 21.99
20.10.2020	2140220	Exetel; Corporate Internet - Monthly Charge	\$ 70.45	\$ 775.00
26.10.2020	2040251	Dowerin Roadhouse; IPR Staff Meeting - Breakfast	\$ -	\$ 182.50
28.10.2020	BM063.250.2101	SAS Locksmiths; SSA - Deadlatch Digital Lock	\$ 44.09	\$ 484.95
28.10.2020	2030211	NAB; Visa Card Fee - R. McCall	\$ -	\$ 9.00
8.10.2020	P0007.260.2101	Groeneveld Lubrication Solutions; Parts to Repair Grease Lines on CAT Grader D007	\$ 6.99	\$ 76.91
8.10.2020	2030116	Dowerin LPO; 6x 100 Postage Stamps - Rates	\$ 60.00	\$ 660.00
	2140216	Dowerin LPO; 1x 100 Postage Stamps - Administration Office	\$ 10.00	\$ 110.00
8.10.2020	2140221	Dropbox; 1 Year Sropbox Plus Subscription - MCCS	\$ 16.79	\$ 184.67
19.10.2020	P708.261.2261	Vibe Gidgegannup; Fuel - D4 MCCS Vehicle	\$ 6.03	\$ 66.33
28.10.2020	2140204	Country Comfort Inn; Accommodation 2 Nights - Staff Training	\$ -	\$ 291.00
28.10.2020	2030211	NAB; Visa Card Fee - C. Delmage	\$ -	\$ 9.00
30.09.2020	P713.261.2261	Coles Express Bertram; Fuel - D02 MWA Vehicle	\$ 6.66	\$ 73.23
2.10.2020	2110665	Fielders; Minnivale Bakery - Zincalume, Flashing & Downpipes	\$ 30.86	\$ 339.46
9.10.2020	P713.261.2261	Coles Express Northam; Fuel - D02 MWA Vehicle	\$ 6.76	\$ 74.31
12.10.2020	P408.260.2101	Avon Valley Toyota; Shire Bus - Investigate Rear Door Alarm & Remove/Replace Rear Door Cover Clip	\$ 2.91	\$ 31.98
21.10.2020	P713.261.2261	Dunnings Toodyay; Fuel - D02 MWA Vehicle	\$ 6.35	\$ 69.88
23.10.2020	BM042.250.2101	Solomans Flooring; Town Hall - 4x Roller Blinds	\$ 65.00	\$ 715.00
26.10.2020	BM028.250.2101	Bunnings; 19 Cottrell Street - 5x Cream Mortar	\$ 4.27	\$ 47.00
28.10.2020	2030211	NAB; Visa Card Fee - L. Vidovich	\$ -	\$ 9.00
28.10.2020	2030211	NAB; Bank Fees	\$ -	\$ 11.74
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
TOTAL \$			\$ 372.09	\$ 4,855.12

NOTE - It is Essential for Audit Purpose that Full Particulars be inserted in this Form.

CERTIFIED SPECIAL EMERGENCY PAYMENTPRESIDENT



Statement for
NAB Business Visa

NAB Commercial Cards Centre - GPO Box 9992 Melbourne Victoria 3001
Tel 1300 498 594 8am - 8pm AEST & AEDT Monday to Friday, 9am - 6pm AEST &
AEDT Saturday and Sunday
Fax 1300 363 658
Lost & Stolen cards: 1800 033 103 (24 hours within Australia only)

DOWERIN SHIRE
PO BOX 111
DOWERIN WA 6461

Statement Period 29 September 2020 to 28 October 2020
Company Account No: [REDACTED]
Facility Limit: \$16,000

Your Account Summary

Balance from previous statement	\$2,932.64 DR
Payments and other credits	\$2,932.64 CR
Purchases, cash advances and other debits	\$4,816.38 DR
Interest and other charges	\$38.74 DR
Closing Balance	\$4,855.12 DR

**YOUR DIRECT DEBIT PAYMENT OF \$4,855.12 WILL BE
CHARGED TO ACCOUNT [REDACTED] ON
03/11/2020 AS PER OUR AGREEMENT.**

302/04/17/M110351/S017914/1035827

see reverse for transaction details

Transaction record for: Billing account

Date	Amount A\$	Details	Reference
5 Oct 2020	\$2,932.64 CR	DIRECT DEBIT PAYMENT	74557040276
8 Oct 2020	\$5.54	NAB INTNL TRAN FEE - (SC)	74557040282
8 Oct 2020	\$5.54	NAB INTNL TRAN FEE - (SC)	74557040282
19 Oct 2020	\$0.66	NAB INTNL TRAN FEE - (SC)	74557040293
Total for this Period:	\$2,920.90 CR		



NAB Telephone Banking: transfer funds by phone from your nominated NAB accounts to your NAB Business Visa account. Phone 1300 498 594, between 7am and 9pm AEST, Monday to Friday, 8am and 6pm AEST, Saturday and Sunday



NAB Internet Banking: transfer funds from your NAB cheque or savings account to your NAB Business Visa account using NAB Internet Banking at nab.com.au



Biller Code: 1008. Ref: Select the card number you are making the payment to. Contact your participating bank, credit union or building society to make this payment from your cheque or savings account. BPAY payments may be delayed until the next banking business day, due to processing cut-off times. Maximum BPAY payment amount is AU \$100,000 per payment.

Cardholder summary

If you have recently switched to a new product or had a Lost/Stolen replacement of your card, your cardholder summary may not reconcile with the account balance. The closing balance in "Your Account Summary" section of this statement reflects your correct balance and amount payable. Please login to your Internet Banking or NAB Connect account to review your most up to date transaction listing.

Cardholder account	Cardholder name	Credit limit	Payments and other credits (A)	Purchases and cash advances (B)	Interest and other charges (C)	Net Totals (B + C - A)
██████████4	MRS REBECCA LOUISE M	\$10,000	\$0.00	\$2,076.61	\$9.00	\$2,085.61
██████████	MISS CHERIE MAY DELM	\$3,000	\$0.00	\$1,388.91	\$9.00	\$1,397.91
██████████	MR LES JOHN VIDOVIH	\$5,000	\$0.00	\$1,350.86	\$9.00	\$1,359.86
██████████9	BILLING ACCOUNT	\$0	\$2,932.64 CR	\$0.00	\$11.74 DR	\$2,920.90 CR
			\$2,932.64 CR	\$4,816.38 DR	\$38.74 DR	\$1,922.48 DR

Transaction type

Purchase

Annual percentage rate

0.000%

Daily percentage rate

0.00000%



Statement for

NAB Business Visa

NAB Commercial Cards Centre - GPO Box 9992 Melbourne Victoria 3001

Tel 1300 498 594 8am - 8pm AEST & AEDT Monday to Friday, 9am - 6pm AEST

AEDT Saturday and Sunday

Fax 1300 363 658

Lost & Stolen Cards: 1800 033 103 (24 hours, 7 days a week)

Cardholder Details

Cardholder Name: MRS REBECCA LOUISE MCCALL
Account No: [REDACTED]
Statement Period: 29 September 2020 to 28 October 2020
Cardholder Limit: \$10,000

Transaction record for: MRS REBECCA LOUISE MCCALL

Date	Amount A\$	Details	Explanation	Amount NOT subject to GST	Amount subject to GST	GST component (1/11th of the amount subject to GST)	Reference
30 Sep 2020	\$150.00	TELSTRA MELBOURNE	Councillor iPad - Data Recharge			2040121	03135919117
30 Sep 2020	\$103.50	TRYBOOKING* BEN CRC ONLINE PURCHA	2x Tickets to Bencubbin Luncheon			2130240	74617630274
8 Oct 2020	\$184.67	DROPBOX*5W42X27F1GKT D02FD79	1 Year Dropbox Subscription- CEO			2140221	74657360282
8 Oct 2020	\$174.00	KMART ONLINE 03	SSA - Spare Sheets + Quilt Covers			2130265	74363960282
19 Oct 2020	\$21.99	ADOBE ACROPRO SUBS ADOBE.LY/ENAU	Adobe Pro DC - Monthly Software Subscription			2140221	74313190290
20 Oct 2020	\$775.00	EXETEL PTY LTD NORTH SYDNEY	Corporate Internet - Recurring Monthly Charge			2140220	74564720293
26 Oct 2020	\$182.50	DOWERIN ROADHOUSE DOWERIN	1PR Staff Breakfast			2040251	74564720297
28 Oct 2020	\$484.95	SAS LOCKSMITHING LEEDERVILLE	SSA Unit 3 - Deadlatch Digital Lockset			BM063-250-2101	03172898371
28 Oct 2020	\$9.00	CARD FEE	NAB Visa Card Fee			2030211	74557040302
Total for this period	\$2,085.61		Totals				

Employee declaration

I verify that the above charges are a true and correct record in accordance with company policy

Cardholder signature: _____ Date: _____

Statement for

NAB Business Visa

NAB Commercial Cards Centre - GPO Box 9992 Melbourne Victoria 3001

Tel 1300 498 594 8am - 8pm AEST & AEDT Monday to Friday, 9am - 6pm AEST

AEDT Saturday and Sunday

Fax 1300 363 658

Lost & Stolen Cards: 1800 033 103 (24 hours, 7 days a week)

Cardholder Details

Cardholder Name: MISS CHERIE MAY DELMAGE

Account No: [REDACTED]

Statement Period: 29 September 2020 to 28 October 2020

Cardholder Limit: \$3,000

Transaction record for: MISS CHERIE MAY DELMAGE

Date	Amount A\$	Details	Explanation	Amount NOT subject to GST	Amount subject to GST	GST component (1/11th of the amount subject to GST)	Reference
8 Oct 2020	\$76.91	GRNEVLD AUSTRALIA WALSHPOOL	CAT Grader - parts to Repair Grease Line			P0007-260-2101	03194162549
8 Oct 2020	\$770.00	POST DOWERIN LPO DO DOWERIN	Postage Stamps - Rates \$ Admin			2030116, 2140216	74813840281
8 Oct 2020	\$184.67	DROPBOX*4W4GKQL1654F D02FD79	1 Year Dropbox Subscription- MCCS			2140221	74657360282
19 Oct 2020	\$66.33	VIBE TOODYAY ROAD GIDGEGANNUP	Fuel - D4 MCCS vehicle			P708-261-2261	74564450290
28 Oct 2020	\$291.00	Booking.com Australia Sydney	2 Night Accommodation - Nuts + Bolts finance Training			2140204	74773880301
28 Oct 2020	\$9.00	CARD FEE	NAB Visa Card Fee			2030211	74557040302
Total for this period	\$1,397.91		Totals				

Employee declaration

I verify that the above charges are a true and correct record in accordance with company policy

Cardholder signature: _____ Date: _____

302/04/17/M10352/S017916/I035831

Statement for

NAB Business Visa

NAB Commercial Cards Centre - GPO Box 9992 Melbourne Victoria 3001

Tel 1300 498 594 8am - 8pm AEST & AEDT Monday to Friday, 9am - 6pm AEST

AEDT Saturday and Sunday

Fax 1300 363 658

Lost & Stolen Cards: 1800 033 103 (24 hours, 7 days a week)

Cardholder Details

Cardholder Name: MR LES JOHN VIDOVIĆH

Account No: [REDACTED]

Statement Period: 29 September 2020 to 28 October 2020

Cardholder Limit: \$5,000

Transaction record for: MR LES JOHN VIDOVIĆH

Date	Amount A\$	Details	Explanation	Amount NOT subject to GST	Amount subject to GST	GST component (1/11th of the amount subject to GST)	Reference
30 Sep 2020	\$73.23	COLES EXPRESS 6904 BERTRAM	Fuel - DO2 MWA Vehicle			P113.261.2261	74363960274
2 Oct 2020	\$339.46	FIELERS O'CONNOR	Minivale Bakery - Zincalume Flashing & Downpipes			2110665	74564450276
9 Oct 2020	\$74.31	COLES EXPRESS 2128 NORTHAM	Fuel - DO2 MWA Vehicle			P113.261.2261	74363960283
12 Oct 2020	\$31.98	AVN NORTHAM PTY LTD NORTHAM	Shire Bus - remove/replace Rear Door Cover Clip			P408.260.2101	74940520283
21 Oct 2020	\$69.88	DUNNINGS TOODYAY JUN TOODYAY	Fuel - DO2 MWA Vehicle			P113.261.2261	74564450295
23 Oct 2020	\$715.00	SOLOMONS FLOORING MI MIDVALE	Town Hall - 4x Roller Blinds			8m042.250.2101	74564450296
26 Oct 2020	\$47.00	BUNNINGS GROUP LTD HAWTHORN EAST	19 Cottrell Street - 5x Cream Mortar			8m028.250.2101	74940520297
28 Oct 2020	\$9.00	CARD FEE	NAB Visa Card Fee			2030211	74557040302
Total for this period	\$1,359.86		Totals				

Employee declaration

I verify that the above charges are a true and correct record in accordance with company policy

Cardholder signature: _____ Date: _____

Assessment	3rd Previous	2nd Previous	Previous	Current	Total	Comments as at 03/11/2020
	Year & greater	Year	Year	Year		
A380	9,735.27	5,347.67	5,238.55	1,665.85	21,987.34	Under review for next step - 3 year rule most probably the best option
A529	1,787.43	1,783.05	1,651.22	1,446.24	6,667.94	Defaulted on payment arrangement - letter sent. Legal action to commence
A451	15,841.41		1,570.00	1,955.02	19,366.43	Probate search lodged as we are unaware of beneficiary of the deceased estate
A494	515.85	1,289.92	1,432.50	1,031.79	4,270.06	Defaulted on payment arrangement - letter sent. Legal action to commence
A474			2,359.53	2,354.08	4,713.61	Final warning letter to be sent -then recommence legal action
A479			914.05	895.52	1,809.57	Final warning letter to be sent -then recommence legal action
A512	12,437.91	4,020.63	4,746.14	2,430.52	23,635.20	Under review for next step - 3 year rule most probably the best option
A283		1,669.18	837.42	758.57	3,265.17	Final warning letter to be sent and then recommence legal action
A225	3,917.83	9,195.12	1,067.67	470.58	14,651.20	Report going to council regarding the write off of rates as someone is purchasing the property
A247	294.22	345.83	401.24	351.48	1,392.77	Defaulted on payment arrangement - letter sent. Legal action to commence
A248	294.22	345.83	401.31	351.48	1,392.84	Defaulted on payment arrangement - letter sent. Legal action to commence
A249	194.22	344.43	390.00	347.19	1,275.84	Defaulted on payment arrangement - letter sent. Legal action to commence
A819			268.16	892.10	1,160.26	Final warning letter to be sent
A183	1,733.00	823.00		261.54	2,817.54	Client visited office and advised would pay all money before June 30
A950	688.86	1,049.40	1,227.19	1,037.62	4,003.07	Client now under financial hardship policy and keeping up with payments
A1016	3,604.81	1,766.81	1,647.41	1,058.65	8,077.68	Final warning letter to be sent -then recommence legal action
	51,045.03	27,980.87	24,152.39	17,308.23	120,486.52	

The Shire President- Cr Darrell Hudson
The CEO Shire of Dowerin – Rebecca McCall

E – crhudson@dowerin.wa.gov.au
rmccall@dowerin.wa.gov.au
dowshire@dowerin.wa.gov.au

Dear President and CEO,

RE; LOT 10 MINNIVALE

I am interested in purchasing Lot 10, Minnivale. However before making an offer to the current owner I understand there is an outstanding debt on the property. This is to seek council approval to dissolve the debt as proposed in this letter.

The current debt, as at 26/10/2020 and includes 2020/2021 rates and interest to this date, which I understand goes back to 2012 is as follows;

Rates	\$2,992.08	20.40%
Interest applied on outstanding rates	\$1,172.70	8.00%
Legal costs to recover the rates	\$10,049.59	68.50%
Emergency Services levy (ESL)	\$396.00	2.70%
Interest applied to outstanding ESL	\$59.60	0.40%
TOTAL	\$14,669.97	100.00%

PROPOSAL

1. Pay all rates and ESL due for the 20/21-year ie from 1/7/20. \$309.00
2. Pay the outstanding ESL of \$312.00,

All other debts to be dissolved by the Shire.

REASONING TO THE PROPOSAL

1. Start fresh from 1/7/2020 with rate payments. Rates due \$309.00 including ESL.
2. ESL I understand was paid by the shire. This is reimbursing the Shire. \$312.00
3. Past rates. To be written off. The services are limited in Minnivale and as the property is a cleared block there would have been no services utilised. Thus, no outlay by the Shire.
4. Interests- this is a penalty be dissolved.
5. Legal Costs- these represent 68.50% of the total debt. Over three times the outstanding rates. Appreciate it is a cost the Shire incurred however the decision to pursue a debt where the cost is far more than the debt just seems an unusual decision. This be written off.
6. ESL interest – This be written off.

[REDACTED]

[REDACTED] Pursuing the debt with continual cost that far exceed the actual loss of rates and value of the land would not be in the interest of the Shire rate payers. By accepting this proposal, it represents a fresh start with some recovery and the prospects of a rate payer becoming involved with the progress of Minnivale and the shire generally.

Regional areas need to be supported and encouraged to invest in the area to avoid a decline in our regional towns.

If this is acceptable, I will arrange for the payment of the items 1 and 2 above as presented within seven days.

I thank the council for considering this proposal. This is an opportunity to move forward without incurring further costs with good will and a future rate payer who will aid in the development of the shire.

Yours Sincerely

[REDACTED]

[REDACTED]

[REDACTED]

PPOLICY NUMBER	- 3.10
POLICY SUBJECT	- 3.10 Drug and Alcohol Policy
DATE ADOPTED	- 19 December 2017
RESPONSIBLE OFFICER	- Manager Corporate & Community Services
REVIEWED	-

Objective

This Policy supports the Shire of Dowerin's commitment to maintaining a safe and efficient working environment for all staff members and contractors.

The Drug and Alcohol Policy applies to all workers who carry out work in any capacity for the Shire of Dowerin including work as an employee, contractor or subcontractor, an employee of a contractor or subcontractor, an employee of a labour hire company assigned to work for the Shire of Dowerin, an apprentice or trainee, work experience student, or volunteer.

Policy

Workers are not to present themselves for work if they have consumed alcohol and/or other drugs where they may be at risk of impairment during work hours. It is a condition of entry to all Council workplaces that all workers may be tested at any time for alcohol and/or drugs.

Alcohol and illicit drugs shall not be consumed at any Council workplace, in any Council owned vehicle or plant, or at any time as a worker of the Council whilst undertaking their respective duties. An exception for the consumption of alcohol will be made for special occasions or locations as determined by the Chief Executive Officer and where the provision of hospitality is within the bounds of normal customary hospitality.

Alcohol and Drug Tolerance Levels within the Workplace

Council's alcohol tolerance within the workplace is in accordance with applicable standards considering the workplace requirements and the nature of the work being undertaken.

Council's drug tolerance within the workplace is in accordance with the testing method's Australian Standard, including amendments, which Council accepts as indicators of the risk of impairment.

Prescription and Pharmacy Medication

If Council suspects that there is a risk of impairment to a worker's ability to safely perform work, Council may take steps to address the issue in accordance with this Policy and associated procedures.

Where a worker is taking prescription and pharmacy medications for a legitimate medical purpose, the worker will not breach this Policy by attending work or duties subject to guidelines listed in the Drug and Alcohol Procedure.

Any information supplied by workers in relation to prescription and pharmacy medication to Council or any of its workers must be kept confidential.

Awareness and Training

Council recognises that it is important to develop a workplace culture, through awareness and training where employees are prepared to encourage each other to be safe and not unfit for work. All employees shall be familiarised with this Policy and the Drug and Alcohol Procedure upon commencement of employment and annually thereafter.

All other workers shall be made aware of the components of this Policy and the Drug and Alcohol Procedure that may affect them whilst performing work in any capacity for Council.

Drug and Alcohol Testing Triggers

Consistent with Council's obligation and commitment to ensuring a safe workplace, workers will be required to undergo drug and alcohol testing in the following circumstances in accordance with the Drug and Alcohol Procedure:

1. As part of a Random Testing Program;
2. In a case of Reasonable Suspicion;
3. Post Incident; and/or
4. Any testing as part of a return to work and/or rehabilitation program conducted under this policy and associated procedure.

Testing Methods

All initial drugs testing undertaken will comprise of a saliva test. Confirmatory test may comprise of either a urine or saliva test.

Urine testing will be conducted in accordance with Australian/New Zealand Standard AS/NZS 4308:2008. Saliva testing will be conducted in accordance with Australian Standard 4760-2006.

Alcohol testing will be conducted in accordance with current random breath testing procedures in Western Australia (Australian Standard AS 3547-1997).

Employee Assistance

Council recognises drug and alcohol dependency as a treatable condition. Workers who suspect they have an issue with drugs and/or alcohol are encouraged to seek advice regarding appropriate treatment options. Council offers employees the services under the EAP. The services provided by Council's EAP provider are strictly confidential.

Any Workers referred to EAP may access either a Council provided EAP or a recognised program of their choosing (at the employee's own expense).

Breaches of Policy

Disciplinary action may be taken in accordance with the actions detailed in the Drug and Alcohol Procedure and Discipline Procedure for breaches of this policy including, but not limited to:

1. The recording of a positive result from a drug and / or alcohol test;
2. If found to have deliberately masked a substance;
3. The falsification of medication information or details;
4. Tampering with a sample for drug and / or alcohol testing; or
5. Refusing to comply with any requirements of this Policy.

Definitions

Chief Executive Officer - A person who holds an appointment under Section 194 of the Local Government Act 2009.

Council - Shire of Dowerin

Employee - Local government employee;

1. the Chief Executive Officer; or
2. a person holding an appointment under section 196 of the *Local Government Act 1995*.

Employee Assistance Program (EAP) - A confidential, professional counselling service available to Council employees.

Fitness for Work - A state (physically, mentally and emotionally) to perform assigned tasks competently and in a manner which does not compromise or threaten the health, wellbeing and safety of themselves or other persons.

Risk of Impairment - The risk of a worker's reduced quality, strength or effectiveness due to the effects of drugs and/or alcohol consumption whilst performing their usual duties.

Random - Having no specific pattern, nor predetermined outcome.

Suspicion Testing - Testing undertaken on the suspicion that an employee may be at risk of impairment from drugs or alcohol.

Worker - Contractor or subcontractor, an employee of a contractor or subcontractor, an employee of a labour hire company assigned to work for Council, work experience student or a volunteer.

Work Hours - Any time where a worker is at the workplace for work purposes, and claiming remuneration, including time where the on-call allowance is received.

Workplace - A place where work is carried out for a business or undertaking and includes any place where a worker goes, or is likely to be, while at work.

Roles and Responsibilities

This policy applies to all workers as per the above definition.

The Chief Executive Officer is responsible for ensuring this policy is implemented.

Managers are responsible for ensuring their staff are aware of this policy and for reporting any breaches to the Chief Executive Officer.

Related Documentation

Drug and Alcohol Procedure
Code of Conduct
Australian/New Zealand Standard AS/NZS 4308:2008
Australian Standard 4760-2006.
Australian Standard AS 3547-1997

Related Legislation/Local Law/Policy/Procedure

Drug and Alcohol Procedure

Related Delegation

Nil

POLICY NUMBER	- 3.10
POLICY SUBJECT	- 3.10 Drug and Alcohol Policy
DATE ADOPTED	- November 2020
RESPONSIBLE OFFICER	- Manager Corporate & Community Services
REVIEWED	-

Objective

The Shire of Dowerin (Local Government) and its employees must take all reasonable care not to endanger the safety of themselves or others (including members of the public) in the workplace.

Alcohol and other drug usage becomes an occupational safety and health issue if a worker's ability to exercise judgment, coordination, motor control, concentration and alertness at the workplace is impaired.

This Policy applies to all employees, contractors, visitors and volunteers engaged or appointed by the Local Government while on the Local Government's premises or while engaged in Local Government related activities.

For the purposes of this Policy, the term '**employee/s**' extends to cover contractors, volunteers and any person performing work for or with the Local Government in any capacity.

Policy

The Individual's Responsibility

Under the *Occupational Safety and Health Act 1984 (WA) (OSH Act)*, workers must take reasonable care of their own safety and health and not endanger the safety and health of others at the workplace.

The consumption of alcohol and/or drugs while at the workplace is unacceptable. The workplace extends to Shire owned vehicle or plant or at any time as a worker of the Shire whilst undertaking their respective duties.

Employees are required to present themselves for work and remain, while at work, capable of performing their work duties safely.

An employee who is under the influence of alcohol and/or drugs at the workplace, or is impaired, may face disciplinary action, including termination of employment.

Reporting Requirements

Employees must report to their employer any situation where they genuinely believe that an employee may be affected by alcohol and/or other drugs.

Drug Use on the Premises

Employees who buy, take, or sell drugs on Local Government premises, may be found to have engaged in serious misconduct. Such behaviour may result in disciplinary action up to and including dismissal.

Employees who have been prescribed medication/drugs by a medical practitioner that could interfere with their ability to safely carry out their role must inform their manager or Human Resources and disclose any side effects that these medication/drugs may cause.

Consumption of Alcohol on the Premises

Except in situations where the Local Government holds a function on the premises and alcohol is provided, employees must not consume alcohol in the workplace.

Drug & Alcohol Treatment Program

Where an employee acknowledges that they have an alcohol and/or drug problem and are receiving help and treatment, the Local Government will provide assistance to the employee. The Local Government:

- will allow an employee to access any accrued personal or annual leave so that they may undergo treatment; and
- will take steps to return an employee to their employment position after completion of the treatment program, if practicable in the circumstances.

Where an employee acknowledges that they have an alcohol and/or drug problem and are receiving help and treatment, the line manager or members of senior management, will review the full circumstances and agree on a course of action to be taken. This may include redeployment to suitable alternative employment, or possible termination from employment if the employee is unable to safely carry out the inherent requirements of their role.

Managers' Responsibilities – Consumption of Alcohol at Work Sponsored Functions

Managers are required to:

- encourage employees to make alternative arrangements for transport to and from work prior to the function;
- ensure that the following is made available: water, soft drinks, low alcohol drink options, tea and/or coffee and food;
- assist the employee with safe transport home, including contacting a family member or arranging a taxi, if the manager believes a person may be over the BAC 0.05 limit; and
- appoint a delegate to oversee the remainder of the function if the manager has to leave early.

Identification of Impairment & Testing

If the Local Government has reasonable grounds to believe that an employee is affected by drugs and/or alcohol it will take steps to address the issue.

Reasonable grounds may include, but are not limited to, where an employee's coordination appears affected, has red or bloodshot eyes or dilated pupils, smells of alcohol, acts contrary to their normal behaviour, or otherwise appears to be affected by drugs and/or alcohol.

If the Local Government suspects that an employee is under the influence of drugs and/or alcohol it may pursue any or all of the following actions:

- direct an employee to attend a medical practitioner and submit to a medical assessment to determine whether the employee is fit to safely perform their duties;
- require that an employee undergo drug and alcohol testing administered by a suitable qualified person appointed by the Local Government; and/or
- direct an employee to go home.

Prescription and Pharmacy Medication

In circumstances where an employee indicates the consumption of prescription or pharmacy drugs, the Local Government may request further information from the medical practitioner conducting the assessment about the effects and proper usage of the prescription or pharmacy drugs being taken.

The Local Government may direct the employee to go home following the medical assessment until it can be established that they are fit to undertake their duties.

Testing Methods

All initial drugs testing undertaken will comprise of a saliva test. Confirmatory test may comprise of either a urine or saliva test.

Urine testing will be conducted in accordance with Australian/New Zealand Standard AS/NZS 4308:2008. Saliva testing will be conducted in accordance with Australian Standard 4760-2006.

Alcohol testing will be conducted in accordance with current random breath testing procedures in Western Australia (Australian Standard AS 3547-1997).

If an employee refuses to attend a medical examination or refuses to submit to an alcohol or drug test, the employee will be immediately directed to go home. Refusal to attend a medical assessment or refusal to go home constitutes a breach of this policy and may result in disciplinary action being taken against the employee, up to and including the termination of employment.

The following steps are to be taken where an employee, who has submitted to a medical assessment, returns a positive test result for alcohol and/or drugs:

- the employee tested and the supervisor (or respective employer) will be informed of the result; and
- a disciplinary discussion will take place in accordance with the disciplinary policies and procedures of the Local Government.

Consequences of Breaching this Policy

An employee engaged by the Local Government who breaches the provisions of this policy may face disciplinary action including possible termination of employment. Breaches of this Policy include but are not limited to:

- 1) The recording of a positive result from a drug and / or alcohol test;
- 2) If found to have deliberately masked a substance;
- 3) The falsification of medication information or details;
- 4) Tampering with a sample for drug and / or alcohol testing; or
- 5) Refusing to comply with any requirements of this Policy.

Roles and Responsibilities

The Chief Executive Officer is responsible for ensuring this policy is implemented.

Managers are responsible for ensuring their staff are aware of this policy and for reporting any breaches to the Chief Executive Officer.

Related Documentation

Code of Conduct
Australian/New Zealand Standard AS/NZS 4308:2008
Australian Standard 4760-2006.
Australian Standard AS 3547-1997

Related Legislation/Local Law/Policy/Procedure

Nil

Related Delegation
Nil

DRAFT

POLICY NUMBER	- 3.16
POLICY SUBJECT	- 3.16 Education and Assistance Policy
DATE ADOPTED	- 25 September 2018 (Item 10.1.1)
RESPONSIBLE OFFICER	- Manager Corporate & Community Services
REVIEWED	-

Objective

To encourage higher education and greater skills by employees, relative to their duties, in order to achieve greater efficiency in Shire operations and enhance promotional opportunities of employees.

~~The Shire of Dowerin is committed to providing an environment in which its employees are adequately equipped to achieve their career and professional development needs relevant to their employment.~~

~~All employees have equal access to training and development opportunities promoted by the Shire and/or courses of study that will contribute to the improvement of their professional skills and knowledge relevant to their employment with the Shire, as identified in the staff performance review process.~~

~~This policy provides guidance in administering an employee's request for further education and specifies what the Shire will reimburse employees for expenses incurred as well as leave allocation while undertaking approved courses of study, as part of their career planning.~~

Policy

The Shire of Dowerin supports and encourages employees to undertake studies appropriate to the needs of the Shire.

The Shire recognises that employees will from time to time aspire to upgrade their knowledge and skills.

Prior to an application for study assistance being approved, a request in writing from the employee must be made to the CEO outlining the benefits the proposed training will bring to the organisation and its relevance to the employee's role or further career aspirations as to benefit the organisation.

1. Education (being acquisition of general, tertiary and professional skills and qualification) is the responsibility of the individual employee.
2. The Shire will provide regular opportunities for employees ~~of the Shire~~ to upgrade or enhance their skills to the benefit of the organisation.
3. This ~~p~~Policy only applies to full time and part time employment. Employees who are a trainee, apprentice, casual and employees on a temporary contract of 12 months or less will not be eligible to apply.
- ~~4. The employee must gain Manager and Chief Executive Officer approval of the course prior to seeking assistance under this policy.~~
- ~~5.4. The Shire is supportive of employees who seek further education and, through the Chief Executive Officer, an application may be considered and/or approved under the following considerations will consider an application and approve subject to the following:~~

- a. the studies are relevant to the current position or potential future career development that will be of benefit to the organisation;
- b. the extent to which the ~~department/section~~organisation will be inconvenienced due to study absences; and
- c. the employee's past work performance and behaviour.

This Policy does not relate to attendance at required/relevant Professional Development training courses considered to form part of an employee's standard conditions of employment.

Contribution to Fees Financial Assistance

This Policy requires the employee to pay all fees related to higher education based on the conditions above. Upon successful completion of each unit and after the provision of a copy of their receipt and statement of results at the end of each semester, the Shire will reimburse the employee up to 100% of enrolment costs incurred subject to budget restraints.

- ~~1. When it is financially advantageous to do so the Shire will consider paying the fees incurred upfront in order to receive any discount offered by their respective Educational Institution.~~
- ~~2. The employee pays for the fees and thereafter provides a copy of their receipt and statement of results at the end of the semester at which time the Shire will repay the employee up to 100% upon proof of completion and passing of the course. A statement of results as well as a copy of the payment receipt is required for reimbursement.~~
- ~~3. A repayment scale is applied if an employee leaves the Shire within 2 years from the date they received the payment:~~
 - ~~a. Within 6 months – 100% repay to the Shire~~
 - ~~b. Within 12 months – 75% repay to the Shire~~
 - ~~c. Within 18 months – 50% repay to the Shire~~
 - ~~d. Within 24 months – 25% repay to the Shire~~
- 4.1. The Shire will not make any contribution towards the books, materials, parking, campus fines, memberships, guild fees, travel costs or other costs associated with the course of study undertaken.
- ~~5. All requests for assistance from the Shire should be made and approved within a financial year and not be carried into a second financial year.~~
- 6.2. The need for an employee to repeat a unit shall be deemed to be unsatisfactory performance and the employee will not ~~receive further assistance from the Shire~~be reimbursed for that unit until successfully completed.
- ~~7. Fees paid to employees who work part-time hours will be calculated on a pro-rata system calculated as a percentage of a full time equivalent figure based on the employee's normal hours of work.~~
- 8.3. All costs, other than salaries, incurred under this policy will be costed against the Shire's training budget.

Leave Arrangements

The Shire will provide the opportunity for an employee to take time off (study leave) of up to 45 hours (one half day) per week, provided that such time ~~is made up and~~ does not interfere with Council operations ~~significantly, excepting in the case of employees classified as "trainee", "cadet" or "apprentice" where additional Study Leave may be granted by the Chief Executive Officer.~~

In the case of employees classified as 'trainee', 'cadet' or 'apprentice', additional Study Leave may be granted by the Chief Executive Officer.

Reporting

It is an expectation that each employee who benefits from the provision of training and/or professional development as provided by the organisation, will provide a summary report to the CEO regarding the outcome with the report being placed on the employee's personnel file.

Each quarter, the CEO will provide the Council with a summary of training and professional development which briefly outlines any training and/or professional development undertaken and the outcomes and/or benefits of such training.

Roles and Responsibilities

Chief Executive Officer

The Chief Executive Officer has responsibility to ensure this policy is implemented.

Managers and Supervisors

Managers and supervisors have responsibility to ensure employees are aware of this policy and actively promote professional development of staff as part of this policy.

Related Documentation

Study Assistance Application Form

Related Legislation/Local Law/Policy/Procedure

Strategic Community Plan – Our Leaders – Outcome 3 – Commitment to continuous improvement in service delivery and good governance practices ensures the Shire is adaptive to evolving community needs.

Related Delegation

Nil

POLICY NUMBER	- 4.13
POLICY SUBJECT	- 4.13 Development of Policies and Administrative Procedures
DATE ADOPTED	- 25 September 2018 (Item 10.1.2)
RESPONSIBLE OFFICER	- Manager Corporate & Community Services
REVIEWED	- <u>November 2020</u>

Objective

To establish a ~~policy~~ framework that ~~aims to sets~~ an overarching governance hierarchy enabling the Council and Administration to collectively:

1. Provide effective and accountable strategic leadership; ~~and~~
 2. Make decisions based on principles of equity, fairness, natural justice, transparency of decision making and good government, as well as meeting statutory requirements.
-

Policy

Council Policies and Administrative Procedures enable effective and efficient management of ~~Council Shire~~ resources and assist staff and Council to achieve an equitable decision-making process.

In respect to policy development and implementation, the intent outlined in the *Local Government Act 1995* (Sections 2.7(2)(b) and 5.41) is for Council to set the strategy and policy direction with the implementation of that direction and the day to day operations resting with the Chief Executive Officer.

Council Policies – approved by Council

1. Are strategic, outcome focussed and set governing principles, guiding the direction of the organisation;
2. Have strategic external focus;
3. Align with community values and aspirations;
4. Are clearly linked to the role of Council;
5. Are focussed on alignment with the Community Strategic Plan and ~~Strategic Financial Corporate Business~~ Plan of Council; and
6. Do not prevail over or contradict the Local Planning Scheme

Their intent is to have Council Policies that drive and align with the five focus areas of the Community Strategic Plan:

1. Our Lifestyle;
2. Our Infrastructure;
3. Our Economy;
4. Our Natural Environment; and
5. Our Leaders.

Council policies are developed through a Council workshop process and/or ~~the~~ administration and adopted by Council.

Council policies provide ~~general strategic governing principles guidance~~ without directing operational activities.

Unless otherwise required by regulation or changes to legislation, Council policies are reviewed every two years. All current adopted policies are maintained in a Master Policy Manual which is a public document located on the Shire's website.

Administrative Procedures

1. Are developed for administrative and operational imperatives;
2. Have an internal focus;
3. Are developed by ~~the~~ administration; and
4. Are endorsed by ~~the~~ Management ~~team~~ and approved by the Chief Executive Officer.

Procedures are the administrative guidelines for the implementation of Council Policies, supporting sound administration of the Shire (generally technical and/or operational in nature). They are endorsed by Management and approved by the Chief Executive Officer.

Procedures are to be maintained in a Master File and are internal documents only. Procedures are to be regularly reviewed and tested by other employees for accuracy and relevance. Procedures are to be prepared in the standardised format as approved by the Chief Executive Officer and form part of the documentation required for internal controls and assist in meeting audit requirements.

Roles and Responsibilities

Chief Executive Officer

The Chief Executive Officer has responsibility to ensure this policy is implemented.

Managers and Supervisors

Managers and supervisors have responsibility to ensure employees are aware of this policy and actively review policy and procedures to ensure compliance with this policy.

Related Documentation

Nil

Related Legislation/Local Law/Policy/Procedure

Local Government Act 1995 (Sections 2.7(2)(b) and 5.41)

Strategic Community Plan – Our Leaders – Outcome 3 – Commitment to continuous improvement in service delivery and good governance practices ensures the Shire is adaptive to evolving community needs.

Related Delegation

Nil

CEO's Review of the Effectiveness of Risk Management, Legislative Compliance and Internal Controls

BACKGROUND

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-regulations (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 3 calendar years.

(3) The CEO is to report to the audit committee the results of that review.”

In accordance with Regulation 17(3), the Audit & Risk Committee is required to review a report prepared by the CEO, and then report to the Council the results of the Committee’s review, at the same time, attaching a copy of the CEO’s report.

Operation Guideline Number 09 (issued by the Department of Local Government, Sport & Cultural Industries) lists issues that should be considered for inclusion in the CEO’s Review of Risk Management, Internal Control and Legislative Compliance.

The primary goal of Regulation 17 is to establish the appropriateness and effectiveness of the Shire’s systems and procedures in relation to risk management, legislative compliance and internal controls.

RISK MANAGEMENT

1. Does the Local Government have an effective Risk Management System?

Comment

The Shire of Dowerin is working towards developing an effective risk management system with several strategies put in place to assist the Shire of Dowerin in managing risks. The overarching Risk Management Framework includes a Risk Profiling Report that identifies key controls and actions (treatments).

Due to changes in key personnel the Risk Dashboard and Profile Report was only reviewed twice since the reported review in November 2017.

The Risk Management Policy and Framework is to be reviewed for appropriateness and effectiveness at least every two years.

The last review of the Risk Management Policy and Framework was presented to the Audit and Risk Committee in October 2019 and adopted by Council in November 2019.

Risk Management Policy

Officer's Recommendation/Resolution

Moved: Cr Holberton

Seconded: Cr Ward

0079 That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, Council adopts the reviewed Risk Management Policy, as presented in Attachment 11.1A.

CARRIED 5/0

Risk Management Framework

Officer's Recommendation/Resolution

Moved: Cr Chatfield

Seconded: Cr Ward

0080 That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, Council:

1. Adopts the Risk Management Framework, as presented in Attachment 11.2A and;
2. Acknowledges that implementation of the Risk Management Framework will occur over a period of time, with the progress of implementation and the achievement of milestones to be reviewed and reported quarterly to the Audit & Risk Committee and Council.

CARRIED 5/0

Key actions implemented since December 2017 are referenced throughout this report. The following key actions are not referenced:

Code of Conduct

The Code of Conduct was last reviewed in April 2017. The next review was due in April 2019. WALGA recommended the review be deferred until the Local Government Act Amendment Bill is finalised to consider implications and implementation of the new requirements. It is envisaged the review will take place no later than April 2020.

External Review - CEO's Review of Risk Management, Internal Control and Legislative Compliance

The CEO engaged an external local government consultant to undertake the initial review of the Shire's systems and controls. The review was undertaken in September 2019 and presented to the Audit and Risk Committee in October 2019. [Attachment A](#).

Officer's Recommendation/Resolution

Moved: Mr Whiteaker

Seconded: Cr Ward

0055 That, by Simple Majority in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:

1. receives the Audit Regulation 17 Review report from Mr Gary Martin, as presented in Attachment 7.6A;
2. notes the Audit Regulation 17 Review report from Mr Gary Martin is a supporting document to the CEO's Review of Risk Management, Internal Control and Legislative Compliance and Risk Management Governance Framework which is anticipated to be presented to the Audit & Risk Committee in December 2019; and
3. recommends to Council that it receives the Audit Regulation 17 Review report from Mr Gary Martin.

CARRIED 3/0

Integrated Planning Framework

Document	Adopted by Council
Asset Management Plan	May 2018
Long-Term Financial Plan	May 2018
Corporate Business Plan	26 February 2019
Workforce Plan	28 May 2019

Corporate Business Plan

With the implementation of the IPR Suite of Plans, monitoring is undertaken through the IPR Framework Process Plan outlining Dowerin's Baseline Report to include theme, objective, outcome, strategy and key actions. The Corporate Business Plan Quarterly Monitoring Review – November 2019 was received by Council in November 2019.

Officer's Recommendation/Resolution

Moved: Cr Ward

Seconded: Cr Sewell

0078 That, in accordance with Section 5.56(1) of the *Local Government Act 1995*, Council receives the Corporate Business Plan - Quarterly Monitoring Review – November 2019, as presented in Attachment 10.5A.

CARRIED 5/0

Organisation Structure Review

A comprehensive review of the organisation structure commenced in November 2018. The purpose of the review was to put in place a workable structure that ensures the organisation can meet operational, legislative, regulatory and strategic requirements in addition to delivering services to the community.

COUNCIL DECISION – 13.1.4

MOVED: RI TREPP

SECONDED: BN WALSH

CARRIED: 8/0

THAT COUNCIL, BY ABSOLUTE MAJORITY, PURSUANT TO SECTION 5.2 OF THE LOCAL GOVERNMENT ACT 1995, RESOLVES TO ACCEPT THE SHIRE OF DOWERIN'S ORGANISATION STRUCTURE, MARCH 2019.

Monthly Financial Statements are presented to Council each month.

The Shire of Dowerin participates in the LGIS Regional Risk Coordinator Program. The program assists the Shire to achieve a safer workplace, reduced liability exposure, cost savings on claims, protect assets, improve productivity and enhance industry knowledge.

A desktop review of the Risk Dashboard and Profile Report was conducted by the CEO in December 2019. [Attachment B](#).

2. Are material operating risks to the Local Government being appropriately considered?

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, Corporate and Operational Plans.

The major risk themes recognised for assessment include:

- Misconduct;
- External Theft & Fraud;
- Business Disruption;
- Damage to Physical Assets;
- Errors, Omissions & Delays;
- Failure of IT &/or Communications Systems and Infrastructure;
- Failure to fulfil Statutory, Regulatory or Compliance Requirements;
- Providing Inaccurate Advice/Information;
- Inadequate Change Management;
- Inadequate Organisation and Community Emergency Management;
- Inadequate Document Management Processes;
- Inadequate Employee and Visitor Safety & Security;
- Inadequate Engagement of Community/Stakeholders/Elected Members;
- Inadequate Procurement, Disposal or Tender Practices;
- Inadequate Asset Management;
- Inadequate Stock Management;
- Inadequate Supplier/Contract Management;
- Ineffective People Management; and
- Not Meeting Community Expectations.

The risk themes are assessed using the Risk Dashboard and Profile Report to identify the risk context, potential causes, key controls, actions (treatments), risk rating, consequences and indicators. Reviews of the Risk Dashboard and Profile Report were inadequate throughout 2018. However upon the review of the Risk Management Framework the reviews are to be carried out quarterly and presented to the Audit and Risk Committee. Quarterly reviews are scheduled in the Governance Calendar for January, April, July and October.

3. Does the Local Government have a current and effective Business Continuity Plan (including Disaster Recovery) which is tested from time to time?

Comment

A draft Business Continuity Plan is in place. However, the document is yet to be tested for appropriateness and effectiveness before finalising the Plan and presenting to the Audit and Risk Committee. The Shire's Risk Dashboard and Profile Report for business disruption is identified as inadequate. This risk area will be a priority with the aim to finalise the Plan by April 2020.

4. How effective are the internal processes for determining and managing material operating risks in accordance with the Local Government's identified tolerance for risk, particularly in the following areas?

- a. Potential non-compliance with legislation, regulations and standards and the local governments' policies;
- b. Important accounting judgements or estimates that prove to be wrong;
- c. Litigation and claims;
- d. Misconduct, fraud and theft; and
- e. Significant business risks recognising responsibility for general or specific risk areas, for example, environment risk, occupational health and safety and how they are managed by the local government.

Comment

The Shire of Dowerin's Risk Management Framework, Risk Management Policy and relevant Procedures clearly identify the risks associated with the internal processes identified above.

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.

Council's risk themes outlined in the Risk Management Framework document in detail all such risks and the Shire is currently developing processes and structures to mitigate and or minimise potential adverse effects, both financial and other.

Council's insurer provides Professional Indemnity cover which assists the Shire to minimise financial exposure.

The organisation's Governance Calendar assists management and staff to quickly identify due dates for all statutory, legislation and compliance requirements.

The Shire of Dowerin's Code of Conduct outlines guidelines for an acceptable standard of professional conduct. The Code of Conduct observes statutory requirements of the *Local Government Act 1995* (Section 5.103 – Codes of Conduct) and *Local Government (Administration) Regulations 1996* (Regulation 34B and 34C). Activities, behaviour and statutory compliance obligations may be scrutinised in accordance with prescribed rules of conduct as described in the *Local Government Act 1995* and *Local Government (Rules of Conduct) Regulations 2007*.

Council's Occupational Safety and Health (OSH) Management Plan 2018 assists the Shire in providing a safe workplace. The Plan follows the layout of the Australian New Zealand Standard AS/NZ4801, the current industry best practice for safety management. The Plan outlines the OSH policy and objectives.

5. Are regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, provided to ensure that identified risks are monitored and new risks identified, mitigated and reported?

Comment

The Risk Management Framework outlines the requirement to monitor and review the management of risks, the effectiveness and efficiency of controls and the appropriateness of action (treatment) options. Reviews are to be conducted quarterly utilising the Risk Dashboard and Profile Reporting Tool and presented to the Audit and Risk Committee.

Due to key personnel changes, the Risk Dashboard and Profile Report was not monitored during 2018. Upon the commencement of the incoming CEO in late August 2018, the profile was appraised to gain an understanding of the maturity of the profiling tool and a desktop review was undertaken in December 2018. The quarterly Risk Dashboard and Profile Report was presented to the Audit and Risk Committee in October 2019.

Risk Dashboard and Profile Quarterly Report	
<p>The Risk Dashboard and Profile quarterly report was presented to the Audit and Risk Committee in October 2019. The Committee discussed the Dashboard and its implications in detail with the main points of discussion to include asset management practices, business and community disruption, failure to fulfil compliance requirements, errors omissions and delays, IT and communication systems and infrastructure, misconduct and supplier/contract management.</p> <p>There is a preference to adopt a pragmatic approach towards managing risk and ensuring the Risk Dashboard and Profile (Risk Register) is a workable document for the organisation. The CEO and Management aims for continuous improvement with the goal to achieve best practice. It is acknowledged that due to restricted resources it will take time to implement identified actions and desired outcomes.</p>	
Resolution	
Moved: Cr Ward	Seconded: Cr Hudson
0053	<p>That, by Simple Majority In accordance with Regulations 16 and 17 of the Local Government (Audit) Regulations 1996, the Audit & Risk Committee:</p> <ol style="list-style-type: none"> 1. Receives the quarterly Risk Dashboard Quarterly Report - October 2019, as presented and amended in Attachment 7.4A; 2. Notes the progress of staff actions to identify risks, track treatments and manage risks within identified outcomes; and 3. Recommends to Council that it receives the quarterly Risk Dashboard Quarterly Report - October 2019. <p style="text-align: right;">CARRIED 3/0</p>

The Compliance Audit Returns for 2018 and 2019 were completed and lodged.

Compliance Audit Return	
The CEO engaged a local government consultant to conduct an independent review of the 2018 Compliance Audit Return. The notes to the review was received at the Ordinary Meeting of Council in March 2018. There were five items of non-compliance in the total 95% items included in the Compliance Audit Return 2018, an achievement rate of 94.7%.	
Return Year	Lodged to DLGSC Smart Hub
2018	28 March 2019
2017	28 February 2018



The screenshot shows the 'Smart Hub' interface for the Dowerin Shire. The header includes the shire's logo and navigation links: 'home', 'my lg', and 'future'. A blue breadcrumb trail shows 'Dowerin Shire > cars'. The main content area has a sidebar with 'Dowerin Shire' and 'Documents'. A red warning message states: 'Please note that sessions will expire after 30 minutes of inactivity. Please save regularly to avoid data loss.' Below this, a notice says: 'The Compliance Audit Return needs to be submitted to your audit committee and then council for adoption by 31 March.' A table lists compliance audit returns for 2017 and 2018.

Return Year	Return Type	Status	Manage
2018	Compliance Audit Return	Completed on 28/03/2019	
2017	Compliance Audit Return	Completed on 28/02/2018	

All engineering work sites are risk assessed and documented by staff and contractors utilising risk assessment tools Take 5 and Safe Work Method Statement (SWMS). Risk assessment tools are reviewed and monitored throughout the identified works and signed off upon completion. [Attachment C](#) provides an example of a SWMS. Incident Reports are completed, signed and tabled at Toolbox meetings to determine if the action taken was appropriate and what can be put in place to prevent a recurrence.

6. Are the Local Government's processes to manage insurable risks adequate? How adequate is insurance cover, and if applicable, the level of self-insurance?

Comment

The Shire of Dowerin has comprehensive insurance cover through Council's insurance broker, LGIS. The insurance policy is reviewed annually, including the provision of external and/or in-house valuations based on replacement values and adjusted accordingly.

Council's Land and Buildings and Infrastructure portfolios were inspected and valued in June 2018 utilising external consultants. The inspection and valuation of Council's Plant and Equipment assets was carried out in June 2019, also by an external consultant. The reports determined the fair value and insurance value of the specified assets.

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.

7. Has the effectiveness of the Local Government's internal control system been reviewed with management and the internal and external auditors?

Comment

The Shire of Dowerin's internal control systems are reviewed and tested at regular intervals by the Management Team and annually by Council's External Auditors who conduct an interim and final audit.

Management has identified that in-house document procedures need updating, strengthening and recording. Documentation and centralising of procedures will be a key focus of Management during 2020.

The Audit recommendation for the year ending 30 June 2018 audit findings provided recommendations that Management have considered and actioned.

The Shire of Dowerin engaged the services of an external local government consultant to undertake the Compliance Audit Return.

The Shire of Dowerin's Audit and Risk Committee includes an external member, Mr Jason Whiteaker from the Shire of Northam.

An external review of the Financial Management System took place in September 2019.

Financial Management Review											
<p>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 <i>Local Government (Financial Management) Regulations 1996</i> 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 the CEO is to report the results of those reviews to Council.</p> <p>The last FM Review was conducted in 2016. The CEO engaged a local government consultant to undertake the 2019 FM Review. The Audit and Risk Committee received the 2019 FM Review in October 2019. The prioritised action list detailing progress and achieved milestones will be reported to the Audit and Risk Committee as a standing item.</p>											
<table><tr><th colspan="2">Resolution</th></tr><tr><td>Moved:</td><td>Mr Whiteaker</td></tr><tr><td>Seconded:</td><td>Cr Ward</td></tr><tr><td>0054</td><td>That, by Simply Majority in accordance with Regulation 5(2) of the <i>Local Government (Financial Management) Regulations 1996</i>, the Audit & Risk Committee receives the 2019 Financial Management Review, as presented in Attachment 7.5A, noting that a prioritised action list detailing progress and achieved milestones will be reported to future Audit & Risk Committee meetings, and recommends to Council that it endorses the 2019 Financial Management Review.</td></tr><tr><td colspan="2">CARRIED 3/0</td></tr></table>		Resolution		Moved:	Mr Whiteaker	Seconded:	Cr Ward	0054	That, by Simply Majority in accordance with Regulation 5(2) of the <i>Local Government (Financial Management) Regulations 1996</i> , the Audit & Risk Committee receives the 2019 Financial Management Review, as presented in Attachment 7.5A, noting that a prioritised action list detailing progress and achieved milestones will be reported to future Audit & Risk Committee meetings, and recommends to Council that it endorses the 2019 Financial Management Review.	CARRIED 3/0	
Resolution											
Moved:	Mr Whiteaker										
Seconded:	Cr Ward										
0054	That, by Simply Majority in accordance with Regulation 5(2) of the <i>Local Government (Financial Management) Regulations 1996</i> , the Audit & Risk Committee receives the 2019 Financial Management Review, as presented in Attachment 7.5A, noting that a prioritised action list detailing progress and achieved milestones will be reported to future Audit & Risk Committee meetings, and recommends to Council that it endorses the 2019 Financial Management Review.										
CARRIED 3/0											
<p>A strong focus on internal control will continue. The findings and recommendations of the external review will be included in the priority action list to ensure outlines objectives are achieved. Attachment D.</p>											

8. Does management have controls in place for unusual types of transactions and/or potential transactions that might carry more than an acceptable degree of risk?

Comment

Council's Delegation Register clearly identifies power of delegation, delegated duty, delegation to, sub-delegation, functions and conditions. The Delegations Register was reviewed in June 2019.

Delegation Register
In accordance with Section 5.46(2) of the <i>Local Government Act 1995</i> the Delegation Register was reviewed in June 2019 and May 2018.

Officer's Recommendation/Council Resolution – 11.3

Moved: Cr Walsh

Seconded: Cr Ward

That Council, by Absolute Majority pursuant to Sections 5.42, 5.44 and 5.46 of the Local Government Act 1995, adopts the Delegations Register, as reviewed and presented in Attachment 11.3A.

CARRIED 8/0

A review is scheduled for February 2020 to consider the Local Government Amendment Bill to ensure delegations meet new requirements.

Council Policy 4.4 – Finance Authorising Policy outlines that all finance transactions are to be authorised by the noted authorised person prior to the transaction being undertaken.

Council Policy 4.7 – General Financial Transaction Policy outlines that Council's accounting records will be maintained on a full accrual basis using up to date methods or electronic data processing.

Council Policy 4.11 – Purchasing Policy outlines the objectives to ensure all purchasing activities are compliant.

Segregation of processing duties and delegation of transaction checks and reviews and final authorisations are in place, but at times are difficult to put into practice due to the size of the organisation.

There is an emphasis to document and centralise effective procedures.

9. How effective and robust is the Local Government's procurement framework, with a focus on the probity and transparency of policies, procedures and processes? Are these procedures and processes being applied?

Comment

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;

- best practice policies and procedures are followed in relation to internal purchasing for the Shire of Dowerin;
- compliance with the *Local Government Act 1995* and the *Local Government Act (Function and General) Regulations 1996*;
- compliance with the *State Records Act 2000* 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.

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.

Council Policy 4.11 – Purchasing Policy was last reviewed in June 2018 and outlines the objectives to ensure all purchasing activities are compliant.

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.

The findings identified during the interim audit for the year ended 30 June 2019 included the following:

- 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.

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.

There is a lack of comprehensive, documented checklists and procedures. There is currently a key focus to develop adequate processes that are centralised.

10. Should the need arise, does the Audit and Risk Committee meet periodically with key management, internal and external auditors and compliance staff to understand and discuss any changes in the Local Government control environment?

Comment

The Audit and Risk Committee consists of 3 Elected Members and 1 External Member. The role and responsibilities of the Committee include:

External Audits

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 including those associated with individual projects, program implementation, and activities.
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.

Business Continuity

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.

Financial Reporting

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.

Internal Control

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.

Fraud and Corruption Prevention

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.
3. Provide oversight over the Shire's exposure and issues raised in relation to fraud and corruption.

Legislative Compliance

1. Oversee the effectiveness of the systems for monitoring compliance with relevant laws, regulations and associated government policies.

Other Responsibilities

1. Monitor the progress of the implementation of external audit recommendations made by the auditor, which have been accepted by the Shire.
2. Receive recommendations arising from reviews of local government systems and procedures.
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.

The Audit and Risk Committee have met on 6 occasions since the last Regulation 17 review:

2018	2019
18 December 2018	19 December 2019
28 June 2018	22 October 2019
18 February 2018	18 March 2019

The Audit and Risk Committee have participated in the exit meeting with Council's Auditor conducted upon the conclusion of the audited report via teleconference.

2018	2019
18 December 2018	19 December 2019

The Risk Dashboard and Profile Report was presented to the Audit and Risk Committee in October 2019.

<p>External Audit Review</p> <p>Council's Auditor's carried out the interim and end of year external audits. Following proclamation of the <i>Local Government (Auditing) Act 2017</i>, the Auditor General became responsible for the annual financial report audit of Western Australian Local Governments. The annual financial statement audit of the Shire of Dowerin was completed by the Auditor General for the first time for the year ended 30 June 2019.</p> <p>2017-2018 Financial Year</p> <p>Receipt of the Interim Management Report for the Year Ended 30 June 2018 was received by the Audit Committee in June 2018. Receipt of the Auditor's Report and Management Letter Report was recommended to be adopted by the Audit Committee in December 2018. Audit findings requiring action included adjusting journals, master file changes, year-end accounting, related party declarations, supplier payments, provision for employee entitlements, fuel stocks, works costings, self-supporting loan debtors and workforce plan.</p> <hr/> <p>COMMITTEE RECOMMENDATION – ITEM 8.2</p> <p>Moved: Cr BA Ward Seconded: Cr AJ Metcalf Carried: 4/0</p> <p>THAT THE AUDIT COMMITTEE;</p> <ol style="list-style-type: none"> 1. RECOMMEND THE ADOPTION OF THE 2017-2018 ANNUAL REPORT, AND RECEIPT OF THE AUDITOR'S REPORT AND MANAGEMENT REPORT FROM AMD CHARTERED ACCOUNTANTS FOR THE 2017-2018 FINANCIAL YEAR TO COUNCIL; AND 2. RECOMMEND TO COUNCIL THAT IT HOLD ITS ANNUAL GENERAL MEETING OF ELECTORS ON TUESDAY 5 FEBRUARY 2019 AT 6.00PM AT THE DOWERIN COMMUNITY CLUB. <p>2018-2019 Financial Year</p> <p>Receipt of the Interim Management Report for the Year Ended 30 June 2019 was received by Council in July 2019. Receipt of the Auditor's Report and Management Letter Report will be presented to the Audit and Risk Committee on 19 December 2019. The audit findings included recording of contributed assets, review of LTFFP, high annual leave balances and verification of year-end fuel stocks.</p>

11. Have fraud and misconduct risks been identified, analysed and evaluated? Has an appropriate treatment plan been implemented, communicated and monitored? Is there regular reporting and ongoing management of fraud and misconduct risks?

Comment

Risk profiles have been prepared for both 'Misconduct' and 'External Theft and Fraud' as part of the Shire's Risk Management Framework. Both are identified as being a 'moderate' risk and, although controls are adequate, further actions will need to be identified for implementation in 2020. Such actions will necessitate the review of existing processes, documenting and centralising of procedures.

Actions are included as a standing item on the Senior Management Meeting agenda to monitor status. These profiles are monitored and reviewed by Management quarterly. Actions include:

- Review and document controls and systems;
- Centralise checklists, controls and procedures; and
- Review purchasing policy and procurement process;

There have not been any reported cases of fraud since the CEO's appointment in August 2018.

INTERNAL CONTROLS

Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legalisation and achieve effective and efficient operations and may vary depending on the size and nature of the Local Government.

Aspects of an effective control framework will include:

- Delegation of authority;
- Documents policies and procedures;
- Trained and qualified employees;
- System controls;
- Effective policy and process review;
- Regular internal audits;
- Documentation of risk identification and assessment; and
- Regular liaison with auditor and legal advisors.

Comment

Delegation of Authority

Council has an effective delegation process. The Shire's Delegation Register was reviewed in May 2018 and June 2019. Delegations will continue to be reviewed on an annual basis in accordance with the requirements of Section 5.46(2) of the *Local Government Act 1995*.

Council Motion - Delegation Register
In accordance with Section 5.46(2) of the <i>Local Government Act 1995</i> the Delegation Register was reviewed in May 2018 and June 2019.
Officer's Recommendation/Council Resolution – 11.3
Moved: Cr Walsh Seconded: Cr Ward
<i>That Council, by Absolute Majority pursuant to Sections 5.42, 5.44 and 5.46 of the Local Government Act 1995, adopts the Delegations Register, as reviewed and presented in Attachment 11.3A.</i>
CARRIED 8/0

All employees in positions with delegated authority are required to complete a Primary Return and an Annual Return for each year thereafter that they remain in the position.

Documented Policies and Procedures

Council is establishing a new Policy Manual which is reviewed on a regular basis. The new Policy Manual is sectioned and numbered for easy reference.

Along with establishing the new Policy Manual, Council is reviewing the 2007 Policy Manual. The 2007 Manual is more procedural rather than outlining the principals to guide decisions and achieve rational outcomes. Council has reviewed a good portion of the 2007 Manual resulting in the decision to rescind policies and replace with adopted policies that set the guidelines of Council.

The development of a Corporate Procedure Manual will commence in 2020.

The current policies reviewed or implemented during 2019 are listed below which assists the Shire to assess the risk, internal controls and the relevant legislation to keep policies up to date for both Council and Staff.

Policy	Month/Year
Policy 2.1 – Related Parties Disclosures	January 2019
Policy 2.2 – Risk Management Policy	November 2019
Policy 2.4 – Information Management	February 2019
Policy 3.4 – Employee Health and Wellbeing	August 2019
Policy 3.5 – Grievances, Investigations & Resolution	August 2019
Policy 3.6 – Disciplinary	August 2019
Policy 3.7 – Discrimination, Bullying & Harassment Policy	August 2019
Policy 3.8 – Equal Employment Opportunity	August 2019
Policy 3.12 – Senior Employees & Acting CEO	March 2019
Policy 3.17 – Prescription Safety Glasses	January 2019
Policy 4.6 – Bank Account	January 2019
Policy 4.9 – Petty Cash	February 2019
Policy 4.10 – Corporate Credit Card	May 2019
Policy 4.14 – Mixed Use Properties	April 2019
Policy 4.15 – Regional Price Preference Policy	November 2019
Policy 5.4 – Road Engineering & Subdivision	May 2019
Policy 5.5 – Traffic Management of Dowerin Roads & Reserves	October 2019
Policy 5.8 – Replacement of Plant and Vehicles	November 2019
Policy 6.1 – Dowerin Home & Community Care - Volunteer	October 2019
Policy 6.2 – Pop Up Shop Country Collective	March 2019

Trained and Qualified Employees

The ongoing development of position descriptions for each employee position will assist in ensuring that staff members are appropriately qualified for the position to which they are appointed. Annual performance reviews are conducted to include identifying training and professional development requirements. Identified training needs are costed and included in the annual budget. A staff training register is updated on a regular basis.

Prior to offering employment to potential employees the following actions take place:

- Driver's License Check;
- National Police Clearance;
- Medical;
- Reference Checks; and
- Qualifications Checks.

Staff Driver License checks were conducted in November 2019.

Shire of Dowerin Workforce Plan was reviewed and adopted by Council in May 2019. The Workforce Plan will be monitored and evaluated annually and with emphasis analyses on staff retention, attraction protocols and succession planning.


Effective Policy and Process Review

Council requires its Policies to be reviewed once every two years. Once a policy is adopted it is inserted into the Shire's Policy Manual. However, a review appropriate to the subject is applied to each individual policy if required. Procedures, as they are compiled will be added to the planned Corporate Procedures Manual, will also be required to include a specific review timeframe.

Regular Internal Audits

The *Local Government Act 1995* requires that a Compliance Audit Return (CAR) be completed on an annual basis. The Shire of Dowerin engages the services of an external auditor to conduct an independent review of the CAR. The Return must be presented to the Audit and Risk Committee and to Council prior to submission to the Department of Local Government.

Compliance Audit Return	
The CEO engaged a local government consultant to conduct an independent review of the Shire's CAR for 2018. The notes to the review was received at the Ordinary Meeting of Council in March 2018.	
Return Year	Lodged to DLGSCI Smart Hub
2018	28 March 2019
2017	28 February 2018



Local Government, Sport and Cultural Industries
Smart Hub
[home](#) [mylg](#) [future](#)

Dowerin Shire ▸ cars

Dowerin Shire Documents

Please note that sessions will expire after 30 minutes of inactivity. Please save regularly to avoid data loss.

The Compliance Audit Return needs to be submitted to your audit committee and then council for adoption by **31 March**.

Return Year	Return Type	Status	Manage
2018	Compliance Audit Return	Completed on 28/03/2019	
2017	Compliance Audit Return	Completed on 28/02/2018	

Documentation of Risk Identification and Assessment

In May 2017, Council adopted a Risk Management Policy, which is supported by a Risk Management Procedure. Several risk profiles have also been prepared which are tools for identifying, assessing and reviewing risks to which the Shire may be exposed. Collectively, these documents form the Shire's Risk Management Framework.

The last review of the Risk Management Policy and Framework was presented to the Audit and Risk Committee in October 2019 and adopted by Council in November 2019.

Risk Management Policy	
Officer's Recommendation/Resolution	
Moved:	Cr Holberton
Seconded:	Cr Ward
0079	That, in accordance with Regulations 16 and 17 of the <i>Local Government (Audit) Regulations 1996</i> , Council adopts the reviewed Risk Management Policy, as presented in Attachment 11.1A.
CARRIED 5/0	

Risk Management Framework	
Officer's Recommendation/Resolution	
Moved:	Cr Chatfield
Seconded:	Cr Ward
0080	That, in accordance with Regulations 16 and 17 of the <i>Local Government (Audit) Regulations 1996</i> , Council: <ul style="list-style-type: none"> 1. Adopts the Risk Management Framework, as presented in Attachment 11.2A and; 2. Acknowledges that implementation of the Risk Management Framework will occur over a period of time, with the progress of implementation and the achievement of milestones to be reviewed and reported quarterly to the Audit & Risk Committee and Council.
CARRIED 5/0	

Regular Liaison with Auditor and Legal Advisers

Auditors attend Audit and Risk Committee meetings once per calendar year, either face-to-face or via teleconference. The Administration is in frequent communication with both auditors and legal advisers on a wide range of issues. Meeting dates conducted with the Auditors include:

2018	2019
18 December 2018	19 December 2019

The following are examples of controls that are typically reviewed:

1. Separation of Roles and Functions, Processing and Authorisation

Comment

Appropriate separation of roles and functions for processing and authorisation include:

- Debtors and Creditors;
- Payroll;
- Receipting;
- Rates;
- Banking;
- Electronic payments and transfers;
- Health;
- Planning; and
- Building.

2. Control of Approval of Documents, Letters and Financial Records

Comment

The Shire of Dowerin's Recordkeeping Plan (RKP2008069) was approved in 2014. A review of the Recordkeeping Plan is required by June 2021. The objectives of the Shire of Dowerin RKP are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*;
- 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.

Council Policy 2.4 – Information Management objectives are to:

- To ensure that the Shire of Dowerin meets the statutory requirements of the *State Records Act 2000*;
- To ensure uniformity and consistency for the creation and maintenance of records within the management systems within the Shire of Dowerin;

- 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.

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.

All financial transactions are traceable and recorded through Council's application software suite, SynergySoft. Monthly statutory financial reports are provided to Council.

3. Comparison on Internal Data with Other or External Sources of Information

Comment

The Shire of Dowerin does not have a formal policy or procedure in place in this regard, and in practicality there are many areas of the Shire's operations where external sources of information for the purposes of comparison are not available. However, appropriate action is taken whenever the opportunity or requirement for such comparisons exist. For instance, grant acquittals are subject to scrutiny by the Shire's external auditors, road data must be provided to Main Roads WA on an annual basis, and maintenance of the Shire's property register necessitates the comparison of property records held by the Shire with external sources such as Landgate and the WA Electoral Commission.

No major issues of concern have been identified to date in respect to the Shire's internal data is an indication that current practices are adequate at this point of time.

4. Limit of Direct Physical Access to Assets and Records

Comment

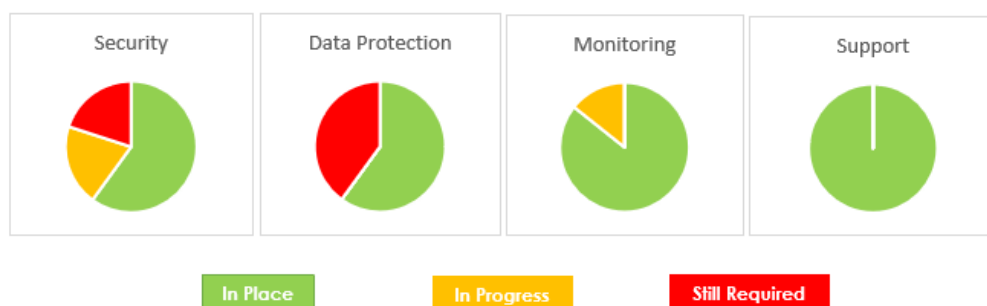
Access to assets is controlled via a key system. Officers are issued with keys which are not allowed access to areas unrelated to their duties.

An external provider is engaged to manage the data files and IT system. A service level agreement is in place to manage this arrangement. A monthly managed service report is provided to the Shire of Dowerin focusing on the following areas:

- Security;
- Data Protection;
- Monitoring; and
- Support.

The November 2019 report provided a MSA Score Rating of:

MSA Score Rating



Electronic files/data are backed-up daily to an internal and external hard drive. Back-up of electronic files is adequate. The organisation is investigating the implementation of a wireless link to accommodate back up replication.

Restrictions have been placed on the level of access each staff member can have, generally only to allow them to perform their specific functions. For example, some staff only have the ability to view records and have no ability to enter any data/information into the system.

Management will be looking into the creation of an Information, Technology and Communications (ITC) reserve fund. The development of an ITC Site Plan and procedure will be completed by December 2020. Reviews of data backup across the organisation occurs on a regular basis.

5. Control of Computer Applications and Information Systems Standards

Comment
Refer to Point 4.

6. Limit Access to Make Changes to Data Files and Systems

Comment
Refer to Point 4.

7. Regular Maintenance and Review of Financial Control Accounts and Trial Balances

Comment
Financial Control Accounts, including Trial Balances for all funds are reviewed and balanced on a monthly basis.

8. Comparison and Analysis of Financial Results with Budgeted Amounts

Comment
Each month an assessment of the budget variances is undertaken and reported to Council in accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

9. The Arithmetical Accuracy and Content of Records

Comment
Records are monitored through the Budget Review process and payment sign-off procedures, as well as the List of Accounts Paid is presented to Council for approval at each Ordinary Meeting.

10. Review, Review and Approval of Financial Payments and Reconciliations

Comment
Undertaken, as required, by the Manager Corporate and Community Services.

11. Comparison of the Result of Physical Cash and Inventory Counts with Accounting Records

Comment
Council Policy 4.9 – Petty Cash outlines the objectives should petty cash be used.

Council Policy 5.1 – Fuel Stock Control provides guidelines and managing the amount of fuel stock within the Shire.

A record of physical cash holdings is maintained daily. Petty cash and fuel stocks are reconciled on a monthly basis.

The current system to reconcile fuel stock is inadequate. There is a need to invest approximately \$20,000 to establish an adequate system to record inventory. This matter will be included in the 2020/21 Budget deliberations.

LEGISLATIVE COMPLIANCE

The Audit and Risk Committee should:

1. Monitor compliance with legislations and regulations

Comment

The Audit and Risk Committee review the annual Compliance Audit Return and audited Financial Statements and makes recommendations on both to Council. In addition, the Committee is responsible for considering and making recommendations to Council in relation to the Chief Executive Officer's Review of Risk Management, Internal Control and Legislative Compliance. The Committee also reviews the quarterly Risk Dashboard and Profile report.

2. Review the Annual Compliance Audit Return and reporting to Council of the results of that review

Comment

The annual Compliance Audit Return is presented to the Audit and Risk Committee for review and recommendation to Council within the required timeframe.

3. Review how management is monitoring the effectiveness of its compliance and make recommendations for change as necessary

Comment

The Audit and Risk Committee can make recommendations to Council with respect to any issues it believes require attention.

4. Review whether the local government has procedures to receive, retain and treat complaints, including confidential and anonymous employee complaints

Comment

Council has adequate policies and procedures that deal with such matters, which are reviewed on a regular basis.

External complaints are processed using one of the following methods:

- Snap, Send, Solve application - notifications are registered, reviewed monthly and presented to Council each month; and
- Complaints Register.

Council Policy 3.5 – Grievances, Investigations and Resolution provides guidelines on how to manage confidential and employee complaints.

5. Obtain assurance that adverse trends are identified and review management's plans to deal with them

Comment

In accordance to the Shire's Risk Management Framework, the Audit and Risk Committee is to be provided with a Risk Report at each Committee meeting.

This did not occur during 2018, however the report requirements will be fully implemented commencing in 2019.

6. Review management disclosures in financial reports of the effect of significant compliance issues

Comment

The Audit and Risk Committee reviews the annual Audit and Management Reports provided by the Shire's external Auditor.

7. Review whether the internal and/or external auditors have regard to compliance and ethics risk in development of their audit plan and in the conduct of audit projects, and report compliance and ethics issues to the Audit and Risk Committee

Comment

The Shire of Dowerin does not have an internal auditor at this point in time. The external audit function has recently been assigned through legislation to the Auditor General. The full implications of this are yet to be determined.

8. Consider the internal auditor's role in assessing compliance and ethics risks in their plan

Comment

Not relevant at this point in time.

9. Monitor the Local Government's Compliance Frameworks dealing with relevant external legislation and regulatory requirements

Comment

The Shire of Dowerin's Risk Management Framework was developed in November 2016 and reviewed in October 2019. The Governance Calendar highlights an annual review.

The Compliance Audit Return was externally reviewed in September 2019. The Audit and Risk Committee reviews and makes recommendations to Council with respect to the annual Compliance Audit Return.

10. Compliance with legislative and regulatory requirements imposed on Audit Committee members, including not using their position to gain an advantage for themselves or another or to cause detriment to the Local Government and disclosing of interests

Comment

Audit Regulation changes are brought to the attention of the Audit and Risk Committee as they arise. Audit and Risk Committee members are aware of their obligations in this regard.

The Shire of Dowerin's Code of Conduct outlines guidelines for an acceptable standard of professional conduct. The Code of Conduct observes statutory requirements of the *Local Government Act 1995* (S 5.103 – Codes of Conduct) and *Local Government (Administration) Regulations 1996* (Regs 34B and 34C). Activities, behaviour and statutory compliance obligations may be scrutinised in accordance with prescribed rules of conduct as described in the *Local Government Act 1995* and *Local Government (Rules of Conduct) Regulations 2007*. The Code of Conduct clearly states the guidelines for conflict, disclosure of interest and personal benefit.

Rebecca McCall
Chief Executive Officer

12 December 2019

9/17/2019

Audit Regulation 17 Review for the Shire of Dowerin 2019

Gary Martin

LOCAL GOVERNMENT CONSULTANT

AUDIT REGULATION 17 REVIEW FOR THE SHIRE OF DOWERIN

September 2019

1. BACKGROUND

This review is conducted on behalf of the CEO and for the purpose of reporting to the Shire's Audit Committee as required by Audit Regulation 17.

The review complements a review conducted for the purposes of the *Local Government (Financial Management) Regulation 5 (2)(c)*.

The Shire is a small Wheatbelt local government of a similar size and nature to many other wheatbelt local governments. However, the Shire was the subject of a CCC investigation in 2016, which resulted in the, then, CEO being charged with fraud and imprisoned for three years.

The financial loss of nearly \$600,000 was considerable, but the Shire also suffered serious reputational damage. The independent forensic financial audit and a Financial Management review together with the Compliance Audit Review in 2016 reported the sheer scale of mismanagement that had existed for several years, with the intangible loss of management control outweighing the financial loss.

The adverse effects of that period are still being felt today and this is likely to continue for some time to come as the previous hidden management failures come to light.

The FMR review reported on the significant improvements in the management of the Shire, and the on-going improvements underway but that progress had been slowed by the changeover of the CEO position with two permanent CEO's and two Acting CEO periods since 2016. It was also noted that previous employees had not been properly supervised and largely left to their own devices, which contributed to a lack of internal control.

Significantly, the FMR review has found that the CEO has made considerable positive changes, including the recent recruitment of four new Office staff and that there is a new positive culture developing, with a focus on introducing new procedures and internal controls.

This process is not an audit, but a review of the Shire's risk management function in respect of the appropriateness and effectiveness of the Shire's systems and procedures in relation to risk management, legislative compliance and internal controls. Similarly, it is not the purpose of this review to critique existing risks or to identify additional risks.

2. STATUTORY ENVIRONMENT

Audit Regulation 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 subregulation (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.

The Audit Committee is required to review the report and report to the Council on the report and the results of the review. The primary objective is to establish the appropriateness and effectiveness of the Shire's systems and procedures in relation to Risk Management, Legislative Compliance and internal controls.

It is noteworthy that there are no mandatory or minimum requirements for conducting a Reg.17 review, and it is important to note that it is not an audit.

This review considers all three components:

- Risk Management
- Internal Control
- Legislative Compliance

As mentioned above, this review was conducted in conjunction with the FMR reg.5 review, which included significant elements of internal control and legislative compliance and the two reviews are complementary.

3. RISK MANAGEMENT OVERVIEW

The CCC investigation in 2016 highlighted the requirement for local governments to have in place strong governance systems including policy, delegations, procedures and internal controls. A noteworthy contributing factor to the environment in which the previous CEO had operated was a failure of the external audit system, the Council's oversight and governance role and the lack of a Shire Audit Committee – the body charged with the prime responsibility for the oversight of the Shire's financial management and governance.

Therefore, although the misconduct by the CEO was the prime cause, the other key checks and balances also failed and allowed his misconduct to continue, with significant short- and medium-term detriment to the Shire.

The Shire has established an active Audit Committee and it is noteworthy its membership includes an external person who has a strong local government management background.

A similar Reg.17 review was conducted in 2017 and includes reference to the poor state of affairs that had existed previously. The Shire has made significant positive improvements since that time despite the changeover of CEO's, and these are continuing. It is evident that the previous CEO introduced a robust Risk Management process, however the focus on risk management has been delayed by the changeover of CEO in 2018 and the prioritisation of all the various management tasks.

The Shire's Policy manual includes a Risk Management Policy, which is the high-level Council risk management tool. The policy details the focus of risk mitigation and the objectives, as well as the roles and responsibilities and is recorded as being adopted 23 May 2017.

The Shire also has in place a comprehensive Risk Management Framework which was reviewed in August 2019 and not yet considered by the Audit Committee or Council. This framework is not specifically mentioned in the Policy, but the policy is mentioned in the framework.

The framework includes reference to a Risk Management Procedures manual, Shire Risk Profiles and reference to risk reporting.

The policy does not include specific provision for the regular internal review and status reporting of the risk environment at the management and Council level and that is considered essential but is included in the Framework, with:

- Risk Profiles to be reviewed and updated at least six monthly or where change occurs
- Six monthly risk reporting for the CEO and Management team
- Annual Compliance Audit

The CEO conducted a comprehensive risk management review in 2018, which forms a firm base for the conduct of this review. That review included risk management systems, whether the operating risks were being appropriately considered, internal processes and other key review components.

The Shire has a Risk Management Governance Framework which includes a policy, procedure and risk profiling tool. The risk profiling tool includes 15 risk themes. For each theme (area of business) the risk context and key controls are identified along with actions to mitigate risk. The risk profiling tool enables the Shire of Dowerin's Risk Management Team to monitor risks and report on a quarterly basis.

The CEO reported to the Audit Committee in March 2019 that with the loss of key personnel during 2018, quarterly monitoring and reporting of the risk profiling tool did not take place. Also, that upon the commencement of the incoming CEO in late August 2018, there was need to concentrate on operational priorities. Although quarterly monitoring or reporting did not occur, there has been an emphasis on reviewing identified policies and procedures to ensure the necessary controls are in place.

The CEO has acknowledged the previous delay in further implementing the Risk Management process and is actively pursuing that objective. This includes using the Risk Profiling Tool and:

- Management to monitor and update quarterly.
- Quarterly reporting presented to the Audit Committee and the OCM.
- Quarterly actions to be included in Senior Management Action lists – and these scrutinised weekly at Senior Staff meetings.

To guarantee the reporting requirements outlined in the Risk Management Governance Framework is undertaken, the Governance Calendar specifies that the Risk Management Team is to monitor the risk profiling tool in February, May, August and November of each calendar year and reporting to the Audit Committee every six months (May and December). The proposed quarterly reporting is recommended.

It had also been reported to the Audit Committee that a Business Continuity Plan was being drafted. That Plan has since been completed and is indicative of the progress being made.

It is entirely relevant for this review that there has been a significant change in key Office positions in recent months. Although this recruitment process resulted in a temporary setback due to vacancies, there are encouraging signs of a significant positive outcome with a change in culture and proactive process improvement to support the CEO's endeavours.

The CEO's commitment to developing a strong Risk Management environment is demonstrated by the 2019 Risk Profiles and Dashboard Register. This register is a comprehensive risk management tool which identifies and details a wide variety of functions and threats. The extent of this tool prevents a

realistic outline and analysis of its substance and utility within this document but it complements the policy, Risk Management Framework and other associated processes.

In fact, the scope of the risk management environment creates an additional risk in testing the ability of the CEO and officers to properly manage the additional compliance demand.

Although currently committed to catching up on a backload of tasks as well as current day to day operational tasks, including key statutory matters such as the annual budget and annual financial report, there is significant focus and activity to introduce new procedures or improve existing. This is a work in progress but provides the Council with significant confidence in achieving a high level of internal control and risk management.

- The other components of the CEO 2018 Risk Review are relevant and in accord with this and the FMR review but with the recommendation of far greater focus on the development of internal controls/procedures as CEO Directives to provide greater management control.
- It is recommended that Risk management should be included on the agenda for all Senior Staff meetings (as intended by the CEO) and a status report presented to the Audit Committee on a regular basis (say quarterly). The CEO review noted that regular reporting to the Audit Committee had not occurred during 2018. The status reporting is a key accountability and monitoring tool and ensures that the Shire's risk management is under regular scrutiny.
- This review finds that the Shire has a well-defined risk management environment that is being refined and improved as time permits. Status reporting will ensure that work continues.

The Council has a critical role to play in being aware of the factors (funding, time, resources, support) influencing the complete achievement of compliance, internal control and risk management and a commitment to resource the CEO to achieve these objectives.

4. INTERNAL CONTROL

This component of the Reg.17 review has been complemented by the separate FMR 5 review and it is not intended to duplicate that work in this report.

The FMR review found that the Shire has a greatly improved management environment with policy and procedures, and the systems necessary to carry out the compliance, governance and accounting requirements imposed on a local government such as the Shire, but that its internal control was weakened by the lack of specific written internal controls imposed by the CEO as directives.

It was evident that there were various procedures in place, including details of specific accounting functions associated with the data entry processes necessary to operate the Synergy accounting system, but these lacked specific details to provide control over the task. These controls should include requirements such as the responsible officer(s), how, when, what and a checking/authorisation regime.

These tasks, such as reconciliations, with some form of officer identification and checking, are being carried out now, but as a normal practice rather than as a result of a documented control requiring the task to be undertaken.

The formal imposition of directives by the CEO is the final step in the statutory framework and adds a higher degree of management control. The development of an internal control framework based on

legislation, policy, delegation, procedure and control, in a common format and location will provide a more complete strong internal control environment.

It was evident during the FMR review that the new staff were being proactive and examples of new procedures (in a common format) were being prepared as the need was identified and as time permitted. The adoption of an internal control mindset that imposes the responsibility and control requirements is necessary to give the CEO far greater management control.

The FMR further recognised the requirement for the CEO to develop appropriate function checklists (e.g. Payroll, EOM reconciliations etc) that are signed off by the preparing officer and a senior checking officer. The development of a Master function checklist that is provided to the CEO monthly will provide a ready reference regarding the status of the various functions.

Although the conduct of these reviews is timely, there is also an element of being premature. It was abundantly clear that the CEO has a strong focus on process improvement including compliance and risk management and the backlog of major plans etc has improved significantly in a relatively short space of time. It was also apparent that the recently appointed employees are also showing a positive approach to process improvement with evidence of new procedures etc occurring during the review.

It is anticipated that these positive improvements will continue as time permits and within the constraints of day to day operational requirements.

5. LEGISLATIVE COMPLIANCE

This aspect of the review also formed a significant part of the FMR review.

The Shire and CEO demonstrate a strong focus on statutory compliance and achieving best practice. As noted previously, the achievement of this objective has been affected by the sheer scale of legacy problems from the pre 2016 era and the requirement to introduce basic compliance requirements identified in the 2016 Forensic Audit and FMR reviews. The changeover of CEO's and other office staff has further affected progress.

It is noted that the Shire is now in a position of being appropriately staffed and a far more positive environment exists.

The pre 2016 compliance environment was almost non-existent with the Compliance Audit Return for the 2015 year noting numerous examples of non-compliance and incorrect reporting in previous Returns by the, then, CEO.

The Council has since engaged an external Consultant (the author of this report) to conduct the Compliance Audit. That experience and knowledge, including three periods as the Acting CEO, has greatly assisted in the conduct of both the FMR and this review.

The independent CAR audit for 2017 found one issue of non-compliance out of ninety-four items, and the 2018 audit, five issues out of ninety-four items. These results were similar with other audits conducted by the author and indicate the high level of focus on compliance by both recent CEO's. The results are particularly relevant in regard to the environment that had existed, and the sheer volume of legacy management issues that were required to be addressed, and quickly.

It is noteworthy that the statutory CAR content has been reduced from some 400 items to less than 100. The earlier, more comprehensive, CAR forms provided a far more comprehensive annual check on the

level of compliance and this underlines the requirement for the CEO to develop internal controls and checklists.

An example found during the FMR was the failure to maintain the Cemetery register since 2017. The Cemetery compliance requirements had once been included in the more comprehensive CAR but is no longer part of the recent CAR's. However, the compliance requirement remains and underlines the requirement for CEO imposed internal controls and checklists.

It is relevant that the FMR found that the other statutory registers were being maintained.

It is important to note that the actual compliance framework and the CAR process is a detached, retrospective examination of minute, multifaceted, and ambiguous statutory detail specified by the *Local Government Act 1995* and associated regulations. Significantly, the CAR and the overall compliance regime excludes the actual working environment and pressures of the day-by-day operational circumstances, and other Council and community priorities that exist in the pragmatic management of the wide range of functions and issues experienced in a local government such as the Shire.

There is a fine balance required between meeting compliance obligations, undertaking the various day by day operational tasks, and meeting the service expectations of the Council and community. The Council has a responsibility to be aware of these factors and the requirement to balance resources, funding and time to meet the various demands on the CEO and staff. The reporting of status is an important element in the overall governance overview responsibility of the Council.

The overall compliance requirement to observe "all written law" places an onerous responsibility on the CEO of a small local government.

- The Council can take comfort that the CEO, and staff, have a strong focus on compliance (as evidenced by initiatives such as the Compliance Calendar), and have, and are in, a continual improvement mode.

It is also reinforced that, although timely, this review is premature in as much as the current improvements and initiatives made, underway or proposed, will significantly enhance the entire management environment.

Gary Martin

Local Government Consultant

17 September 2019

Shire of Dowerin

Risk Dashboard Report - December 2019

ATTACHMENT B

<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	Dec-19	MWA		
Update RAMM with Revaluation Data	Mar-20	MWA		
Link Building Maintenance Schedule to AMP	Dec-20	MWA / MCCS		
Review Asset Management Plan	Dec-20	SMT		
Develop Inspection Schedule for Asset Classes	Feb-20	MWA / TWC		
Review LTFP and Link to AMP	Feb-21	MCCS / MWA / CEO		

<u>Business & Community 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		
#REF!	#REF!	#REF!		
Annual LEM Exercise Undertaken	Apr-20	CEO		
Finalise Draft Business Continuity Plan	Apr-20	CEO		
Business Continuity Plan Drill to be Undertaken Annually	Jul-20	CEO / MCCS		
Fire Breaks Inspected and Enforced Annually	Completed	MCCS		
Fire Fighting Equipment Maintained and Serviced	Jan-20	MWA		
Wardens (Internal) - Training of New Wardens	Jun-20	SMT		
Admin Generator Maintained and Serviced	Jan-20	MWA		
Develop Facility Risk Management Plan	Dec-21	CEO / MCCS		

<u>Failure to fulfil Compliance Requirements (Statutory and Regulatory)</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	Jun-20	CEO / EGO		
Continue Implementation of Training Program for Councillors and Staff	Ongoing	SMT / EGO		
Review Councillor Induction Manual	Completed	EGO		

<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	Jun-20	MCCS		
Document Information Management Framework	Jun-20	CSRO		
Information Management Staff Training	Ongoing	MCCS		
Review Record Keeping Plan	Jun-21	MCCS		

<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	Dec-19	SMT		
Implement Strategies Identified in the Workforce Plan	Ongoing	SMT		
Document Human Resource Management Framework	Jun-20	SMT		
Training Needs Analysis and Training Register	Mar-20	CEO / CSRO		
Review Staff Induction Process	Mar-20	MCCS		
Conduct Annual Performance Reviews	Apr-20	SMT		

<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 and Document Complaints Handling Process	Jun-20	CEO / MCCS		
Develop a Community Engagement Policy Framework	Jun-20	SMT / CDO		
Conduct Community Satisfaction Survey	Jun-20	CEO / CDO		
Develop Process For Customer Response Requests	Jun-20	MCCS		
Develop Complaint Register	Jun-20	MCCS		

<u>Environment Management</u>			Risk	Control
			Moderate	Adequate
Inadequate prevention, identification, enforcement and management of environmental issues.				
Actions	Due Date	Responsibility		
Review Waste Water Management Program	Dec-20	MWA		
Develop Waste Management Plan	Jun-21	MWA		
Complete Audit of Sewerage System	Completed	MWA		
Address Compliance of Waste Management	Ongoing	MWA		
Address Compliance of Waste Water Re-Use	Jun-21	MWA		

<u>Errors, Omissions & Delays</u>			Risk	Control
			Low	Adequate
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.				
Actions	Due Date	Responsibility		
Review Code of Conduct	Jun-20	CEO / EGO		
Overall Control Ratings:	Ongoing	CEO / MCCS		
Centralise Checklists, Controls and Procedures	Dec-20	CEO / MCCS		
Review Customer Service Request Process to include Snap Send Solve	Mar-20	MCCS		

<u>External Theft & Fraud (Including Cyber)</u>			Risk	Control
			Low	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	Dec-19	SMT		
Photographic Record of Assets	Jun-20	MWA / TWC		
Implement Quarterly Schedule For Changing Passwords	Ongoing	MCCS		
Review Security and Storage of Records	Dec-21	MCCS		
Document Financial Management System	Ongoing	MCCS		

Shire of Dowerin

Risk Dashboard Report - December 2019

Management of Facilities / Venues / Events		Risk	Control
		Low	Adequate
Failure to effectively manage the day to day operations of facilities, venues and / or events.			
Actions	Due Date	Responsibility	
Develop Event Mangement Framework	Mar-20	CDO	
Develop Recreational Reserves Management System	Dec-20	MCCS / MWA	
Create Inspection and Maintenance Schedules for Event Equipment	Mar-20	CDO	
Undertake Community Facilities Review	Jun-20	CEO / CDO	
Public Buildings Inspected for Compliance	Dec-20	MWA	

Project / Change Management		Risk	Control
		Low	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-20	MCCS	
Develop Communiton and Engagement Framework	Jun-20	CEO / CDO	

IT or Communication Systems and Infrastructure		Risk	Control
		Moderate	Adequate
Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.			
Actions	Due Date	Responsibility	
Develop IT Disaster Recovery Plan	Dec-20	MCCS	
Review IT Management Service Level Agreement	Mar-20	MCCS	
Document IT Infrastructure Replacement Program	Jul-20	MCCS	
Install Advanced Email Protection	Jun-20	MCCS	
Develop Secure Password Policy	Jun-20	MCCS	
Develop Acceptable Internet Use Policy	Jun-20	MCCS	

Safety and Security Practices		Risk	Control
		Low	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	Jun-20	MWA / TWC	
Complete Staff Training Register	Feb-20	SMT	
Conduct Monthly Workplace Inspections	Jan-20	MWA / TWC	
Finalise Safe Work Method Statements (SWMS) Library	Dec-20	MWA / TWC	
Assess Shire Building and Facility Safety and Security	Dec-20	MWA / TWC	
Develop Isolated Worker Management Protocol	Jun-20	MWA / TWC	
Re-Establish OSH Committee	Jan-20	MWA / TWC	
Develop Emergency in Facilities Management Plan	Jun-21	CEO	
Review Contractor Inductions and Register	Jun-20	MWA / TWC	

Misconduct		Risk	Control
		Low	Adequate
Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.			
Actions	Due Date	Responsibility	
Review and Document Organsations Controls & Sytems	Dec-20	CEO / MCCS	
Centralise Checklists, Controls and Procedures	Dec-20	CEO / MCCS	
Review Fuel Stick Control and Process	Mar-20	MCCS / MWA	
Present Regulation 17 Review to Audit & Risk Committee	Dec-19	CEO / MCCS	
Review Purchasing Policy & Procurement Process	Mar-20	MCCS	
Review Socla Media Policy	Feb-20	EGO	
Review Code of Conduct	Jun-20	CEO / EGO	
Condcut Drivers License Checks	Dec-20	MCCS / MWA	

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	Dec-19	CEO / MCCS	
Develop Standardised Contracts	Ongoing	MCCS	
Document Financial Controls	Ongoing	MCCS	
Develop Appropriate Financial Reporting Tools	Ongoing	CEO / MCCS	
Develop Centralised Contract Management System	Ongoing	SMT	

Asset Management Practices

Dec-19

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 formal or appropriate scheduling (maintenance /
Outdated equipment	Unexpected breakdowns
Insufficient budget to maintain or replace assets	

Key Controls	Type	Last Reviewed	Rating
Roads Maintenance Program	Preventative	Jun-19	Adequate
Road Asset Management Program (RAMM)	Preventative	Jun-19	Adequate
Fleet and Plant Maintenance Program	Preventative	Jun-19	Adequate
Building Maintenance Program	Preventative	Jun-19	Adequate
Recreation Facilities Maintenance Program	Preventative		Not Rated
Asset Management Plan	Preventative	Jun-18	Inadequate
Plant Replacement Program	Preventative	Jun-19	Adequate
Sewerage Maintenance Program	Preventative	Oct-19	Adequate
Stock Control Systems (Fuel)	Preventative	Jun-19	Inadequate
Overall Control Ratings:			Adequate

Actions (Treatments)	Due Date	Responsibility
Revaluation of Road Assets	Dec-19	MWA
Update RAMM with Revaluation Data	Mar-20	MWA
Link Building Maintenance Schedule to AMP	Dec-20	MWA / MCCS
Review Asset Management Plan	Dec-20	SMT
Develop Inspection Schedule for Asset Classes	Feb-20	MWA / TWC
Review LTFP and Link to AMP	Feb-21	MCCS / MWA / CEO
Review Fuel Stock Control System	May-20	MWA

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

Indicators	Type	Target
Asset Renewal Funding Ratio	Lagging	Between 95% and 105%
Asset Consumption Ratio	Lagging	Between 60% and 75%
Asset Sustainability Ratio	Lagging	Between 90% and 110%
Loss of Time Due to Resource Factors	Lagging	No Target Identified
Accidents and / or Damage to Property	Lagging	No Target Identified

Comments

Reviewed by CEO - December 2019

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

Business & Community Disruption

Dec-19

Risk Context

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

This includes;

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

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

Potential causes include;

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

Key Controls	Type	Last Reviewed	Rating
Local Emergency Management Arrangements (LEMA)	Preventative	Oct-19	Adequate
Business Continuity Plan	Preventative	In Draft	Adequate
Bushfire Risk Management Framework	Preventative	Jun-19	Effective
Facility Risk Management Plan - to be developed	Preventative		Not Rated
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Annual LEM Exercise Undertaken	Apr-20	CEO
Finalise Draft Business Continuity Plan	Apr-20	CEO
Business Continuity Plan Drill to be Undertaken Annually	Jul-20	CEO / MCCS
Develop Disaster Recovery Plan	Dec-21	MCCS
Fire Breaks Inspected and Enforced Annually	Completed	MCCS
Fire Fighting Equipment Maintained and Serviced	Jan-20	MWA
Wardens (Internal) - Training of New Wardens	Jun-20	SMT
Admin Generator Maintained and Serviced	Jan-20	MWA
Develop Facility Risk Management Plan	Dec-21	CEO / MCCS

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

Indicators	Type	Target
Missed LEMC Committee Meetings	Leading	Nil meetings missed
Number of Firebreak Infringements Issued	Lagging	Less than 5 per annum
LEM Annual Exercise Undertaken	Leading	1 per annum
BCP Annual Exercise Undertaken	Leading	1 per annum

Comments

Reviewed by CEO - December 2019

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

Failure to fulfil Compliance Requirements and Regulatory)		(Statutory	Dec-19
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	Mar-19	Adequate
Adviced Monitoring (WALGA Subscriptions, Gazettes)	Preventative	May-19	Adequate
Governance Calendar	Preventative	Ongoing	Adequate
Council & Staff Inductions	Preventative	Nov-19	Adequate
Overall Control Ratings:			Adequate
Actions		Due Date	Responsibility
Document Governance Framework		Jun-20	CEO / EGO
Contiunue Implementation of Training Program for Councillors and Staff		Ongoing	SMT / EGO
Review Councillor Induction Manual		Completed	EGO
Review Human Resource Management System		Ongoing	CEO / MCCS
Review Information Management System		Dec-20	MCCS
Consequence Category	Risk Ratings		Rating
Compliance / Reputation / Financial	Consequence:		Moderate (3)
	Likelihood:		Possible (3)
	Overall Risk Ratings:		Moderate
Indicators	Type	Target	
Financial and Performance Audit Qualifications	Lagging	Qualified Audit	
Compliance Audit Return	Lagging	Completed As Per Statutory Requirements	
Finanical Management System Review (every 3 years)	Lagging	Completed As Per Statutory Requirements	
CEO Regulation 17 Review	Lagging	Completed As Per Statutory Requirements	
Comments			
Reviewd by CEO - December 2019			
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies			

Document Management Processes

Dec-19

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		Adequate
Governance Management Framework	Preventative		Adequate
Recordkeeping Plan	Preventative	Mar-19	Adequate
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Jun-20	MCCS
Document Information Management Framework	Jun-20	CSRO
Information Management Staff Training	Ongoing	MCCS
Review Record Keeping Plan	Jun-21	MCCS

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

Indicators	Type	Target
Information Management Framework	Leading	Developed and Implemented
Archive Room Compliance	Leading	Investigated and Costed
Archives	Leading	Recorded & Destroyed (as appropriate)
Record Keeping Plan Completed	Leading	Commence Review July 2020

Comments

Reviewed by CEO - December 2019

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

Employment Practices

Dec-19

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
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Actions	Due Date	Responsibility
Develop a Health and Wellbeing Program	Dec-19	SMT
Implement Strategies Identified in the Workforce Plan	Ongoing	SMT
Document Human Resource Management Framework	Jun-20	SMT
Training Needs Analysis and Training Register	Mar-20	CEO / CSRO
Review Staff Induction Process	Mar-20	MCCS
Conduct Drivers License Checks	Completed	MCCS
Conduct Annual Performance Reviews	Apr-20	SMT

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

Indicators	Type	Target
Training Program (% Completed)	Leading	90% Per Annum
Absenteeism (% of Personal and Unpaid Leave)	Lagging	Target Not Identified
Employee Turnover (% Turnover Rate)	Lagging	Equal to or Below Industry Standard
Performance Reviews (% Completed)	Leading	100% Per Annum
Workers Compensation Claims	Lagging	Target Not Identified

Comments

Reviewed by CEO - December 2019

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

Engagement Practices

Dec-19

Risk Context			
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.			
For example;			
-Following up on any access & inclusion issues			
-Infrastructure Projects			
-Local planning initiatives			
-Strategic planning initiatives			
This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.			
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		Not Rated
Complaint Handling Process	Preventative	Unknown	Adequate
Community Satisfaction Survey	Detective		Not Rated
Customer Service Charter	Preventative	Sep-19	Adequate
Overall Control Ratings:			Adequate
Actions		Due Date	Responsibility
Review and Document Complaints Handling Process		Jun-20	CEO / MCCS
Develop a Community Engagement Policy Framework		Jun-20	SMT / CDO
Conduct Community Satisfaction Survey		Jun-20	CEO / CDO
Develop Process For Customer Response Requests		Jun-20	MCCS
Develop Complaint Register		Jun-20	MCCS
Consequence Category	Risk Ratings		Rating
	Consequence:		Minor (2)
	Likelihood:		Likely (4)
Reputation	Overall Risk Ratings:		Moderate
Indicators	Type	Target	
Number of Complaints From The Community Not Responded To		Target Not Indentiified	
Community Satisfaction Survey - Overall Scorecard Result		65% Satisfaction	
Meeting Requirements of Customer Service Charter		Target Not Indentiified	
Comments			
Reviewed by CEO- November 2019			
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.			

Environment Management

Dec-19

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 Policy	Preventative		Adequate
Sewerage Management Plan	Preventative	Oct-18	Not Rated
Waste Water Management Program	Preventative		Adequate
Contaminated Sites Register	Preventative	Nov-19	Adequate
Waste Management Plan	Preventative	Dec-20	Not Rated
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Review Waste Water Management Program	Dec-20	MWA
Develop Waste Management Plan	Jun-21	MWA
Complete Audit of Sewerage System	Completed	MWA
Address Compliance of Waste Management	Ongoing	MWA
Address Compliance of Waste Water Re-Use	Jun-21	MWA

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

Indicators	Type	Target
Compliant Waste Return	Lagging	100%
Satisfactory Water Sampling For Water Re-Use	Lagging	100%

Comments

Reviewed by CEO - November 2019

Errors, Omissions & Delays

Dec-19

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".

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	Inadequate
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
Workforce Plan	Preventative	Nov-19	Adequate

Overall Control Ratings:

Adequate

Actions	Due Date	Responsibility
Review Code of Conduct	Jun-20	CEO / EGO
Review and Document Organisations Controls and Systems	Ongoing	CEO / MCCS
Centralise Checklists, Controls and Procedures	Dec-20	CEO / MCCS
Review Customer Service Request Process to include Snap Send Solve	Mar-20	MCCS

Consequence Category	Risk Ratings		Rating
Reputation / Compliance	Consequence:		Moderate (3)
	Likelihood:		Likely (4)
	Overall Risk Ratings:		Low
Indicators	Type	Target	
Legal Claims	Lagging	0	
Number of Complaints Regarding Errors, Omissions or Delays	Lagging	0	
Referral to SAT/Ombudsman/Public Sector Commission	Lagging	0	
Number of Complaints to Local Government Standards Panel	Lagging	0	
External Audit Qualification	Lagging	95%	
Staff Training Target Met	Leading	90%	
Comments			
Reviewed by CEO - November 2019			
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.			

External Theft & Fraud (Including Cyber)

Dec-19

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
Information Management System	Preventative	Unknown	Adequate
Financial Management System	Preventative	Sep-19	Adequate

Overall Control Ratings:	Adequate
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Actions	Due Date	Responsibility
Review Access Controls to Include Key Register	Dec-19	SMT
Photographic Record of Assets	Jun-20	MWA / TWC
Implement Quarterly Schedule For Changing Passwords	Ongoing	MCCS
Review Security and Storage of Records	Dec-21	MCCS
Document Financial Management System	Ongoing	MCCS

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

Indicators	Type	Target
Number of Cyber Breaches	Lagging	0
Number of Incidents of Theft or Fraud	Leading	0
Passwords Changed Quarterly	Leading	100% Changed
Tracking of Building and Facility Access	Leading	No Target Identified

Comments

Reviewed by CEO - November 2019

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

Management of Facilities / Venues / Events

Dec-19

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	Not Rated
Building Maintenance Program	Preventative	May-19	Adequate
Facility / Venue Booking System	Preventative	May-19	Adequate
Reserves Management System	Preventative	May-19	Not Rated
Asset Management Plan	Preventative	May-19	Adequate
Statutory Public Building Compliance Program	Preventative	Jun-20	Not Rated

Overall Control Ratings:	Adequate
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Actions	Due Date	Responsibility
Develop Event Mangement Framework	Mar-20	CDO
Develop Recreational Reserves Management System	Dec-20	MCCS / MWA
Create Inspection and Maintenance Schedules for Event Equipment	Mar-20	CDO
Undertake Community Facilities Review	Jun-20	CEO / CDO
Public Buildings Inspected for Compliance	Dec-20	MWA

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

Indicators	Type	Target
Number of Injuries / Incidents at Events	Leading	0
Number of Injuries / Incidents at Facilities	Leading	0
Customer Satisfaction Survey - Events & Facilities	Lagging	65% Satisfaction
Compliance of Events and Facilities	Leading	90%

Comments

Reviewed by CEO - November 2019

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

IT or Communication Systems and Infrastructure

Dec-19

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		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

Overall Control Ratings:	Adequate
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Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Dec-20	MCCS
Review IT Management Service Level Agreement	Mar-20	MCCS
Document IT Infrastructure Replacement Program	Dec-20	MCCS
Install Advanced Email Protection	Jul-20	MCCS
Develop Secure Password Policy	Jun-20	MCCS
Develop Acceptable Internet Use Policy	Jun-20	MCCS

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

Indicators	Type	Target
Number of Cyber Breaches	Lagging	0
IT Replacement Program	Leading	On Target
Number of System Downtime	Lagging	No Target Identified
Management of System Access	Leading	Documented

Comments

Reviewed by CEO - November 2019

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

Misconduct

Dec-19

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	Jun-19	Adequate
Staff Recruitment Process (includes Police Clearance)	Preventative	Feb-19	Adequate
Staff Inductions	Preventative	Feb-19	Adequate
External Audits	Preventative	Dec-19	Adequate
Annual Drivers Licence Checks	Preventative	Nov-19	Adequate
Social Media Policy	Preventative	Dec-17	Adequate
Segregation of Duties (Financial)	Preventative	Ongoing	Adequate
General Financial Transactions Policy	Preventative	Jun-18	Adequate
Delegation Control - Synergy	Preventative	Ongoing	Adequate
Financial Interests Returns Declarations	Preventative	Ongoing	Adequate
Primary and Annual Returns Process	Preventative	Ongoing	Adequate
Procurement Delegation Control - Synergy	Preventative	Ongoing	Adequate
Cash Handling Policy and Procedures	Preventative	Feb-19	Adequate
Corporate Credit Card Policy	Preventative	May-19	Adequate
Delegated Authority for Procurement	Preventative	Nov-19	Adequate
Elected Member Training Plan	Preventative	Ongoing	Adequate
Audit & Risk Committee	Preventative	Nov-19	Adequate
IT Security Access Register (Profiles & Passwords)	Preventative	Monthly	Adequate
Purchasing Policy & Procurement Process	Preventative	Jun-18	Adequate
Tender Procurement Process	Preventative	Unknown	Adequate
Financial Management Systems Review	Preventative	Sep-19	Adequate
Regulation 17 Review	Preventative	Dec-19	Adequate

Code of Conduct	Preventative	Apr-17	Adequate
Overall Control Ratings:			Adequate
Actions		Due Date	Responsibility
Review and Document Organisations Controls and Systems		Dec-20	CEO / MCCS
Centralise Checklists, Controls and Procedures		Dec-20	CEO / MCCS
Review Fuel Stock Control and Process		Mar-20	MCCS / MWA
Present Regulation 17 Review to Audit & Risk Committee		Dec-19	CEO
Review Purchasing Policy & Procurement Process		Mar-20	MCCS
Review Social Media Policy - Adopted December 2017		Feb-20	EGO
Review Code of Conduct		Jun-20	CEO / EGO
Conduct Drivers Licence Check		Dec-20	MCCS/MWA
Consequence Category	Risk Ratings		Rating
Reputation / Finance	Consequence:		Major (4)
	Likelihood:		Possible (3)
	Overall Risk Ratings:		Low
Indicators	Type	Target	
Audit Notifications	Lagging	0	
Disregarding or Manipulating Procurement Process	Leading	0	
Breaches of Code of Conduct	Lagging	0	
Internal & External Complaints	Lagging	0	
Adherence to Internal Controls	Leading	0	
Comments			
Reviewed by CEO - November 2019			
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.			

Risk Context

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

This includes:

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

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

Potential causes include:

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

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

Actions	Due Date	Responsibility
Develop Project Management Methodology and Framework	Dec-20	MCCS
Develop Communication and Engagement Framework	Jun-20	CEO / CDO

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

Indicators	Type	Target
Minimisation of Project Variations	Lagging	90%
Achievement of Project Deadlines / Milestones	Leading	90%

Comments

Reviewed by CEO - December 2019

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

Safety and Security Practices

Dec-19

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	Adequate
OSH Management Framework	Preventative	May-17	Adequate
Human Resource Manangement Framework	Preventative		Adequate
Governance Management Framework	Preventative		Adequate
Facility Risk Management Plan	Preventative		Not Rated
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Review Hazard Register	Jun-20	MWA / TWC
Complete Staff Training Register	Feb-20	SMT
Conduct Monthly Workplace Inspections	Jan-20	MWA / TWC
Finalise Safe Work Method Statements (SWMS) Library	Dec-20	MWA / TWC
Assess Shire Building and Facility Safety and Security	Dec-20	MWA / TWC
Develop Isolated Worker Management Protocol	Jun-20	MWA / TWC
Re-Establish OSH Committee	Jan-20	MWA / TWC
Develop Emergency in Facilities Management Plan	Jun-21	CEO
Conduct Annual BCP and LEMC Drills	Jun-20	CEO
Review Contractor Inductions and Register	Jun-20	MWA / TWC
Consequence Category	Risk Ratings	Rating
Health	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	Overall Risk Ratings:	Low

Indicators	Type	Target
Reporting of Safety Breaches	Leading	100%
Failed Safety Inspections	Leading	Target Not Identified
Lost Time Injuries Per Quarter	Lagging	Target Not Identified
Near Misses Per Quarter	Leading	Target Not Identified
Workers Compensation Claims Per Quarter	Leading	Target Not Identified
Safety Audit Result % (Every Three Years)	Leading	Target Not Identified
Reporting and Management of Incidents	Leading	Target Not Identified

Comments

Reviewed by CEO - December 2019
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Supplier / Contract Management

Dec-19

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:

- 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	Jul-19	Adequate
Financial Management Framework	Preventative	Mar-17	Adequate
Access to independent Advice (WALGA Lawyers) & Peer Review	Preventative	Sep-19	Adequate
Overall Control Ratings:			Adequate

Actions	Due Date	Responsibility
Review Purchasing Policy	Dec-19	MCCS
Develop Standardised Contracts	Ongoing	CEO / MCCS
Document Financial Controls	Ongoing	MCCS
Develop Appropriate Financial Reporting Tools	Ongoing	MCCS
Develop Centralised Contract Management System	Ongoing	CEO / MCCS

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

Indicators	Type	Target
Contracts Reviewed And Maintained	Leading	90%
Number of Expired Contracts Not Yet Renewed	Lagging	90%

Comments











Reviewed by CEO -December 2019

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



SHIRE OF DOWERIN

SAFE WORK METHOD STATEMENT

Job Description:	Traffic Controller		Site:	Dowerin Shire – Various Sites					
Equipment Used:	Traffic management items, communication equipment, PPE		High Risk?	Yes <input type="checkbox"/> N/A <input checked="" type="checkbox"/>					
			Confined Space Entry Permit completed?	Yes <input type="checkbox"/> N/A <input checked="" type="checkbox"/> N/A should only be selected when not considered high risk					
Training or Tickets Required:	Must hold current West Australian Driver's License, completed Dowerin Shire Safety Induction and have Traffic Controller qualifications.		Associated Documentation Required:	Vehicle Pre- Start checked and completed prior to operation, Traffic Management Plan					
Personal Protective Equipment (PPE) required to complete the job									
 Gloves <input checked="" type="checkbox"/>	 Face mask <input type="checkbox"/>	 Eye protection <input checked="" type="checkbox"/>	 Welding mask <input type="checkbox"/>	 Face Shield <input type="checkbox"/>	 Helmet <input checked="" type="checkbox"/>	 Appropriate footwear <input checked="" type="checkbox"/>	 Hearing protection <input checked="" type="checkbox"/>	 Hi Visibility & Protective clothing <input checked="" type="checkbox"/>	 Hydration & Sun Measures <input checked="" type="checkbox"/>
Tools & Equipment: All vehicles to have fire extinguisher, first aid kit and two-way radio and reverse camera (if required).					Hazards & Risks: Beware of other vehicles and personnel when in Depot. Vehicles should be reversed into bays and isolated where possible.				

SAFE WORK METHOD STATEMENT – TRAFFIC CONTROLLER

Job Step	Hazard	Initial Risk Rating	Controls	Residual Risk Rating	Person Responsible
Conduct a risk assessment. Induct staff if necessary.	<p>Workers entering/exiting vehicles.</p> <ul style="list-style-type: none"> - Muscle sprain (limbs or torso) - Broken bones <p>Uneven or slippery Ground</p> <ul style="list-style-type: none"> - Muscle sprain (limbs or torso) - Broken bones - Cuts and abrasion <p>Fatigue- Muscle sprain (limbs or torso)</p> <ul style="list-style-type: none"> - Broken bones - Cuts and abrasion - Impaired judgement 	M6	<p>'3 point' technique, back out while exiting, check for uneven ground</p> <p>Record Risk Assessment</p> <p>Inspect work area for appropriate foot placement and vehicle access.</p> <p>Don't walk where can't see firm surface e.g. long grass</p> <p>Don't drive onto soft or slippery ground</p> <p>Traffic Controllers shall be relieved after two hours work and may be rested or placed on other duties for a period of at least 15 minutes before being returned to traffic control duties.</p>	L4	Operator
Establish traffic control using an approved Traffic Control Plan, Update traffic control in accordance with TCP and	<p>Moving Traffic or Plant</p> <ul style="list-style-type: none"> - Death or serious injury - Struck by vehicle 	M6	<p>Record TCPs as per attached SWP</p> <p>Implement approved or modified TCP If necessary, implement VMP</p>	L4	Operator

<p>progress of project</p>	<p>Inappropriate Manual Handling - Muscle sprain (limbs or torso)</p> <p>Equipment Malfunction or misuse - Muscle sprain (limbs or torso) - Cuts and abrasions</p>		<p>Use only trained traffic controllers, with appropriate RMS TC qualifications.</p> <p>Use vehicle with flashing lights</p> <p>Set up signs from outside and work inwards</p> <p>Ensure sufficient sight distance between works and traffic</p> <p>Undertake training in proper manual handling techniques i.e.</p> <ul style="list-style-type: none"> • task rotation, muscle stretching exercises, • use mechanical aides <p>Undertake pre-use checks, all operations and maintenance in accordance with manufacturer's recommendations and other safety procedures</p>		
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	<p>Excessive Exposure to UV</p> <ul style="list-style-type: none"> - Sunburn - Skin cancer <p>Pedestrian Traffic</p> <ul style="list-style-type: none"> - Muscle sprain (limbs or torso) - Broken bones - Cuts and abrasions 		<p>Wear wide brimmed hats or brim attachment, long sleeved shirt and long trousers</p> <ul style="list-style-type: none"> - Sunscreen - Work in shade if possible - Plan work when UV index is lowest - Take regular breaks in shade <p>Use appropriate signage</p> <p>Isolate workers and public from plant/vehicles via barriers and/or staff</p>		
Remove traffic controls at completion of project	<p>Moving Traffic or Plant</p> <ul style="list-style-type: none"> - Death or serious injury - Struck by vehicle 	M6	<p>Use only trained traffic controllers, with appropriate RMS TC qualifications.</p> <p>Use vehicle with flashing lights</p> <p>Close down and remove signs from inside working out</p> <p>Ensure sufficient sight distance between works and traffic Supervisors and competent workers</p>	L4	Operator

Safe Work Method Statement Sign Off (This SWMS was developed in consultation with Shire employees and has been read, understood and is to be should be initialled by all employees undertaking the works every six months).

SWMS Prepared By:	Signature:	Date:	SWMS Approved By:	Signature:	Date:
Graeme Harwood		12/07/2018			

This Safe Work Method Statement must be reviewed on a regular basis to ensure its validity

SWMS Viewed By:

<div>Consequence</div> <div>Likelihood</div>		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	A	MODERATE (5)	HIGH (10)	HIGH (15)	EXTREME (20)	EXTREME (25)
Likely	B	LOW (4)	MODERATE (8)	HIGH (12)	HIGH (16)	EXTREME (20)
Possible	C	LOW (3)	MODERATE (6)	MODERATE (9)	HIGH (12)	HIGH (15)
Unlikely	D	LOW (2)	LOW (4)	MODERATE (6)	MODERATE (8)	HIGH (10)
Rare	E	LOW (1)	LOW (2)	LOW (3)	LOW (4)	MODERATE (5)

For each task step, assess the likelihood (L) and the maximum reasonable consequence (C) alongside the task step, then plot and record the risk level next to each step. List any control measures implemented, and then determine the residual risk using the same process and taking the implemented control measures into account.

Management representative approval is required where the initial risk is determined as greater than **MODERATE**, or residual risk is determined as greater than **LOW** after controls have been implemented.

Important Note: Should the task change, or any new hazards be identified on site, a hazard report form and/or risk assessment must be completed.

9/17/2019

Financial Management Review for the Shire of Dowerin 2019

Gary Martin
LOCAL GOVERNMENT CONSULTANT

FINANCIAL MANAGEMENT REVIEW FOR THE SHIRE OF DOWERIN (FMR 5 (2)(C) SEPTEMBER 2019

1. BACKGROUND

The Shire of Dowerin is a local government situated in the wheatbelt region and is of a similar size and nature of many other wheatbelt Shires. The Shire is recovering from an extended period of poor management culminating in a CCC investigation in late 2015, the resignation of its CEO, Mr Alcock, followed by his conviction for significant fraud, which had occurred over several previous years.

This period is marred by the criminal conduct of the, then, CEO, a lack of governance oversight by the Council including the lack of an Audit Committee, and a breakdown of the external audit system. The internal management systems and oversight were all but non-existent during this period.

The Shire engaged independent consultants to conduct a forensic audit which exposed the extent of the financial loss and the methods used by the CEO. The same consultants conducted an FMR in 2006 which also recorded the poor state of the governance and financial management of the Shire.

It was recognised at that time that the cost to the Shire, apart from the reputational and financial loss was the intangible and hidden cost of poor management and the lack of proper administrative and governance control. The adverse legacy impacts of that extended period are still being felt today and is likely to continue for some time to come as hidden issues are exposed.

It is also relevant that in the three year since that time the Shire has been managed by two permanent CEO's (2016/2018 and 2018/2019) and two interim periods under an Acting CEO, resulting in a loss of corporate knowledge and impetus, and greatly influencing the establishment of a stable management environment. Reference to the 2006 FMR shows the extent of the positive improvements that have been made since, but not completed due to the change in CEO's and other employees, and the overarching need to manage the Shire's normal day to day operations and projects.

It is evident that prior to the resignation of Mr Alcock, there was a significant lack of internal control, compliance, financial management and oversight of employees. The employees carrying out the various financial and governance tasks were largely left to their own devices with a lack of direction or management oversight. The legacy of that situation is still being overcome, despite the efforts of both CEO's that followed.

The long period of poor historical management under ex CEO Alcock has resulted in a significant requirement to review and implement new improved management procedures and deal with a backlog of issues that had been "buried" and still slowly coming to light, but requiring immediate diversion of attention and activity from existing priority works and daily tasks to rectify historical problems.

Those employees have now left the Shire's employ, and significantly for the future, four key Office positions have recently been filled – but all these new employees have less than four months service and still becoming fully effective. However, there are already positive signs that there is a proactive approach to improvement and best practice and provides the CEO with the resources required to achieve the organisational cultural changes necessary to achieve a constant high standard management environment.

Therefore, this review is timely, in that it provides the CEO with a snapshot of the status of the financial management of the Shire and the way forward.

It is also significant and relevant that the CEO and staff are committed to implementing improved procedures and these are happening on an almost daily basis. Some issues noted during the review had already been addressed, or in the process of being addressed.

2. FINANCIAL MANAGEMENT REVIEW OBJECTIVE

The objective is to review the financial management system and report to the CEO on the appropriateness and effectiveness of the control environment in the Shire, as required by Financial Management Regulation 5(2)(c).

Significantly, it is not an audit, but a review, and with the objective to assist the CEO in her ongoing management and process improvement of the Shire's financial management practices, procedures and controls.

The timing of the review is particularly relevant due to the recent engagement of four new employees who provide the Shire with a significant positive opportunity to proactively commence a new era of financial management, and a fresh approach to the internal practices that existed.

3. SCOPE

The review entailed an examination of the various financial systems and procedures of the Shire including but not limited to:

- Bank Reconciliations and Petty Cash
- Trust Funds
- Receipts and Receivables
- Rates
- Fees and Charges
- Purchases, Payments and Payables (Including Purchase Orders)
- Salaries and Wages
- Credit Card Procedures
- Fixed Assets (Including Acquisition and Disposal of Property)
- Cost and Administration Overhead Allocations
- Minutes and Meetings
- Budget
- Financial Reports
- Registers (Including Annual and Primary Returns)
- Delegations
- Audit Committee
- Insurance
- Storage of Documents/Record Keeping
- Integrated Planning

The review did not entail an examination of compliance with all provisions of the Act or all regulations (apart from the Financial Management Regulations), and which did not impact on the keys functions examined above but emphasis was placed on internal controls and management oversight of the various functions considered.

Emphasis was also placed on the matters raised in the recent external interim and annual audits.

The conduct of the review was assisted by the personal knowledge and experience of the Shire resulting from the authors role during two periods as the Acting CEO since late 2015 and involvement in the Compliance Audit Returns (CAR).

4. KEY REVIEW FINDINGS

- The systems and processes associated with the Shire's financial management function are generally efficient and effective and suitable for a Shire such as Dowerin. The various activities required to meet its obligations are taking place and are subject to continuous improvement. The CEO and the recently appointed employees are focussed on process improvement and best practice.
- The key finding is a lack of documented internal controls. The "controls" in place are generally a result of existing practice and not a precise and purpose driven direction from the CEO that specifies what control measures are required. For example, most reconciliations are subject to a preparing Officer (name or a signature) and a checking Officer (name or signature) but without any formal written direction specifying what is required and how.

An analysis of the previous audit issues found that most items required a system improvement (which were generally completed), or a matter of inconsistent actions by the relevant Officer(s) and a weakness in the checking regime. In almost, if not all examples, there was a lack of an effective written internal control imposed by the CEO.

The identification and improvement in management processes since 2016 has required significant time and effort to develop and implement but this has taken place in an unsuitable environment that has not provided the clear air to achieve all that is required. Ideally, a period of some weeks dedicated to process improvement development and implementation is required, but this is 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.

There has been significant improvement across the various management functions, and this is continuing on an almost daily basis. It is relevant that these changes are taking place in conjunction with the induction and settling in of at least four new employees, who all have their own normal duties and backlog to deal with.

It is also relevant that many of the recent new processes and procedures put in place have not yet had time to settle in or be tested in any meaningful way.

The CEO recognises these shortfalls and identifies the status of her endeavours as "immature". As the independent reviewer, these factors were quickly identified and it is evident that a pragmatic assessment and approach is required which recognises the systems and processes are in place, and the positive changes being made, but the overall implementation and achieving a smooth running, effective and best practise management environment is less than optimal despite all the effort and goodwill that exists. It is estimated that the operating compliance environment is running at, say, 80 to 90% - and far better than a couple of years ago, and with that legacy being the main contributing factor to the less than optimum situation currently.

This situation is expected to improve rapidly as the four new employees settle into their roles, learn the protocols in place and the improvements continue to be developed and implemented.

The Council has a significant role and responsibility to play in recognising the situation that exists, the pitfalls and the efforts being made to achieve a strong best practice environment. While a 100% strong management environment is the expectation, it is unrealistic in the current circumstances, and considering the recent history of the Shire management. Funding, human resources, time and competing demands, particularly the community and normal day to day operations all compete with the effort required to achieve the high standard management regime expected and required.

The 2016 Financial Management Review conducted by Mr R. Back details the extent of the poor standard and lack of controls at that time (and for several years previous). The legacy of that period of inadequate management control is still adversely impacting on the Shire today and it is anticipated this will continue for some time to come as hidden issues come to light – requiring attention and taking the focus off the present priorities.

An analysis of recent management audit issues (2018 and 2019) demonstrates that many required a system change to address the deficiency or are the result of incomplete or inconsistent application of existing controls. Most system changes identified have been made or are in the process of being changed. All the identified weaknesses require an internal control response to address the deficiency. However, all the systems and procedures improvement do not overcome human error, inconsistencies and inability to perform a task due to other work commitments or other factors beyond control.

Management control over the myriad of financial and administrative functions that are required to be performed by a range of employees as part of their normal duties requires well defined Position Descriptions, delegations, policies and procedures so that there is a well-documented path to follow. It appears that the Position Description(s) in place may require review and changes made to match the actual tasks being undertaken, and that there was a need to match PD tasks with procedures. That is a work in progress.

Regardless of those protocols, inconsistencies and error will still occur. The recommended key management control providing oversight of these functions is the introduction of comprehensive controls and Checklists for each task that detail the various steps that need to be observed to achieve the task correctly and specify the controls required including signature of the officer preparing the item and the signature of the checking officer.

The checklist approach should not only provide the employee with a step by step procedure to follow, but also provision for the employee to record when completed and further provision for a senior officer to check and sign off on the task. The CEO has put in place some checklists, but these are more of a process list of how to do a task rather than including the control or direction.

A high-level oversight can be achieved by the various function checklists (e.g. Payroll, Finance EOM, Debtors, Creditors, Rating) being listed on a “Master” checklist that is prepared and certified by senior managers and submitted to the CEO on a monthly or regular basis. This master checklist should provide the CEO with a high degree of comfort that all the required tasks have been properly completed – or identify weaknesses. This approach could greatly assist the conduct of internal audits and be valuable for external audits and be included in reporting to the Audit Committee.

A simple example of a function that had been overlooked is the maintenance of the Cemetery records. Previously maintained by an ex-employee and with some endeavour to include the information in the newly introduced SharePoint system, the recording of burials in the register and other administrative tasks including Cemetery plans had not been undertaken since 2017. This failure had not been identified by any internal or external audit (the function is no longer included on the annual Compliance Audit Return) and potentially go unnoticed for some considerable period. There is no trigger to expose this weakness until such time as potentially a family seeks burial information, with all the emotive problems that would entail.

If the Cemetery function was listed on a checklist presented to the CEO without indication of being maintained properly it allows early intervention.

The CEO is responsible for the internal management and compliance of all the Shire’s various functions – it is suggested that the only effective method of awareness of the status of internal controls is via a regular checklist

signifying the status of each function. That task approach provides the CEO with a regular record of the status of compliance with her directions and will complement the existing higher-level compliance calendar.

It is recommended that the range of internal control measures such as policies and procedures be consolidated and collated into a common Internal Control framework, format and location and included in a relevant Checklist. For example, the purchasing function involves the LGA, regulations, policy, delegations and procedures and these should be arranged in a logical sequence to allow employees to easily access and understand the hierarchy and requirements of each activityand subject to a Checklist.

LGA s5.41 imposes responsibilities on the CEO to manage the Shire and FMR reg. 5 provides that the CEO's financial management duties entail ensuring that there are efficient systems and procedures established to manage the Shire's functions as required by statute. The establishment of these systems and procedures is the next step in the hierarchy of the Act, regulations, standards and Council policy and should be approached from that background by putting in place uniform format internal control measures (refer above) and which are clearly identified as "CEO Directives" or some such nomenclature and which reinforces the authority under which they are made.

The current review has found that the numerous internal controls that are in place are scattered throughout the organisation, in a variety of locations and formats and generally lacking any form of version control or cohesion. It is little wonder that employees struggle to meet strict legislative requirements and internal controls when the information is spread throughout and lacks any uniformity or linkage. This situation is symbolic of the environment in which the CEO and employees are struggling to deal with their workload while also trying to implement the new systems and procedures required, but without commonality, cohesion or uniformity.

The establishment of a consolidated "CEO Directive" manual, in some appropriate format, would greatly assist the CEO in controlling the compliance regime (including identifying what exists and what needs to exist) and improve operational compliance by ready reference to a central internal control source. It is entirely relevant that this Shire is not alone in this situation and that most shires are in a similar situation. It would be very rare indeed for an Auditor to ask for the CEO's Internal Control manual be produced and to receive it. The information may exist, but it is scattered and that creates a myriad of control issues.

The last statutory internal controls were included in the Accounting Directions 1985. From 1994 onwards the legislation has simply made the CEO responsible for putting in place the internal controls – without any guidance as to what controls are required. This has resulted in an ad hoc approach to documented internal controls and a breakdown in compliance. A simple example from the 1985 AD's was the requirement for a "Contract Register", which recorded contract details, approved variations, progress payments and provided a ready reference to the control and reconciliation of that contract. Invariably now, individual contracts are dealt with in a variety of different manners and formats without any reference to a single Register. Control over contracts is diminished significantly.

The establishment of a "CEO Directive" manual will also give the requirements to be followed far greater "clout" by underlining the fact that they are a directive from the CEO. Currently it appears that existing controls are treated more as a guide rather than a directive.

5. Previous Audit Issues

Part of the review consisted of an analysis of the recent interim and annual audit issues and the status of these matters. Broadly, the items raised in the audits can be classified as requiring a system change or the inconsistent application of existing requirements (or both).

All the items should be the subject of a specific CEO internal control directive and form part of an internal checklist environment that enables a regular overview of the status of compliance.

2018 Interim Audit Report Issues

- | | |
|------------------------------------|---------------|
| • Masterfile Accuracy and validity | System change |
| • Credit Cards | System change |
| • Monthly Reconciliations | Inconsistent |
| • Purchasing | Inconsistent |
| • Interim Rating | System change |
| • Payroll | Inconsistent |
| • Sundry Debtors | System Change |
| • Staff-Resignations/Termination | System Change |

2018 Audit Report Issues

- | | |
|--------------------------------|---------------|
| • Adjusting Journals | System Change |
| • Masterfile Changes | System Change |
| • Year End accounting | System Change |
| • Related Party Declarations | Inconsistent |
| • Supplier Payments | System Change |
| • Employee Entitlements | Inconsistent |
| • Fuel Stocks | System Change |
| • Works Costing | System Change |
| • Self-Supporting Loan Debtors | System Change |
| • Workforce Plan | System Change |

2019 Interim Audit Issues

- | | |
|---|----------------------------|
| • Purchasing and Payments | System Change/Inconsistent |
| • Payroll Exceptions | System Change/Inconsistent |
| • Reconciliation of Investment | System Change |
| • Month end reconciliations | System Change |
| • Receivables Master File | System Change |
| • Invoice and Credit Note Request Forms | System Change |

All these items were documented with the detail of the finding, implication and recommendation and included a management response comment on the finding and actions to be taken. These reports were then considered by the Shire's Audit Committee.

These items are significant in that they have been recognized by external audit and a proposed action outlined. However, there is a need for these items to be included in a "Register" of audit issues that allows for the status of the implementation to be monitored by the CEO (system change, new procedure etc) and progress reported to the Audit Committee. The register should then be a permanent agenda item for the regular Senior Staff meetings.

For example, the 2018 finding concerning Fuel Stocks is still a work in progress and this requires monitoring.

6. CEO Statutory Responsibility for Internal Controls

FMR Reg 5. Provides that the CEO's duties as to financial management includes efficient systems and procedures are to be established by the CEO of a local government for the proper collection of all money owing to the local government; and for the safe custody and security of all money collected or held by the local government; and for 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); and to ensure proper accounting for municipal or trust, revenue received or receivable; and expenses paid or payable; and assets and liabilities; and to ensure proper authorisation for the incurring of liabilities and the making of payments; and for the maintenance of payroll, stock control and costing records; and o assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

FMR Reg 11. Provides the requirement 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, computer encryption devices and passwords, purchasing cards and any other devices or methods by which goods, services, money or other benefits may be obtained; and (b) petty cash systems to develop procedures for the approval of accounts to ensure that before payment of an account a determination is made that the relevant debt was incurred by a person who was properly authorised to do so.

A payment may only be made from the municipal fund or the trust fund if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO. If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared.

These statutory obligations are the responsibility of the CEO and the final layer of the legislative framework (LGA, regulations, policy, delegations etc) and this underlines the requirement that these obligations are given due weight and recognition as being formal directives from the CEO.

The key recommendation of this review is the rewriting of the various existing procedures into a dedicated CEO Internal Control Directive Manual that interrelates to the hierarchy of the Act, regulations, Council policy and delegations. Ideally the procedures/controls should be in a common format, organized into functions and collated into a suitable format (SharePoint or hardcopy) that allows ready access for staff.

7. Review Items

The extent of the functions and items reviewed precludes comment on all and it is relevant that in general, the Shire's systems and procedures are suitable and working. The review has identified the need for far greater specific procedures and internal controls to improve the management and accountability. The review also found that there has been a significant improvement since 2016 and a focus on continual improvement with examples of recent policy and procedural development occurring – this was evident with new procedures etc. being produced during the review.

Some of these new policies and procedures require fine tuning and with far greater emphasis on the CEO's statutory responsibilities under FMR 5 and which clearly records that authority.

The following information relates to matters requiring consideration.

Function/Tasks	Comment
Position Description Customer service & Records Officer	Newly appointed employee with additional skills and taking on additional tasks requires a review of her Position Description to reflect these. The Position Description is a key component of the function internal controls and these need to dovetail between imposing the duty and how it is to be carried out.
Customer Service Charter	A recently introduced management initiative.
New Supplier Approval Procedure	The existing New Supplier policy dated October 2017 has been recently reviewed and is proposed to be replaced by a rewritten New Supplier Procedure in September 2019. Another example of the proactive improvements underway.
Key Accounting Responsibilities	The CEO has established a Table of Individuals Performing Key Accounting Functions. This is a component of a CEO Internal Control Directive Manual.
Gym Facility	The control over the Gym membership and access requires review and internal control documentation to effectively control membership and access.
Incoming mail handling	Lacks written procedure and control
Senior Management Meetings	Agenda could be amended to include specific consideration of the status of key plans, compliance calendar, internal controls and risks and provide proof of review and actions being taken. The key issues need to be under constant management review to avoid slippage. For example, a new OAG requirement for a Fraud and Corruption Plan.
Creditors Procedures	Uniform documented procedures updated 16/8/2019 for EFT, Invoices and cheque processing demonstrate the ongoing process improvement underway but the procedures lack specific internal control details.
Records Management Procedure Revision 1 (Undated)	A further example of the work underway. The Shire's Record Keeping Plan is subject to an extension under the State Records Act and that is a work in progress. The review of the existing plan will need to take into account the implementation of the SharePoint information management system.
SharePoint	The Shire is implementing the SharePoint system for managing its records and information. SharePoint is a robust and efficient system but quite complex and requires careful establishment and training to ensure it is properly utilized. Currently the Shire is still in the process of refining its records within SharePoint and in the situation of some records are electronic and others still in hard copy format. The utility of the system may be compromised if not introduced in a careful manner and all users competent in utilizing the system.
Synergy	The Shire operates the Synergy accounting system that is common for a number of similar size local governments.
Other Information Technology	The Shire operates on the Office Suite of programs and has specialized systems for management of the Gym and the Short Stay Accommodation facility. No issues were noted.
Computer Password Control	The Shire commenced the implementation of a review of its Computer Password controls in late August 2019. An example of the proactive management actions underway.
Delegation Register	The Delegation Register records the Council's delegations to the CEO, and includes reference to sub-delegations by the CEO to employees. These sub-delegations are provided in written notice to each relevant employee, but the actual sub delegation is not recorded in the Register of Delegations.
Council Policy Manual	Hard copy records as at 11 February 2019 but indications that there are policies also recorded in SharePoint or under development. Attention is required to ensure that all policies are recorded in a consolidated version (either hardcopy or electronically with appropriate version control and employee awareness).

General Financial Transaction Policy	This is a comprehensive financial control policy that includes detail better suited for inclusion in the CEO's Internal Control Directives. Policy is a Council responsibility, procedures and internal control is the CEO's. This is a good example of the efforts and controls being implemented but requiring refinement between Council policy and the CEO's FMR responsibilities.
Fuel Stock Policy	Another example of a Council policy better suited as a CEO procedure/internal control. Fuel stock control was raised in a previous audit and this is still in the process of being implemented.
Bank Account Policy	This policy also includes elements of the CEO's procedure/internal control responsibilities. The policy details the designated authorized positions for the Shire bank account activities. Refer Finance Authorisation Policy.
Finance Authorisation Policy	This policy also includes elements of the CEO's procedure/internal control responsibilities. For example, "authorize by signing the relevant forms".
Purchasing Versus Authorisation to Pay	Purchasing policy sets out the authorized officer limits. For example, the CEO unlimited, Managers \$50,000 however these limits relate to Purchasing. The authorization to pay accounts (including single payments as well as batches) is a totally different requirement and partially covered by the Bank Account policy and the Financial Authorisation policy. However, these do not specify any limits and lists four Officers. Refer below.
Delegation - Payments	The delegation register includes a delegation to the CEO to make payments and power to sub-delegate to two officers (therefore the CEO and two others). Refer above and below.
Sharepoint – Authorised Signatories and Credit Card Register	A printout under "Financial Management" lists various Authorised Bank signatories with five apparent authorized signatories (Brigg K; Delmage; Fitchat; McCall and Hudson) – all with authorization of "Unlimited".
Authorisation to Pay	The authority to make payments from Shire bank accounts is a specific responsibility under the LGA that is delegated to the CEO. The CEO has sub-delegated this responsibility, but the exercise of this authority requires specific CEO internal controls, partially covered by the policies above. The inclusion of the Shire President in the authorized persons for bank transactions appears to go against the separation of responsibilities between elected and employees but may be necessary due to availability or another reasonable requirement. It is recommended that issue be discussed with the Shire Auditors.
Authorisation to Pay	Apart from clarification of the actual persons authorized to operate on the Shire bank accounts and the necessary controls, there is a requirement to review and put in place appropriate procedures and internal controls to manage the cycle from the purchasing policy and procedure to purchase goods or services to specifically cover the issue of local purchase orders, the handling of invoices, checking goods received/services rendered and computations correct being strictly controlled before moving on to the final step of AUTHORITY TO PAY by the properly authorized officers (delegation/bank authority/procedures). The internal control is based on the certification of all the other requirements being checked before the authority to pay is exercised. Each invoice requires specific authorizations and each payment or batch requires specific authorization that complies with the directive/control imposed by the CEO.
Purchasing Policy Compliance	Special attention is required to ensure that the Shire Purchasing policy is strictly enforced. The CEO procedures and internal controls must give this requirement strong focus and that breaches of purchasing policy (e.g. insufficient quotes or LPO's issued after good received etc) are identified and reported. Purchasing is a high-risk area and subject to external audit scrutiny and reporting. Internal controls at the purchasing, invoice processing and authority to pay stages should greatly reduce occurrences of improper purchasing that breach CEO Directives.

Creditors Approval Stamp	It was noted that creditor invoice payments “certification” was subject to a variety of stamps and signing protocols including the use of a “Received” stamp. It is considered that is inappropriate and requires a specific CEO Directive purpose designed approval stamp providing for requirements such as LPO, Goods Received/Services Rendered, Computations checked, GL Codes etc. Provision for the actual Authorisation to Pay could be included on a separate Stamp.
	A review of Creditor batches found inconsistent and incomplete signatures/approvals/authorizations. Strong control over Creditor payments is dependent upon a consistent checking/approval process and requires a strong CEO directive.
Task Preparation and Review - Wages	Examples of several financial tasks show a variety of accountability processes. The Timesheet includes provision for the signature of the employee but could be strengthened by internal control and requirement for a form of certification that the hours are true and correct, with a similar certification by the relevant manager. The timesheet forms the basis for the payment of wages and appropriate certification provides comfort to the Payroll Officer to process the timesheet.
Task Transaction Listings Controls	A review of various transaction listings found a range of different signing protocols. Examples were found of a Stamp providing for “Prepared By” and “Reviewed By” with signatures and date.
	Other examples of a reconciliation had a typed provision for the prepared by and reviewed by requirement, but no date.
	It is recommended that the CEO Directive for these tasks detail what the signing requirements are (the Stamp is possibly the best option) with emphasis on providing strong accountability by requiring signatures (not names).
Inconsistency	The review noted that many tasks such as the requirement to identify the officer preparing a document and the reviewer were inconsistently completed. Many only had one name or one signature and indicate a breakdown in the process. The reasons for the non-completion probably relate to human factors such as unavailability, workload and timing but leads towards a breakdown in process and control. Identification of who prepared and who checked/approved is a key accountability. A CEO Directive to require this to occur will result in better control and a culture of best practice and accuracy.
Bank Reconciliations	It is recommended that the bank reconciliation include reference to any balancing issue that requires attention including any time factor such as unpresented cheques.
Organizational Structure	It was noted that the new structure was put in place in March 2019. This underlines the significant change in the Office since that time with four new employees and other internal changes of role and responsibilities. That is a positive response to the historical culture that existed and a new work environment that is already demonstrating a willingness to make improvement changes. These changes were actively taking place during the on-site phase of this review with examples of changes already made or being made in response to queries raised.
Payroll Procedure Revision 1	The development of a Payroll Procedure is an example of a work in progress and a new initiative and not yet adopted. The procedure needs to be developed to include the specific internal control requirements of the CEO so that there is a strong element of being a Directive and not just a procedure.
Compliance Calendar	The CEO has implemented a comprehensive Compliance Calendar. It is recommended that this be included as a permanent item on the agenda of the Senior Staff meetings to allow review.

Cemetery Register	The review found that the key statutory registers were maintained. However, it was found that the Cemetery Register had not been maintained since 2017. This failure is an example of the inconsistency and lack of historical control and the changeover of Office staff. It underlines the key recommendation for the need for task procedures and internal control checklists.
Rating	The rating and valuation function were historically poorly managed and inadequately controlled. The engagement of specialized expertise has turned this around and a further example of the positive management controls being implemented by the CEO.
Rate Payment Arrangement Procedure	This new procedure was introduced in May 2019 and an example of the proactive improvements underway.
Rates Modelling and Billing 2019/2020	A spreadsheet extensively details rating program details and advisory comments of a procedural nature that provides a base for the development of an effective internal control directive.
Asset Valuation	Plant and Equipment valued by an external resource for 2018/2019.
Road and Other Infrastructure Revaluation and Asset Condition Report, RAMMs etc	Being undertaken for 2019/2020.
General Journals and Subsidiary Journals	The journals are maintained and subject to a prepared and checked by process but without any specific internal control including the authorization to make journal entries and along with the various End of Month reconciliations subject to inconsistent signatures.
Quasi Internal Control Manual	A pink two ringed binder exists and contains a variety of advisory notes and instructions including some 29 pages of bank reconciliation instructions (mainly Synergy) but are not dedicated internal controls. It is apparent that there is a variety of policy and procedures in existence but lacking the essential element of the CEO internal control direction.
Checklist of Monthly Reconciliations	A computer printout provides details of Responsible Officers by initials, tasks and monthly status. This checklist could be reviewed and developed into a more effective checklist.
Integrated Planning Framework	The Shire has adopted all the relevant major Plans.
Business Continuity Plan May 2019	Another example of the progress made by the CEO in improving the Shire's management.

The above comments are intended to provide examples of issues requiring attention, as well as the positive changes being undertaken. It is reiterated that this review is not an audit, and there are other matters of a similar nature but the comments outline the environment and the suggested changes to improve the management environment and based on developing formal CEO Directives that detail internal controls, and a checklist approach for reporting status of compliance.

In summary, the existing systems and procedures are adequate and working, but require tightening to improve control.

Gary Martin

Local Government Consultant

17 September 2019

LOCAL GOVERNMENT (ADMINISTRATION) AMENDMENT REGULATIONS (No.2) 2020 – EXPLANATORY NOTES

These regulations will bring into effect **section 22** of the *Local Government Legislation Amendment Act 2019*.

In particular, the following will take effect: sections 5.39A, 5.39B & 5.39C.

Section in Amendment Act	Section in LG Act	Topic
Section 22	5.39A 5.39B 5.39C	Model standards for CEO recruitment, performance and termination. Adoption of Model Standards Policy for temporary employment or appointment of CEO.
Regulation	Amends	Explanation
Regulation 18A – Vacancy in position of CEO or senior employee to be advertised (Act s.5.36(4) and 5.37(3))	18A <i>Local Government (Administration) Regulations 1996</i>	Regulation 18A(1) is being amended to align with the new State-wide public notice provisions. If the position of CEO, or of a senior employee, becomes vacant the local government must give State-wide public notice of the position in accordance with the requirements of the Local Government Act (sections 5.36(4) and 5.37(3)). Regulation 18A(2)(da) provides that the State-wide public notice must include a website address where the job description form (JDF) for the position can be accessed.
Regulation 18C – Selection and appointment process for CEOs.	18C <i>Local Government (Administration) Regulations 1996</i> – Repealed	Regulation 18C is being repealed. The prescribed model standards for CEO recruitment and appointment outlined at Division 2 (Clauses 3-14) of the <i>Local Government (Administration) Amendment Regulations 2020</i> replace 18C. Local governments are required to determine the selection criteria for the position of CEO prior to a recruitment process being undertaken. The local government must approve by a resolution of an absolute majority of council, a job description form which sets out the duties and responsibilities of the position (5(2)(a)) and details the selection criteria (5(2)(b)).

		<p>A position vacancy must be advertised in accordance with 5.36(4) of the <i>Local Government Act</i> and 18A of the <i>Local Government (Administration) Regulations 1996</i>. A JDF form must also be made available on the local government's official website.</p> <p>As part of the process of selection, a panel must be established to conduct the recruitment and selection process. The selection panel must be made up of council members and at least one independent person who is not a current councillor or employee of the local government. The independent person should have experience in the recruitment and selection of CEO's and / or senior executives. It is the role of the selection panel to recommend one or more suitable applicants to the position of CEO based on the selection criteria outlined in the JDF.</p> <p>A final decision to make an offer of appointment to the position of CEO must be made by an absolute majority of council. The resolution must also approve the proposed terms of the contract.</p> <p>Appointment of the successful applicant to CEO must also be made by an absolute majority decision of council after negotiation of the final contract terms between the successful applicant and the local government and following the applicant's acceptance of the offer.</p>
Regulation 18D – Performance review of CEO, local government's duties as to	<i>Local Government (Administration) Regulations 1996</i> - 18D Repealed	<p>Regulation 18D is being repealed. The prescribed model standards for performance review outlined at Division 3 of the of the <i>Local Government (Administration) Amendment Regulations 2020</i> (clauses 15-19) replace 18D.</p> <p>Local governments are required to review the performance of a CEO annually in accordance with section 5.38 of the Act. Division 3 sets out the process for performance review, including establishing the performance criteria upon which to base the review and the requirement to endorse the performance review by absolute majority on its completion.</p> <p>The CEO must be notified of the results of the performance review, including any issues identified in relation to the performance of the CEO, and how the local government proposes to address and manage those issues.</p>

Regulation FA – Prescribed model standards for CEO recruitment, performance and termination (Act s.5.39A(1)).	<i>Local Government (Administration) Regulations 1996</i> – 18FA is a new clause.	Regulation 18FA sets out the model standards for local governments in relation to the recruitment, performance review and termination of employment of a local government CEO.
Regulation 18FB – Certification of compliance with adopted standards for CEO recruitment (Act s.5.39B(7))	<i>Local Government (Administration) Regulations 1996</i> – 18FB is a new clause.	<p>Regulation 18FB requires local governments to certify that they have adopted the standards under section 5.39B of the Act. 18FB applies in relation to the recruitment and appointment of a local government CEO.</p> <p>A copy of the resolution to appoint the CEO in accordance with the adopted standards must be provided to the Department of Local Government, Sport and Cultural Industries within 14 days of the decision to appoint.</p>
Regulation 18FC – Certification of compliance with adopted standards for CEO termination (Act s.5.39B(7)).	<i>Local Government (Administration) Regulations 1996</i> – 18FC is a new clause	<p>Regulation FC requires a local government to certify that they have adopted the standards under section 5.39B of the Act. 18FC applies in relation to the termination of a CEO's employment contract.</p> <p>If a local government makes the decision to terminate the employment of the CEO, it must certify that the CEO's employment contract was terminated in accordance with the adopted standards for termination as outlined in regulations.</p>
<p>Division 2 – Standards for recruitment of CEOs</p> <p>Regulation 4 – Application of Division</p>	<i>Local Government (Administration) Regulations 1996</i> – Reg 4 replaces 18C.	<p>Regulation 18C of the <i>Local Government (Administration) Regulations 1996</i> is repealed. Instead, Regulation 4 applies in relation to Division 2 - the recruitment and selection process of a local government CEO.</p> <p>Division 2 does not apply in the event that the position of CEO is to be filled by a person in a prescribed class or in relation to the renewal of the CEO's contract, unless the CEO has been employed for a period of 10 or more consecutive years and a period of 10 or more years has elapsed since a selection and recruitment process was carried out</p>

		For the purposes of 5.36(5)(a), a person in a prescribed class includes a person who is and will continue to be employed by another local government and is contracted for a period of less than five years, or the person will be acting in the position of CEO for a period of less than one year.
Regulation 5 – Determination of selection criteria and approval of job description form.	<i>Local Government (Administration) Regulations 1996</i> – Reg 5 is a new clause.	<p>Regulation 5 deals with determining the selection criteria for the position of CEO. It is a requirement that the local government base the selection criteria on the necessary skills, knowledge, experience and qualifications necessary to effectively perform the role and responsibilities associated with the position.</p> <p>The local government must approve (by absolute majority) a job description form (JDF) that sets out the duties and responsibilities of the position and the selection criteria.</p>
Regulation 6 – Advertising Requirements	<i>Local Government (Administration) Regulations 1996</i> – Reg 6 is a new clause.	Regulation 6 deals with advertising the position of CEO where the position becomes vacant or the incumbent has held the position for 10 or more consecutive years. It is a requirement of the Local Government Act (s 5.36(4)) that upon the position of CEO becoming vacant, it must be advertised in a manner prescribed. Regulation 18A of the <i>Local Government (Administration) Regulations 1996</i> sets out the requirements for State-wide advertising.
Regulation 7 – Job description form to be made available by local government.	<i>Local Government (Administration) Regulations 1996</i> – Reg 7 is a new clause.	Regulation 7 requires a local government to provide a copy of the JDF to a person upon request. The local government must either provide the web address where the JDF can be downloaded or alternatively if the person is unable to access the website, email a copy, or send a hard copy in the post.
Regulation 8 – Establishment of selection panel for appointment of CEO.	<i>Local Government (Administration) Regulations 1996</i> – Reg 8 is a new clause.	Regulation 8 requires a local government to establish a selection panel to conduct the selection and recruitment process for appointment of a person to the position of CEO.

		<p>The selection panel must comprise of council members and at least one independent person who is not a councillor nor an employee of the local government.</p> <p>It is recommended that the independent person or persons have relevant experience in the recruitment and selection of CEO's and / or senior executives. It is the role of the selection panel to recommend one or more suitable applicants to the position of CEO based on the selection criteria outlined in the JDF.</p> <p>It is at the discretion of the local government to determine the number of people on the selection panel.</p>
Regulation 9 – Recommendation by selection panel.	<i>Local Government (Administration) Regulations 1996 – Reg 9 is a new clause.</i>	<p>It is the role of the selection panel to recommend a preferred applicant or applicants for appointment to the position of CEO. Regulation 9 requires the selection panel to make an assessment of each applicant's ability to perform the role of CEO based on their knowledge, experience, qualifications and skills as measured against the selection criteria outlined in the JDF.</p> <p>If the selection panel considers none of the applicants suitable for appointment to the position, they must advise the local government of that fact.</p> <p>If the selection panel considers none of the applicants suitable for appointment to the position of CEO, they may recommend changes be made to the duties and responsibilities of the position or the selection criteria.</p> <p>The selection panel must act in an impartial and transparent manner and in accordance with the principles set out in section 5.40 of the Act.</p> <p>The selection panel is responsible for ensuring that any applicant or applicants they recommend for appointment have demonstrated they meet the selection criteria and have had their qualifications verified. The selection panel must exercise due diligence in verifying referees, work history, skills and any other claims made by the applicant.</p>

<p>Regulation 10 – New process to be commenced if no suitable applicants.</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 10 is a new clause.</i></p>	<p>If the selection panel finds that none of the applicants are suitable to be appointed to the position of CEO, they must advise the local government in accordance with 9(2)(b).</p> <p>Regulation 10 requires the recruitment and selection process to be undertaken again if the selection panel advises the local government it considers none of the applicants to be suitable for appointment to the position of CEO.</p> <p>Unless the selection panel recommends changes be made to the duties and responsibilities of the position or the selection criteria, clause 5 does not apply. In this instance, the original JDF previously approved by the local government (under clause 5) is the JDF form for the purposes of the new recruitment and selection process.</p>
<p>Regulation 11 – Offer of appointment to position of CEO.</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 11 is a new clause.</i></p>	<p>Regulation 11 requires the decision to make an offer of employment to an applicant to the position of CEO to be made by an absolute majority of council.</p> <p>The council must approve making the offer of employment to the preferred applicant and the proposed terms of the contract to be entered into.</p>
<p>Regulation 12 – Appointment to position of CEO</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 12 is a new clause.</i></p>	<p>Regulation 12 deals with the appointment of the successful applicant to the position of CEO subsequent to the offer of appointment having been made, the final terms of the contract agreed to and the applicant accepting the offer of employment.</p> <p>The appointment of the successful applicant to the position of CEO by the local government must be made by an absolute majority of council. Council must endorse the appointment and approve the terms of the negotiated contract.</p>

<p>Regulation 13 – Recruitment to be undertaken on expiry of certain CEO contracts.</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 13 is a new clause.</i></p>	<p>Regulation 13 applies if a local government CEO has held the position for a period of 10 or more consecutive years upon expiry of the CEO's contract. Regulation 13 also applies if a period of 10 or more consecutive years has elapsed since a recruitment and selection process for the position has occurred and the incumbent CEO has notified the local government that they wish to have their contract of employment renewed upon its expiry.</p> <p>Subclause 13(2)(a)(ii) is drafted to allow for the possibility that a CEO who has, for example, held office for 10 years and has their contract renewed for another 5-year term following the recruitment and selection process. In that case, clause 13(2)(a)(ii) will operate to ensure that another 10 years can pass before another recruitment process is required. In the absence of clause 13(2)(a)(ii), when the renewed term came to an end, the CEO would have held the position for 15 consecutive years and clause 13(2)(a)(i) would operate to require a process to be undertaken.</p> <p>The local government must carry out the recruitment and selection process before expiry of the incumbent CEO's contract.</p> <p>The incumbent CEO may have their contract of employment renewed upon expiry if they are selected in accordance with the recruitment and selection process at subclause (3).</p>
<p>Regulation 14 – Confidentiality of information</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 14 is a new clause.</i></p>	<p>Regulation 14 requires confidentiality to be observed by the local government as part of the process of recruitment and selection. Information obtained as part of this process must only be used for, or in connection with, recruitment and selection.</p>
<p>Division 3 – Standards for review of performance of CEOs</p> <p>Regulation 15 sets out the standards to be observed by the local government in relation to the review of the performance of CEOs.</p>	<p><i>Local Government (Administration) Regulations 1996 – Reg 15 replaces regulation 18D which is repealed.</i></p>	<p>Regulation 18D is repealed. Division 3 effectively deals with the requirement to consider the performance review of the CEO in accordance with section 5.38 of the Act.</p>

Regulation 16 – Performance review process to be agreed between local government and CEO.	<i>Local Government (Administration) Regulations 1996</i> – Reg 16 is a new clause.	<p>Regulation 16 requires the local government and the CEO to agree on the process for performance review and any performance criteria that are additional to those specified in the contract. For example, the local government and the CEO may wish to include additional performance criteria after 1 or 2 years into a contract term as circumstances and priorities change.</p> <p>The process for performance review must be consistent with clauses 17 (Carrying out a performance review), 18 (Endorsement of the performance review) and 19 (CEO to be notified of the results of the performance review).</p> <p>The process for performance review and the selection criteria upon which the review will be based must be set out in a written document.</p>
Regulation 17 – Carrying out a performance review	<i>Local Government (Administration) Regulations 1996</i> – Reg 17 is a new clause	Regulation 17 deals with how a review of a CEO's performance must be carried out. A performance review must be carried out in an impartial and transparent manner. It must also be comprehensive, and evidence based. The CEO's performance must be measured against the performance criteria as specified in the CEO's contract and any other performance criteria as agreed and set out in the documented performance review process.
Regulation 18 – Endorsement of performance review by local government	<i>Local Government (Administration) Regulations 1996</i> – Reg 18 is a new clause	Regulation 18 requires that a performance review is endorsed by an absolute majority of council upon completion.
Regulation 19 – CEO to be notified of results of performance review	<i>Local Government (Administration) Regulations 1996</i> – Reg 19 is a new clause	Regulation 19(a) requires a local government to notify the CEO of the results of the performance review in writing. If the review identifies any performance issues, the local government must outline how it proposes to address and manage those issues.

		The local government must notify the CEO of the results of the performance review after it has been endorsed by an absolute majority of council.
Division 4 – Standards for termination of employment of CEOs. Regulation 20 – sets out the standards to be observed by the local government in relation to the termination of the employment of CEOs.	<i>Local Government (Administration) Regulations 1996</i> – Reg 20 is a new clause	Regulation 20 provides an overview of Division 4 – Standards for termination of employment of CEOs.
Regulation 21 – General principles applying to any termination.	<i>Local Government (Administration) Regulations 1996</i> – Reg 21 is a new clause	<p>Regulation 21 outlines the general principles that must apply to any termination of a CEO's employment contract. Decisions relating to termination of employment must be made in an impartial and transparent manner.</p> <p>A CEO must be afforded procedural fairness in relation to the process for termination of employment. This includes:</p> <ul style="list-style-type: none"> a) being informed of their rights, entitlements and responsibilities; b) notification of any allegations against the CEO; c) being given a reasonable opportunity to respond to the allegations; d) and genuinely considering any response provided by the CEO to the allegations.
Regulation 22 – Additional principles applying to termination for performance related reasons.	<i>Local Government (Administration) Regulations 1996</i> – Reg 22 is a new clause	<p>Regulation 22(1) applies if the local government proposes to terminate the employment of a CEO based on the CEO's work-related performance.</p> <p>Subclauses 22(2)(a)-(d) and 22(3) require that a CEO's employment must not be terminated unless the local government has:</p> <ul style="list-style-type: none"> • previously identified any issues with the CEO's performance as part of the performance review process; • informed the CEO of the performance issues;

		<ul style="list-style-type: none"> • given the CEO reasonable opportunity to address and implement a plan to remedy the performance issues; • determined that the CEO has not remedied the performance issues to the satisfaction of the local government; and • 22(3) reviewed the performance of the CEO within the preceding 12 months in accordance with 5.38(1) of the Local Government Act.
Regulation 23 – Decision to terminate.	<i>Local Government (Administration) Regulations 1996</i> – Reg 23 is a new clause	Regulation 23 requires that a decision to terminate the employment of a CEO must be made by an absolute majority of council.
Regulation 24 – Notice of termination of employment.	<i>Local Government (Administration) Regulations 1996</i> – Reg 24 is a new clause	Regulation 24 requires that a local government must provide notice in writing of the decision to terminate the employment of a CEO. Written notice must include the local government's reasons for termination.

Local Government (Administration) Amendment Regulations (No. 2) 2020

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Local Government (Administration) Amendment Regulations (No. 2) 2020

Made by the Governor in Executive Council.

1. Citation

These regulations are the *Local Government (Administration) Amendment Regulations (No. 2) 2020*.

2. Commencement

These regulations come into operation as follows —

- (a) regulations 1 and 2 — on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations — on the day on which the *Local Government Legislation Amendment Act 2019* section 22 comes into operation.

3. Regulations amended

These regulations amend the *Local Government (Administration) Regulations 1996*.

[The following text is the Local Government (Administration) Regulations 1996 showing proposed amendments in track changes. A formal amending instrument will be drafted at a later stage.]

Part 1 — Preliminary

[There are no amendments to this Part.]

Part 2 — Council and committee meetings

[There are no amendments to this Part.]

Part 3 — Electors' meetings

[There are no amendments to this Part.]

Part 4 — Local government employees

[Heading inserted: Gazette 26 Aug 2011 p. 3482.]

18A. Vacancy in position of CEO or senior employee to be advertised (Act s. 5.36(4) and 5.37(3))

- (1) If a position of CEO, or of a senior employee, of a local government becomes vacant, the local government is to [give Statewide public notice of the position](#) ~~advertise the position in a newspaper circulating generally throughout the State~~ unless it is proposed that the position be filled by —
 - (a) a person who is, and will continue to be, employed by another local government and who will fill the position on a contract or contracts for a total period not exceeding 5 years; or
 - (b) a person who will be acting in the position for a term not exceeding one year.
- (2) [The Statewide public notice](#) ~~An advertisement referred to in subregulation (1)~~ is to contain —
 - (a) the details of the remuneration and benefits offered; and
 - (b) details of the place where applications for the position are to be submitted; and
 - (c) the date and time for the closing of applications for the position; and
 - (d) the duration of the proposed contract; and
 - (da) [a website address where the job description form for the position can be accessed; and](#)
 - (e) contact details for a person who can provide further information about the position; and

- (f) any other information that the local government considers is relevant.

[Regulation 18A inserted: Gazette 31 Mar 2005 p. 1037-8; amended: Gazette 19 Aug 2005 p. 3872; 3 May 2011 p. 1594.]

18B. Contracts of CEOs and senior employees, content of (Act s. 5.39(3)(c))

For the purposes of section 5.39(3)(c), a contract governing the employment of a person who is a CEO, or a senior employee, of a local government is to provide for a maximum amount of money (or a method of calculating such an amount) to which the person is to be entitled if the contract is terminated before the expiry date, which amount is not to exceed whichever is the lesser of —

- (a) the value of one year's remuneration under the contract; or
- (b) the value of the remuneration that the person would have been entitled to had the contract not been terminated.

[Regulation 18B inserted: Gazette 13 May 2005 p. 2086.]

~~**18C. Selection and appointment process for CEOs**~~

~~The local government is to approve a process to be used for the selection and appointment of a CEO for the local government before the position of CEO of the local government is advertised.~~

~~*[Regulation 18C inserted: Gazette 31 Mar 2005 p. 1038.]*~~

~~**18D. Performance review of CEO, local government's duties as to**~~

~~A local government is to consider each review on the performance of the CEO carried out under section 5.38 and is to accept the review, with or without modification, or to reject the review.~~

~~*[Regulation 18D inserted: Gazette 31 Mar 2005 p. 1038.]*~~

r. 18E

18E. False information in application for CEO position, offence

A person must not, in connection with an application for the position of CEO of a local government —

- (a) make a statement, or give any information, as to academic, or other tertiary level, qualifications held by the applicant that the person knows is false in a material particular; or
- (b) make a statement, or give any information, as to academic, or other tertiary level, qualifications held by the applicant which is false or misleading in a material particular, with reckless disregard as to whether or not the statement or information is false or misleading in a material particular.

Penalty: a fine of \$5 000.

[Regulation 18E inserted: Gazette 31 Mar 2005 p. 1038-9; amended: Gazette 19 Aug 2005 p. 3872; 4 Mar 2016 p. 650.]

18F. Remuneration and benefits of CEO to be as advertised

The remuneration and other benefits paid to a CEO on the appointment of the CEO are not to differ from the remuneration and benefits advertised for the position under section 5.36(4).

[Regulation 18F inserted: Gazette 31 Mar 2005 p. 1039.]

18FA. Prescribed model standards for CEO recruitment, performance and termination (Act s. 5.39A(1))

Schedule 2 sets out model standards for local governments in relation to the following —

- (a) the recruitment of CEOs;
- (b) the review of the performance of CEOs;
- (c) the termination of the employment of CEOs.

18FB. Certification of compliance with adopted standards for CEO recruitment (Act s. 5.39B(7))

(1) In this regulation —

adopted standards means the standards adopted by a local government under section 5.39B or, if the local government has not adopted standards under that section, the standards taken under section 5.39B(5) to be the local government’s adopted standards.

(2) This regulation applies if —

(a) a local government appoints a person to the position of CEO of the local government; and

(b) the local government’s adopted standards in relation to the recruitment of CEOs apply to the appointment.

(3) At the time of appointing the person to the position of CEO, the local government must, by resolution*, certify that the person was appointed in accordance with the local government’s adopted standards in relation to the recruitment of CEOs.

* Absolute majority required.

(4) A copy of the resolution must be given to the Departmental CEO within 14 days after the resolution is passed by the local government.

18FC. Certification of compliance with adopted standards for CEO termination (Act s. 5.39B(7))

(1) In this regulation —

adopted standards has the meaning given in regulation 18FB(1).

(2) This regulation applies if a local government terminates the employment of the CEO of the local government.

(3) At the time of terminating the CEO’s employment, the local government must, by resolution*, certify that the CEO was terminated in accordance with the local government’s adopted

r. 18G

standards in relation to the termination of the employment of CEOs.

* Absolute majority required.

- (4) A copy of the resolution must be given to the Departmental CEO within 14 days after the resolution is passed by the local government.

18G. Delegations to CEOs, limits on (Act s. 5.43)

Powers and duties of a local government exercised under the following provisions are prescribed under section 5.43(i) as powers and duties that a local government cannot delegate to a CEO —

- (a) section 7.12A(2), (3)(a) or (4); and
- (b) regulations 18C and 18D.

[Regulation 18G inserted: Gazette 31 Mar 2005 p. 1039.]

19. Delegates to keep certain records (Act s. 5.46(3))

Where a power or duty has been delegated under the Act to the CEO or to any other local government employee, the person to whom the power or duty has been delegated is to keep a written record of —

- (a) how the person exercised the power or discharged the duty; and
- (b) when the person exercised the power or discharged the duty; and
- (c) the persons or classes of persons, other than council or committee members or employees of the local government, directly affected by the exercise of the power or the discharge of the duty.

19A. Payments in addition to contract or award, limits of (Act s. 5.50(3))

- (1) The value of a payment or payments made under section 5.50(1) and (2) to an employee whose employment with a local

government finishes after 1 January 2010 is not to exceed in total —

- (a) the value of the person's final annual remuneration, if the person —
 - (i) accepts voluntary severance by resigning as an employee; and
 - (ii) is not a CEO or a senior employee whose employment is governed by a written contract in accordance with section 5.39;
- or
- (b) in all other cases, \$5 000.

- (2) In this regulation —

final annual remuneration in respect of a person, means the value of the annual remuneration paid, or payable, to the person by the local government which employed that person immediately before the person's employment with the local government finished.

[Regulation 19A inserted: Gazette 31 Mar 2005 p. 1032; amended: Gazette 13 Jul 2012 p. 3218.]

Part 5 — Annual reports and planning

[There are no amendments to this Part.]

Part 6 — Disclosure of financial interests and gifts

[There are no amendments to this Part.]

Part 7 — Access to information

[There are no amendments to this Part.]

Part 8 — Local government payments and gifts to members

[There are no amendments to this Part.]

Part 9 — Codes of conduct for employees

[There are no amendments to this Part.]

Part 10 — Training

[There are no amendments to this Part.]

Consultation Draft

Schedule 1 — Forms

[There are no amendments to this Schedule.]

Schedule 2 — Model standards for CEO recruitment, performance and termination

[r. 18FA]

Division 1 — Preliminary provisions

1. Citation

These are the [insert name of local government] *Standards for CEO Recruitment, Performance and Termination*.

2. Terms used

(1) In these standards —

Act means the *Local Government Act 1995*;

additional performance criteria means performance criteria agreed by the local government and the CEO under clause 16(1)(b);

applicant means a person who submits an application to the local government for the position of CEO;

contract of employment means the written contract, as referred to in section 5.39 of the Act, that governs the employment of the CEO;

contractual performance criteria means the performance criteria specified in the CEO's contract of employment as referred to in section 5.39(3)(b) of the Act;

job description form means the job description form for the position of CEO approved by the local government under clause [5(2)];

local government means the [insert name of local government];

selection criteria means the selection criteria for the position of CEO determined by the local government under clause [5(1)] and set out in the job description form;

selection panel means the selection panel established by the local government under clause [8] for the appointment of a person to the position of CEO.

- (2) Other terms used in these standards that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — Standards for recruitment of CEOs

3. Overview of Division

This Division sets out standards to be observed by the local government in relation to the recruitment of CEOs.

4. Application of Division

- (1) Except as provided in subclause (2), this Division applies to any recruitment and selection process carried out by the local government for the appointment of a person to the position of CEO.
- (2) This Division does not apply —
- (a) if it is proposed that the position of CEO be filled by a person in a class prescribed for the purposes of section 5.36(5A) of the Act; or
 - (b) in relation to a renewal of the CEO's contract of employment, except in the circumstances referred to in clause [13(2)].

5. Determination of selection criteria and approval of job description form

- (1) The local government must determine the selection criteria for the position of CEO, based on the local government's consideration of the knowledge, experience, qualifications and skills necessary to effectively perform the duties and responsibilities of the position of CEO of that particular local government.
- (2) The local government must, by a resolution of an absolute majority of the council, approve a job description form for the position of CEO which sets out —
- (a) the duties and responsibilities of the position; and
 - (b) the selection criteria for the position determined in accordance with subclause (1).

6. Advertising requirements

- (1) If the position of CEO is vacant, the local government must ensure it complies with section 5.36(4) of the Act and the *Local Government (Administration) Regulations 1996* regulation 18A.
- (2) If clause [13] applies, the local government must advertise the position of CEO in the manner referred to in the *Local Government (Administration) Regulations 1996* regulation 18A as if the position was vacant.

7. Job description form to be made available by local government

If a person requests the local government to provide to the person a copy of the job description form, the local government must —

- (a) inform the person of the website address referred to in the *Local Government (Administration) Regulations 1996* regulation 18A(2)(da); or
- (b) if the person advises the local government that the person is unable to access that website address —
- (i) email a copy of the job description form to an email address provided by the person; or
- (ii) mail a copy of the job description form to a postal address provided by the person.

8. Establishment of selection panel for appointment of CEO

- (1) The local government must establish a selection panel to conduct the recruitment and selection process for the appointment of a person to the position of CEO.
- (2) The selection panel must comprise —
- (a) council members (the number of which is to be determined by the local government); and
- (b) at least 1 person who is neither a council member nor an employee of the local government.

9. Recommendation by selection panel

- (1) The selection panel must assess each applicant's knowledge, experience, qualifications and skills against the selection criteria.

(2) Following the assessment referred to in subclause (1), the selection panel must —

(a) recommend to the local government one or more applicants who the selection panel considers are suitable for appointment to the position of CEO; or

(b) if the selection panel considers that none of the applicants are suitable for appointment to the position of CEO — advise the local government of that fact.

(3) If the selection panel considers that none of the applicants are suitable for appointment to the position of CEO, the selection panel may recommend to the local government the changes (if any) that the selection panel considers should be made to the duties and responsibilities of the position or the selection criteria.

(4) The selection panel must act under subclauses (1), (2) and (3) —

(a) in an impartial and transparent manner; and

(b) in accordance with the principles set out in section 5.40 of the Act.

(5) The selection panel must not recommend an applicant to the local government under subclause (2)(a) unless the selection panel has —

(a) assessed the applicant as having demonstrated that the applicant's knowledge, experience, qualifications and skills meet the selection criteria; and

(b) verified any academic, or other tertiary level, qualifications the applicant claims to hold; and

(c) whether by contacting referees provided by the applicant or making any other enquiries the selection panel considers appropriate, verified the applicant's character, work history, skills, performance and any other claims made by the applicant.

10. New process to be commenced if no suitable applicants

(1) If the selection panel advises the local government under clause [9(2)(b)] that the selection panel considers that none of the applicants are suitable for appointment to the position of CEO, the local government must carry out a new recruitment and selection process for the position in accordance with these standards.

(2) However, unless the local government considers that changes should be made to the duties and responsibilities of the position or the selection criteria —

(a) clause [5] does not apply to the new recruitment and selection process; and

(b) the job description form previously approved by the local government under clause [5] is the job description form for the purposes of the new recruitment and selection process.

11. Offer of appointment to position of CEO

(1) Any decision by the local government to make an offer of appointment to the position of CEO to an applicant must be made by a resolution of an absolute majority of the council.

(2) The resolution must approve —

(a) the making of the offer of appointment to the applicant; and

(b) the proposed terms of the contract of employment to be entered into by the local government and the applicant.

12. Appointment to position of CEO

(1) In this clause —

negotiated contract means the contract of employment referred to in paragraph (b) of the definition of *successful applicant*;

successful applicant means an applicant who —

(a) has been made an offer of appointment to the position of CEO under clause [11]; and

(b) has negotiated with the local government the terms of the contract of employment to be entered into by the local government and the applicant; and

(c) following that negotiation, has accepted the offer of appointment.

(2) Any appointment of a successful applicant to the position of CEO by the local government must be made by a resolution of an absolute majority of the council.

(3) The resolution must —

(a) endorse the appointment of the successful applicant to the position of CEO; and

(b) approve the terms of the negotiated contract.

13. Recruitment to be undertaken on expiry of certain CEO contracts

(1) In this clause —

commencement day means the day on which the *Local Government (Administration) Amendment Regulations (No. 2) 2020* regulation [regulation inserting new r. 18FA] comes into operation.

(2) This clause applies if —

(a) upon the expiry of the contract of employment of the person (the **incumbent CEO**) who holds the position of CEO —

(i) the incumbent CEO will have held the position for a period of 10 or more consecutive years, whether that period commenced before, on or after commencement day; and

(ii) a period of 10 or more consecutive years has elapsed since a recruitment and selection process for the position was carried out, whether that process was carried out before, on or after commencement day;

and

(b) the incumbent CEO has notified the local government that they wish to have their contract of employment renewed upon its expiry.

(3) Before the expiry of the incumbent CEO's contract of employment, the local government must carry out a recruitment and selection process in accordance with these standards to select a person to be appointed to the position of CEO after the expiry of the incumbent CEO's contract of employment.

(4) This clause does not prevent the incumbent CEO's contract of employment from being renewed upon its expiry if the incumbent CEO is selected in the recruitment and selection process referred to in subclause (3) to be appointed to the position of CEO.

14. Confidentiality of information

The local government must ensure that information provided to, or obtained by, the local government in the course of a recruitment and selection process for the position of CEO is not disclosed, or made use of, except for the purpose of, or in connection with, that recruitment and selection process.

Division 3 — Standards for review of performance of CEOs

15. Overview of Division

This Division sets out standards to be observed by the local government in relation to the review of the performance of CEOs.

16. Performance review process to be agreed between local government and CEO

(1) The local government and the CEO must agree on —

- (a) the process by which the CEO's performance will be reviewed; and
- (b) any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.

(2) Without limiting subclause (1), the process agreed under subclause (1)(a) must be consistent with clauses [17], [18] and [19].

(3) The matters referred to in subclause (1) must be set out in a written document.

17. Carrying out a performance review

(1) A review of the performance of the CEO by the local government must be carried out in an impartial and transparent manner.

(2) The local government must —

- (a) collect evidence regarding the CEO's performance in respect of the contractual performance criteria and any additional performance criteria in a thorough and comprehensive manner; and

- (b) review the CEO's performance against the contractual performance criteria and any additional performance criteria, based on that evidence.

18. Endorsement of performance review by local government

Following a review of the performance of the CEO, the local government must, by a resolution of an absolute majority of the council, endorse the review.

19. CEO to be notified of results of performance review

After the local government has endorsed a review of the performance of the CEO under clause [18], the local government must inform the CEO in writing of —

- (a) the results of the review; and
- (b) if the review identifies any issues about the performance of the CEO — how the local government proposes to address and manage those issues.

Division 4 — Standards for termination of employment of CEOs

20. Overview of Division

This Division sets out standards to be observed by the local government in relation to the termination of the employment of CEOs.

21. General principles applying to any termination

- (1) The local government must make decisions relating to the termination of the employment of a CEO in an impartial and transparent manner.
- (2) The local government must accord a CEO procedural fairness in relation to the process for the termination of the CEO's employment, including —
 - (a) informing the CEO of the CEO's rights, entitlements and responsibilities in relation to the termination process; and
 - (b) notifying the CEO of any allegations against the CEO; and
 - (c) giving the CEO a reasonable opportunity to respond to the allegations; and

- (d) genuinely considering any response given by the CEO in response to the allegations.

22. Additional principles applying to termination for performance-related reasons

- (1) This clause applies if the local government proposes to terminate the employment of a CEO for reasons related to the CEO's performance.

- (2) The local government must not terminate the CEO's employment unless the local government has —

- (a) in the course of carrying out the review of the CEO's performance referred to in subclause (3) or any other review of the CEO's performance, identified any issues (the *performance issues*) related to the performance of the CEO; and

- (b) informed the CEO of the performance issues; and

- (c) given the CEO a reasonable opportunity to address, and implement a plan to remedy, the performance issues; and

- (d) determined that the CEO has not remedied the performance issues to the satisfaction of the local government.

- (3) The local government must not terminate the CEO's employment unless the local government has, within the preceding 12 month period, reviewed the performance of the CEO under section 5.38(1) of the Act.

23. Decision to terminate

Any decision by the local government to terminate the employment of a CEO must be made by a resolution of an absolute majority of the council.

24. Notice of termination of employment

- (1) If the local government terminates the employment of a CEO, the local government must give the CEO notice in writing of the termination.

- (2) The notice must set out the local government's reasons for terminating the employment of the CEO.

Local Government (Administration) Amendment Regulations (No. 2) 2020

Schedule 2 Model standards for CEO recruitment, performance and termination

Division 4 Standards for termination of employment of CEOs

cl. 24

Clerk of the Executive Council

Consultation Draft

LOCAL GOVERNMENT (MODEL CODE OF CONDUCT) REGULATIONS 2020 – EXPLANATORY NOTES

These regulations will bring into effect **sections 48 to 51** of the *Local Government Legislation Amendment Act 2019*.

In particular, the following will take effect: sections 5.102A, 5.103, 5.104 and 5.105.

	Regulation	Explanation
3	Model Code of Conduct	These regulations provide for the model code of conduct for council members, committee members and candidates in Schedule 1.
4	<i>Local Government (Rules of Conduct) Regulation 2007</i> repealed.	The new Local Government (Model Code of Conduct) Regulations repeal the Rules of Conduct regulations as the rules now form part of the Model Code.
5	<i>Local Government (Administration) Regulations 1996</i> amended	<p>This clause amends Administration Regulation 29 (Information to be available for public inspection) to delete the requirement to keep a register maintained under regulation 12(5) of the Rules of Conduct. This regulation was deleted when the new gifts framework was introduced in 2019.</p> <p>This clause also inserts new Part 9A – Minor breaches by council members. It replaces regulation 4 of the existing Rules of Conduct Regulations (Contravention of certain local laws) and inserts it into the Administration Regulations.</p> <p>It provides that a contravention of a local law that relates to the conduct of people at council or committee meetings is a minor breach for the purposes of section 5.105(1)(b) of the Act. This is not a rule of conduct, which is why it is separate to the provisions in the Model Code.</p>
6	<i>Local Government (Audit) Regulations 1996</i> amended	This clause amends the statutory requirements for the compliance audit return to capture the adoption of the Model Code under section 5.104 and deletes the reference to the Rules of Conduct Regulations.
7	<i>Local Government (Constitution) Regulations 1998</i> amended	This clause amends Schedule 1 Form 7 (Declaration by elected member of council) of the Constitution Regulations, to reference the code of conduct adopted by the relevant local government, rather than Rules of Conduct Regulations.
	Schedule 1 – Model code of conduct	
1	Citation	New section 5.104 of the Local Government Act will require local governments to adopt the model code of conduct within three months of these Regulations coming into operation.

		<p>The Model Code, as drafted, provides a template for local governments to adopt the code as their own by inserting their local government name.</p> <p>In accordance with section 5.104(3), local governments can include additional behaviours under Division 3 that are not inconsistent with the Code, which may not currently be represented.</p> <p>To adopt the code, a resolution needs to be passed by an absolute majority. Once the code is adopted, it must be published on the local government's website.</p>
2	Terms Used	This clause defines Act, candidate and publish. All other terms used that are also in the Act have the same meaning, unless the contrary intention appears.
	Division 2 – General principles	
3	Overview of Division	<p>As per new section 5.103(2)(a), the Model Code is to contain general principles to guide behaviour. These are set out in Division 2.</p> <p>Throughout the Model Code, where appropriate, the principles, behaviours and rules of conduct are separated into three categories; personal integrity, relationships with others and accountability.</p>
4	Personal Integrity	<p>This clause outlines specific personal integrity principles, including the need to:</p> <ul style="list-style-type: none"> • act with reasonable care, diligence, honesty and integrity • act lawfully • avoid damage to the reputation of the local government • act in accordance with the trust placed in council members and committee members, and • participate in decision-making in an honest, fair, impartial and timely manner.
5	Relationships with others	This clause outlines principles for relationships with others, including the need to treat others with respect and maintain and contribute to a harmonious, safe and productive work environment.
6	Accountability	This clause outlines principles for accountability, including the need for decisions to be based on relevant and factually correct information, and to make decisions on merit.
	Division 3 - Behaviour	
7	Overview of Division	As per new section 5.103(2)(b), the Model Code is to contain requirements relating to behaviour.

		This division sets the standards of behaviour which enable and empower council members to meeting the principles outlined in Division 2. Division 3 behaviour breaches are managed by local governments, and so the division also includes provisions about how to manage complaints. The emphasis should be on an educative role to establish sound working relationships and avoid repeated breaches, rather than punishment.
8	Personal Integrity	<p>This clause provides behaviours for council members, committee members and candidates, as well as behaviours specific to council and committee members.</p> <p>It includes a behaviour that the use of social media and other forms of communication complies with the code.</p>
9	Relationships with others	<p>This clause provides for behaviours related to relationships with others, including the requirement to:</p> <ul style="list-style-type: none"> • deal with the media in a positive, informative and appropriate manner • not disparage the character of another council member, committee member, candidate or local government employee • not impute dishonest or unethical motives to another council member, committee member, candidate of local government employee • not make a statement that the member of candidate knows, or could reasonably be expected to know, is false or misleading.
10	Complaints about alleged breach	<p>This clause provides that a person may make a complaint alleging a breach of Division 3 by submitting the complaint in writing (in a form approved by the local government) within one month of the alleged breach occurring.</p> <p>The local government is to authorise at least one person to accept the complaints.</p>
11	Local government to deal with complaints	<p>The process for consideration of a complaint is at the discretion of the local government, however, the Code requires that after considering the complaint, the local government must make a finding as to whether the breach occurred.</p> <p>A local government is also required to dismiss a complaint if it is satisfied that the complaint relates to behaviour which occurred at a council or committee meeting that has already been dealt with or the person responsible for the behaviour has taken remedial action in accordance with the meeting procedures local law.</p> <p>It is a requirement, in accordance with 11(3), that before making a finding, the person to whom the complaint relates, is given a reasonable opportunity to be heard.</p>

		<p>A finding about whether the breach has occurred should be based on whether it is more likely than not that the breach occurred. This is the same premise used by the Standards Panel in its decision making.</p> <p>After a finding has been made, written notice of the outcome should be given to the complaint and the person to whom the complaint relates.</p> <p>If a finding of breach is made, the local government can choose to take no further action or develop a plan to address the person's behaviour. This could include training, mediation, counselling or any other action considered appropriate.</p>
12	Other provisions about complaints	<p>Clause 12 provides that the procedure for dealing with complaints is a matter for the local government (to the extent it is not inconsistent with clause 11).</p> <p>If a complaint is made about a candidate, the alleged breach cannot be dealt with unless the candidate is elected as a council member.</p>
	Division 4 – Rules of conduct	
13	Overview of Division	<p>As per section 5.103(2)(c), the Code contains specific rules of conduct. The rules of conduct are specific rules, for which alleged breaches are referred to the Standards Panel.</p> <p>A reference to a council member in this division includes a council member acting as a committee member.</p>
14	Misuse of local government resources	This is based on current regulation 8 of the <i>Local Government (Rules of Conduct) Regulations 2007</i> , Misuse of local government resources.
15	Securing personal advantage or disadvantaging others	This is based on current regulation 7 of the <i>Local Government (Rules of Conduct) Regulations 2007</i> , Securing personal advantage or disadvantaging others.
16	Prohibition against involvement in administration	This is based on current regulation 9 of the <i>Local Government (Rules of Conduct) Regulations 2007</i> , Prohibition against involvement in administration.
17	Relations with local government employees	<p>This is based on current regulation 10 of the <i>Local Government (Rules of Conduct) Regulations 2007</i>, Relations with local government employees.</p> <p>This regulation also applies to candidates.</p>
18	Disclosure of information	This is based on current regulation 6 of the <i>Local Government (Rules of Conduct) Regulations 2007</i> , Use of information.

19	Disclosure of interest	This is based on current regulation 11 of the <i>Local Government (Rules of Conduct) Regulations 2007</i> , Disclosure of interest.
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Local Government (Model Code of Conduct) Regulations 2020

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Local Government (Model Code of Conduct) Regulations 2020

Made by the Governor in Executive Council.

Part 1 — Preliminary

1. Citation

These regulations are the *Local Government (Model Code of Conduct) Regulations 2020*.

2. Commencement

These regulations come into operation as follows —

- (a) Part 1 — on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations — on the day on which the *Local Government Legislation Amendment Act 2019* sections 48 to 51 come into operation.

Part 2 — Model code of conduct

3. Model code of conduct (Act s. 5.103(1))

The model code of conduct for council members, committee members and candidates is set out in Schedule 1.

Consultation Draft

Part 3 — Repeal and consequential amendments

Division 1 — Repeal

**4. *Local Government (Rules of Conduct) Regulations 2007*
repealed**

The *Local Government (Rules of Conduct) Regulations 2007* are repealed.

Division 2 — Other regulations amended

**5. *Local Government (Administration) Regulations 1996*
amended**

- (1) This regulation amends the *Local Government (Administration) Regulations 1996*.
- (2) Delete regulation 29(1)(baa).
- (3) After regulation 34C insert:

Part 9A — Minor breaches by council members

34D. Contravention of local law as to conduct
(Act s. 5.105(1)(b))

- (1) In this regulation —
local law as to conduct means a local law relating to the conduct of people at council or committee meetings.
- (2) The contravention of a local law as to conduct is a minor breach for the purposes of section 5.105(1)(b) of the Act.

6. Local Government (Audit) Regulations 1996 amended

- (1) This regulation amends the *Local Government (Audit) Regulations 1996*.
- (2) In regulation 13 in the Table:
- (a) under the heading “**Local Government Act 1995**” delete “s. 5.103” and insert:

s. 5.104

- (b) delete:

Local Government (Rules of Conduct) Regulations 2007		
r. 11		

7. Local Government (Constitution) Regulations 1998 amended

- (1) This regulation amends the *Local Government (Constitution) Regulations 1998*.
- (2) In Schedule 1 Form 7 delete “*Local Government (Rules of Conduct) Regulations 2007*.” and insert:

code of conduct adopted by the ³ under section 5.104 of the *Local Government Act 1995*.

Schedule 1 — Model code of conduct

[r. 3]

Division 1 — Preliminary provisions

1. Citation

This is the *[insert name of local government] Code of Conduct for Council Members, Committee Members and Candidates*.

2. Terms used

- (1) In this code —

Act means the *Local Government Act 1995*;

candidate means a candidate for election as a council member;

publish includes to publish on a social media platform.

- (2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — General principles

3. Overview of Division

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

4. Personal integrity

- (1) A council member, committee member or candidate should —

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and
- (c) act lawfully; and
- (d) identify and appropriately manage any conflict of interest, including by the refusal of gifts that may give the appearance of a conflict of interest or an attempt to corruptly influence behaviour; and
- (e) avoid damage to the reputation of the local government.

- (2) A council member or committee member should —
- (a) act in accordance with the trust placed in council members and committee members; and
 - (b) participate in decision-making in an honest, fair, impartial and timely manner; and
 - (c) actively seek out and engage in training and development opportunities to improve the performance of their role; and
 - (d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

5. Relationships with others

- (1) A council member, committee member or candidate should —
- (a) treat others with respect, courtesy and fairness; and
 - (b) respect and value diversity in the community.
- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

6. Accountability

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to the public and represent all constituents.

Division 3 — Behaviour

7. Overview of Division

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

8. Personal integrity

- (1) A council member, committee member or candidate —
 - (a) must ensure that their use of social media and other forms of communication complies with this code; and
 - (b) must only publish material that is factually correct.
- (2) A council member or committee member —
 - (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
 - (b) must comply with all policies, procedures and resolutions of the local government.

9. Relationships with others

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive, informative and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local

government employee in connection with the performance of their official duties; and

- (f) when attending a council or committee meeting —
 - (i) must not act in an abusive or threatening manner towards another person; and
 - (ii) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
 - (iii) must not repeatedly disrupt the meeting; and
 - (iv) 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
 - (v) must comply with any direction given by the person presiding at the meeting; and
 - (vi) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting;
- and
- (g) must direct to the CEO any request for a query or complaint to be dealt with, or other work or action to be undertaken, by a local government employee.

10. Complaints about alleged breach

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
 - (a) in writing in the form approved by the local government; and
 - (b) to a person authorised under subclause (3); and
 - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints made under subclause (1).

11. Local government to deal with complaints

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under subclause (2), make a finding as to whether the alleged breach the subject of the complaint has occurred.
- (2) The local government must dismiss the complaint if it is satisfied that —
 - (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
 - (b) either —
 - (i) the behaviour was dealt with by the person presiding at the meeting; or
 - (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (3) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (4) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (5) If the local government makes a finding that the alleged breach has occurred, the local government may —
 - (a) decide to take no further action; or
 - (b) in consultation with the person to whom the complaint relates, develop and implement a plan to address the person's behaviour.
- (6) A plan under subclause (5)(b) may include requirements for the person to participate in training, mediation or counselling or to take any other action the local government considers appropriate.
- (7) The local government must give written notice to the complainant and to the person to whom the complaint relates of —
 - (a) its finding in relation to the complaint under subclause (1) or its decision to dismiss the complaint under subclause (2); and
 - (b) its reasons for the finding or decision.

12. Other provisions about complaints

- (1) A complaint made under clause 10(1) about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints made under clause 10(1) may be determined by the local government to the extent that it is not provided for in clause 11.

Division 4 — Rules of conduct

13. Overview of Division

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

14. Misuse of local government resources

- (1) In this clause —
electoral purpose means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;
resources of a local government includes —
 - (a) local government property; and
 - (b) services provided, or paid for, by a local government.
- (2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

15. Securing personal advantage or disadvantaging others

- (1) A council member must not make improper use of their office —
 - (a) to gain, directly or indirectly, an advantage for the council member or any other person; or

- (b) to cause detriment to the local government or any other person.

- (2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

16. Prohibition against involvement in administration

- (1) A council member must not undertake a task that contributes to the administration of the local government.
- (2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

17. Relations with local government employees

- (1) In this clause —
local government employee means a person —
 - (a) employed by a local government under section 5.36(1) of the Act; or
 - (b) engaged by a local government under a contract for services.
- (2) A council member or candidate must not —
 - (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
 - (b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or
 - (c) act in an abusive or threatening manner towards a local government employee.
- (3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.
- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event at which members of the public are present, the council member or candidate must not orally, in writing or by any other means —

- (a) make a statement that a local government employee is incompetent or dishonest; or
 - (b) use an offensive or objectionable expression when referring to a local government employee.
- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

18. Disclosure of information

- (1) In this clause —
 - closed meeting** means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;
 - confidential document** means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;
 - document** includes a part of a document;
 - non-confidential document** means a document that is not a confidential document.
- (2) A council member must not disclose information that the council member —
 - (a) derived from a confidential document; or
 - (b) acquired at a closed meeting other than information derived from a non-confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information —
 - (a) at a closed meeting; or
 - (b) to the extent specified by the council and subject to such other conditions as the council determines; or
 - (c) that is already in the public domain; or
 - (d) to an officer of the Department; or
 - (e) to the Minister; or
 - (f) to a legal practitioner for the purpose of obtaining legal advice; or
 - (g) if the disclosure is required or permitted by law.

19. Disclosure of interests

- (1) In this clause —
interest means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must disclose the nature of the interest —
- (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
- (a) that they had an interest in the matter; or
 - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under subclause (2)(a), a council member discloses an interest in a written notice given to the CEO before a meeting, then —
- (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
- (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or
 - (b) under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.

- (7) The nature of the interest must be recorded in the minutes of the meeting.

Clerk of the Executive Council

Consultation Draft

INFOPAGE

To: All Local Governments

**From: Tony Brown
Executive Manager Governance &
Organisational Services**

Date: 2 November 2020

Priority: High

Subject: UPDATE: Draft *Local Government (Administration) Amendment Regulations (No.2) 2020* – Model standards for CEO recruitment, performance and termination



Operational Area:	Governance
Key Issues:	<ul style="list-style-type: none"> Amendments to the <i>Local Government Act 1995</i> to provide for mandatory model standards for CEO recruitment, performance and termination were passed in 2019 but are yet to come into effect. Consultation on draft <i>Local Government (Administration) Amendment Regulations (No.2) 2020</i> prescribing the proposed model standards is open until Friday 13 November. Local Governments are requested to provide a response to WALGA by 13 November.
Action:	Council Consideration Required: Feedback Requested – 13 November 2020

Background

The *Local Government Legislation Amendment Act 2019* introduced numerous amendments to the *Local Government Act 1995*, including the yet to commence insertion of new sections introducing mandatory Model Standards for CEO recruitment, performance and termination.

In March 2019 the Department of Local Government, Sport and Cultural Industries invited WALGA and other parties to participate in the CEO Recruitment, Performance Review and Termination Working Group to develop Model Standards. The Department discontinued the Working Group in May 2019 and released a Consultation Paper without endorsement by the Working Group in October 2019.

At the WALGA State Council meeting held in December 2019, based on sector feedback, State Council resolved to request that the Working Group be reconvened to develop and endorse Model Standards for further sector consultation, and identified several concerns with the proposals in the Consultation Paper. Throughout 2020, WALGA sought advice from the Department on the progress of draft regulations and a sector consultation process. The Department has now released the draft *Local Government (Administration) Amendment Regulations (No.2) 2020* (Draft Regulations), to prescribe the Model Standards, together with Explanatory Notes. Both documents are available via the [Department's website](#). A short consultation period will close on Sunday 6 December 2020, following WALGA's advocacy for further time to enable Councils to consider this matter.

WALGA notes that the Working Group was not reconvened, and the Draft Regulations include several elements that were highlighted as matters of concern by the sector. Due to the short time frame WALGA provides the following information as our initial concerns;

1. Requirement to re-advertise CEO positions after 10 years of continuous service

Section 5.39(2)(b) of the *Local Government Act* already limits CEO contracts to a maximum of 5 years and Councils have general competence powers to consider whether to renew the incumbent's contract or advertise the position. Suggesting that a Council must re-advertise the position of a CEO after 10 years is likely to prove unworkable or counterproductive in any case as:

- Councils conducting a selection process known to involve an incumbent CEO will risk allegations of non-compliance with Section 5.40 of the Local Government Act '*Principles affecting Local Government employees*' due to actual or perceived bias, nepotism and lack of merit and equity in relation to other applicants;
- May result in CEOs actively seeking alternative employment as the 10 year horizon approaches, meaning that a CEO that has provided satisfactory or perhaps exemplary service will be unnecessarily lost to the local government;
- Where a CEO is re-employed as a consequence of re-advertising after the 10 year period, this process has incurred unnecessary costs and time waste for the LG, distracting from achieving its strategic objectives and may further entrench perceptions that contracts are for life, thus negating the very purpose of this proposal.

Further, Division 3 of the Draft Regulations seeks to improve the capacity of local governments to effectively manage CEO employment. This is a far more appropriate and adapted mechanism to address a perceived issue of 'contracts for life', by ensuring that the performance of CEOs, whether long serving or newly appointed, is appropriately assessed and managed.

2. Independent panel member

Clause 8 of the Draft Regulations requires the selection panel to include at least one person who is neither a council member nor an employee of the local government. There is no guidance on the skills, experience or knowledge of the independent person, or their role on the panel. This has the potential to pose significant risk to the local government, as there are inadequate controls on the conduct of such a person (i.e. they will not be captured by a Code of Conduct as Panel is not a committee of Council). WALGA supports the ongoing use of an independent qualified and licensed recruitment consultant to provide guidance (as opposed to active participation) in both the recruitment process and to assist with obligations to finalise the employment of a CEO.

3. Transparency and procedural fairness – Schedule 2

The consultation draft emphasised that it is essential that the recruitment process is transparent and appropriately documented. Similar commentary featured in the *Report of the Inquiry into the City of Perth*, however the Draft Regulations fail to address these issues.

The selection panel is 'established' under cl.8 of Schedule 2 of the Draft Regulations, with no reference to the formation of a committee of Council under Sec. 5.8 of the Act. Cl. 9(4) of Schedule 2 includes a reference to the selection panel acting in accordance with the principles of s.5.40 of the Act. Similarly, cl.14 requires the local government to ensure confidentiality of information provided, rather than imposing this responsibility equally on the selection panel, or individual panel members.

If the selection panel were established as a committee in accordance with s.5.8 of the Act, the requirements relating to the calling and convening of meetings, keeping of minutes and agendas, confidentiality, declaration of conflicts of interest and application of the Code of Conduct would apply.

The Draft Regulations will delete current r.18C, requiring a local government to approve a process for the selection and appointment of a CEO. Schedule 2 does not include a similar requirement for the selection panel to follow a process decided upon by the Council. This removes Council from important input in, or oversight of, the process by which the selection panel assesses the candidates and makes recommendations.

4. Council decision making authority

Schedule 2, Cl. 9(2)(a) requires the selection panel to recommend one or more applicants it considers suitable, with Cl. 9(2)(b) requiring that it advise Council if it considers no applicants are suitable. In the second event, Cl. 10 requires the local government to carry out a new recruitment process. Bypassing Council in this decision-making process appears to directly conflict with Sec. 5.36(2) of the Act, where it is the Council that determines if a person is or is not suitably qualified to be employed as CEO.

WALGA is seeking to coordinate a sector response and seeks feedback from Member Local Governments on the Draft Regulation. Please provide any comments by **4pm Friday 13th November 2020** to governance@walga.asn.au.

For further information please contact:

Executive Manager Governance & Organisational Services, Tony Brown
on 9213 2051 or email tbrown@walga.asn.au or Manager Governance, James McGovern on 9213 2093
or email jmcgovern@walga.asn.au

To: All Local Governments

**From: Tony Brown
Executive Manager Governance &
Organisational Services**

Date: 6 November 2020

Priority: High



**Subject: Draft *Local Government (Code of Conduct) Regulations 2020* –
Mandatory Code of Conduct for council members, committee members and
candidates**

Operational Area:	Governance
Key Issues:	<ul style="list-style-type: none">• Amendments to the <i>Local Government Act 1995</i> to provide for a mandatory code of conduct for council members, committee members and candidates were passed in 2019 but are yet to come into effect.• Consultation on draft <i>Local Government (Model Code of Conduct) Regulations 2020</i> prescribing the proposed code of conduct is open until Sunday 6 December.• Local Governments are requested to provide a response to WALGA by 13 November.
Action:	Council Decision required (If possible) Feedback Requested – 13 November 2020

Background

The *Local Government Legislation Amendment Act 2019* introduced numerous amendments to the *Local Government Act 1995*, including a requirement for Local Governments to adopt a mandatory Code of Conduct for council members, committee members and candidates that is yet to take effect.

In 2019 the Department of Local Government, Sport and Cultural Industries invited WALGA and other parties to participate in the Mandatory Code of Conduct Working Group. The Department discontinued the Working Group and released a Consultation Paper without endorsement by the Working Group in September 2019.

At the WALGA State Council meeting held in December 2019, based on sector feedback, State Council resolved to request that the Working Group be reconvened to develop an endorsed mandatory Code of Conduct for further sector consultation. State Council also identified several concerns with the proposals in the Consultation Paper.

Throughout 2020, WALGA sought advice from the Department on the progress of draft regulations and a sector consultation process. The Department has now released the draft *Local Government (Model Code of Conduct) Regulations 2020* (Draft Regulations), to prescribe the mandatory Code of Conduct, together with Explanatory Notes. Both documents are available via the [Department's website](#). Consultation will close on Sunday 6 December.

WALGA notes that the Working Group was not reconvened, and the Draft Regulations include several elements that were highlighted as matters of concern by the sector.

Among concerns previously noted is the requirement for Local Governments to determine behavioural breach allegations specified in Division 3 of the Draft Regulations. The administrative process for dealing with breach allegations is unspecified and the option to use external consultants so that impartial and procedurally fair outcomes can be achieved will prove costly, particularly where numerous allegations arise. It is also open for 'any person' to make a complaint which may in extreme circumstances lead to a proliferation of complaints.



WALGA is seeking to coordinate a sector response and seeks feedback from Member Local Governments on the Draft Regulation. Please provide any comments by **4pm Friday 13th November 2020** to governance@walga.asn.au to enable an agenda item to be prepared for the November/December round of Zone and State Council meetings.

For further information please contact:

Executive Manager Governance & Organisational Services, Tony Brown
on 9213 2051 or email tbrown@walga.asn.au or Manager Governance, James McGovern on 9213 2093
or email jmcgovern@walga.asn.au

Reasons for Opposing CEO Standards about Contract Readvertising

1. It diminishes Council's general competence powers

The proposal significantly diminishes the general competence powers of Councils in relation to critical decisions around ongoing relationships with an existing CEO.

2. No logical rationale presented for the change

A letter from the Department states that the recommendation is "intended to ensure local governments are testing the market". This makes no sense as a Council has the power to 'test the market' whenever a contract ends.

More tellingly, the letter also notes "it could also facilitate a mechanism for Councils not to renew contracts and ... avoid them having to make hard decisions. This won't necessarily apply in all circumstances; however, it could assist some Councils".

This appears to be the underlying rationale for the legislative proposal and it is a completely inappropriate response to an issue. If Councils are unwilling to fulfil their roles and make hard decisions, they should be given training and assisted to build capacity in decision making; not have the hard decision removed.

It should also be noted that quite a number of Councils have been willing to make hard decisions in relation to the continuing employment of CEOs over recent years.

The proposed legislation also highlights the problem of a 'one size fits all' approach, with all local governments affected significantly by provisions which "could assist some Councils".

3. It will significantly increase employments costs

The cost of an Executive search program could easily exceed \$30,000. This cost will be placed on local governments whose Councils are completely satisfied with their CEO's performance and want the person to continue.

4. It is discriminatory against local government

If requiring CEOs to reapply for their jobs after 10 years is considered appropriate, why does this policy not apply to all leaders in the State Government?

5. It will generate cynicism, allegations of patronage and potentially provide false optimism to non-incumbent candidates

There will be situations where a Council has a very good working relationship with the CEO, the CEO has been performing well and Council wants to offer the CEO a third term. In such situations, if the current CEO is offered a third term following advertising, unsuccessful applicants are likely to be cynical about the process and it could generate claims of patronage, particularly if unsuccessful applicants are more qualified and credentialed (although they would have less directly relevant experience).

Further, the most frequently asked questions by people considering applying for a position are - is someone currently acting in the position? And - how long have they been acting? Both of these questions demonstrate potential applicant concerns about 'wasting their time' in applying.

If a Council is completely satisfied with the performance of a current CEO and would like to reappoint the person, other applicants are likely to feel that their time has been wasted and that the legislative requirement has provided false optimism.

Under these circumstances, Councils will risk allegations of non-compliance with Section 5.40 of the Act which requires appointments to be based on merit and equity and which makes nepotism or patronage illegal.

6. It unnecessarily distracts local governments from their core function

The recruitment process not only involves dollar costs but a significant time commitment.

Where a Council is completely satisfied with the performance of the CEO, the time commitment to undertake an 'unnecessary' selection process will distract a local government from its core function of serving the community.

7. It will have a disproportionately negative effect on regional local governments

CEOs working in regional local governments will generally move in from outside of the district with their families. These families integrate into the community. Reapplying for a job under such circumstances will not only create stress for the CEO but also for families and, in turn, the broader community into which they family is integrated.

8. It will impact negatively on Councils with a good relationship with their CEO

A rational or cautious CEO, coming towards the end of 10 years of service with a local government, would seek alternative employment rather than run the gauntlet of a recruitment process with their current Council which may, or may not, lead to continuing employment. If the CEO is unsuccessful in the selection process with their current Council, the CEO would become unemployed which, for most rational and cautious people, is not a desirable outcome.

This would have a disproportionate impact on regional local governments when a Council loses a CEO that they are completely satisfied with and subsequently finds it difficult to attract and retain a replacement.

9. It will cause unnecessary unrest for local government staff

CEOs set organisational culture and values. Uncertainty about who will be the future CEO as a CEO approaches 10 years with a local government will, inevitably, cause unrest and unease amongst the staff and distract from high quality work performance.

10. Local governments are unlikely to operate at maximum capacity as CEOs approach 10 years

CEOs will, almost certainly, become risk averse as they approach 10 years with a local government and know they have to contend with a full public selection process. This risk averse approach is broadly acknowledged as providing the best opportunity to become the successful candidate. However, the implications are that the whole local government will become more risk averse and less able to provide good governance to the people of the district.

[insert date]

Mr Duncan Ord
Director General
Department of Local Government, Sport & Cultural Industries
Via email: actreview@dlgsc.wa.gov.au

Dear Mr Ord,

FEEDBACK ON DRAFT CEO STANDARDS & MODEL CODE OF CONDUCT

I refer to the recent release of the draft *Local Government (Administration) Amendment Regulations (No.2) 2020* (Draft CEO Regulations) as well as the draft *Local Government (Model Code of Conduct) Regulations 2020* (Draft CoC Regulations).

It is disappointing to note the very short timeframe originally provided to the local government sector in which to provide formal comment and feedback on the CEO Standards. The role of CEO is critical to every local government hence if there is going to be reform around the process of a CEO's employment it should involve appropriate consultation and consideration of feedback with the organisations the Draft CEO Regulations will directly affect. We welcome the advocacy in seeking an extension and appreciate the Department considering the request favourably, noting the same amended deadline for feedback on the Draft CoC Regulations.

On behalf of Council, I raise the following concerns:

CEO STANDARDS

1. Requirement to re-advertise the CEO position following 10 years continuous service

Section 5.39(2)(b) of the *Local Government Act 1995* (the Act) already limits CEO contracts to a maximum of 5 years and Councils have general competence powers to consider whether to renew the incumbent's contract or advertise the position. The proposal significantly diminishes those general competence powers in relation to critical decisions around ongoing relationships with an existing CEO. Suggesting that a Council must re-advertise the position of a CEO after 10 years is likely to prove unworkable or counterproductive in any case as:

- a. Councils conducting a selection process known to involve an incumbent CEO will risk allegations of non-compliance with Section 5.40 of the Act 'Principles affecting Local Government employees' due to actual or perceived bias, nepotism and lack of merit and equity in relation to other applicants;
- b. It may result in CEOs actively seeking alternative employment as the 10-year horizon approaches, meaning that a CEO who has provided satisfactory or perhaps exemplary service will be unnecessarily lost to the local government;
- c. Where a CEO is re-employed as a consequence of re-advertising after the 10-year period, this process has incurred unnecessary costs and time wasted for the local government, distracting it from achieving its core strategic objectives.

Further, Division 3 of the Draft Regulations seeks to improve the capacity of local governments to effectively manage CEO employment. This is a far more appropriate and adapted mechanism to address a perceived issue of 'contracts for life', by ensuring that the performance of CEOs, whether long serving or newly appointed, is appropriately assessed and managed.

In addition, the proposal is likely to have a disproportionately negative effect on rural local governments as CEOs working in those areas will generally move in from outside of the district with their families. These families integrate into the community on both personal and professional levels. Reapplying for a job under such circumstances will not only create stress for the CEO but also for their families and, in turn, the broader community into which the family is integrated.

The issue can easily be solved by stating in the regulations that a 'local government *may* re-advertise the position', as opposed to a 'local government *shall* re-advertise the position'. This enables those local governments who wish to test the market the ability to do so without imposing considerable costs to those local governments who are satisfied with the CEO's performance.

2. Independent panel member

Clause 8 of the Draft Regulations requires the selection panel to include at least one person who is neither a council member nor an employee of the local government. Other than suggesting that the independent person should have experience in the recruitment and selection of CEO's and/or senior executives, there is no guidance on the skills, experience or knowledge required of the independent person, or what their role on the panel is. This poses a potential significant risk to the local government, as there are inadequate controls on the conduct of such a person (i.e. they will not be captured by a Code of Conduct as the Panel is not a committee of Council).

There is no mention of the requirement for the independent panel member to have any knowledge or experience in local government. Unless they themselves are involved in or have detailed knowledge of the business and operations of local government, it may be difficult for an independent person to have a full and proper understanding of the complexity of services delivered and the regulatory framework associated with local government. This poses a potential risk to the value and credibility of the recruitment process.

In addition, there is no guidance on whether, or not, the position is paid. Should it be a paid position this imposes significant additional cost burdens on the local government, the effects of which will be felt more by small, rural local governments where the likelihood of being able to source suitable persons from the surrounding locality is greatly reduced. In any case, it would be fair to expect that anyone suitably qualified with the necessary skills and experience in recruiting and selecting CEO's and/or senior executives would not undertake such a role for free.

The decision of whether, or not, to involve a person external to the organisation in the recruitment and selection process of a CEO should remain with the local government, rather than it being mandated.

Similarly, local governments should be able to maintain the option of utilising an independent qualified and licensed recruitment consultant to provide guidance (as opposed to active participation) in both the recruitment process and to assist with obligations to finalise the employment of a CEO, depending on their individual circumstances.

3. Selection panel as a Committee of Council

The selection panel is 'established' under Clause 8 of Schedule 2 of the Draft Regulations, with no reference to the formation of a Committee of Council under Section 5.8 of the Act. Clause 9(4) of Schedule 2 includes a reference to the selection panel acting in accordance with the

principles of Section 5.40 of the Act. Similarly, Clause 14 requires the local government to ensure confidentiality of information provided, rather than imposing this responsibility equally on the selection panel, or individual panel members.

If the selection panel were established as a Committee in accordance with Section 5.8 of the Act, the requirements relating to the calling and convening of meetings, keeping of minutes and agendas, confidentiality, declaration of conflicts of interest and application of the Code of Conduct would apply. This would ensure a much greater level of control around the process and standards of behaviour.

The Draft Regulations will delete current Regulation 18C, requiring a local government to approve a process for the selection and appointment of a CEO. Schedule 2 does not include a similar requirement for the selection panel to follow a process decided upon by the Council. This removes Council from important input in, or oversight of, the process by which the selection panel assesses the candidates and makes recommendations.

MODEL COC

1. Local Government to determine behavioural breach allegations

The administrative process for dealing with breach allegations is unspecified and the option to use external consultants so that impartial and procedurally fair outcomes can be achieved will prove costly, particularly where numerous allegations arise, with small local governments likely to be disproportionately disadvantaged should the issue arise.

It is also open for 'any person' to make a complaint which in extreme circumstances may lead to a proliferation of complaints. Another scenario could arise where a member of the public makes a complaint(s) which the local government must then consider, but where the member of the public may have little or no understanding of the requirements for a complaint or the matters for which a complaint may be made.

Further, in small communities it may make it difficult for the local government to consider the complaint, as the end result of any consideration may be that relationships become strained or the community perception is that the process was not fair or equitable.

I appreciate your consideration of this feedback.

If you have any further queries please do not hesitate to contact this office.

Yours sincerely

Rebecca McCall
CHIEF EXECUTIVE OFFICER

CC: Councillors; WALGA; LG Professionals WA



Integrated Planning and Reporting Quarterly Monitoring Review October 2020

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Introduction

This four-year Corporate Business Plan 2018-2022 aligns with the strategic initiatives identified in the Strategic Community Plan 2018-2028, reflecting our commitment to fulfilling the community's vision, goals and aspirations.

Some of the actions in the Plan are a continuation of previous initiatives. Others are newly identified after the review of the Strategic Community Plan in 2017.

All our actions are responsibly resourced, with revenue streams, expenditure, staff and time requirements accounted for in our Long Term Financial Plan, Asset Management Plan and Workforce Plan.

Our Integrated Planning and Reporting Framework

The Integrated Planning Framework introduced by the Department of Local Government provided the focus for the development of our strategic planning framework.

The goal of the framework is to integrate and align Council's strategies, plans and programs with identified community objectives, ensuring transparency and accountability through engagement and reporting processes.

Strategic Community Plan

The Strategic Community Plan is the primary forward planning document reflecting the vision, values, aspirations and objectives of the community. The Strategic Community Plan is a roadmap for the future and is designed to guide the Shire of Dowerin.

While some of the objectives are beyond the scope of Council, the Shire of Dowerin is committed to advocate, inform, partner with and share the responsibility for the achievement of these objectives. A major review of the Strategic Community Plan will take place in 2022 to ensure it remains relevant.

Corporate Business Plan

The Corporate Business Plan details the programs and services Council will undertake over a 4-year period to achieve the objectives of the Strategic Community Plan. The Corporate Business Plan is a fixed term document providing direction and a road map for Council to achieve the strategies identified in the Strategic Community Plan. It is an internal business planning document identifying key priorities for the next 4 years.

Under the guidelines, it is essential that the Corporate Business Plan is for a minimum of 4 years.

Informing Strategies

The Shire of Dowerin's informing strategies outline the delivery of the commitments identified in the Corporate Business Plan. The key informing strategies include:

Long Term Financial Plan

This 10-year rolling plan will assist the Shire to set priorities in accordance with its financial resources, through the allowance of key assumption-based analysis. This allows the organisation to make decisions in a financially sustainable manner.

Asset Management Plan

This plan provides guidance on service provision and whole of life cycle asset management to support the Shire's financial sustainability and key service levels.

Workforce Plan

The plan identifies the workforce requirements and strategies for current and future operations, ensuring the needs and limitations to support the delivery of the Corporate Business Plan are met.

Monitoring and Review

Monitoring and regular review of the plans is undertaken to ensure actions are met and achievements can be measured and evaluated.

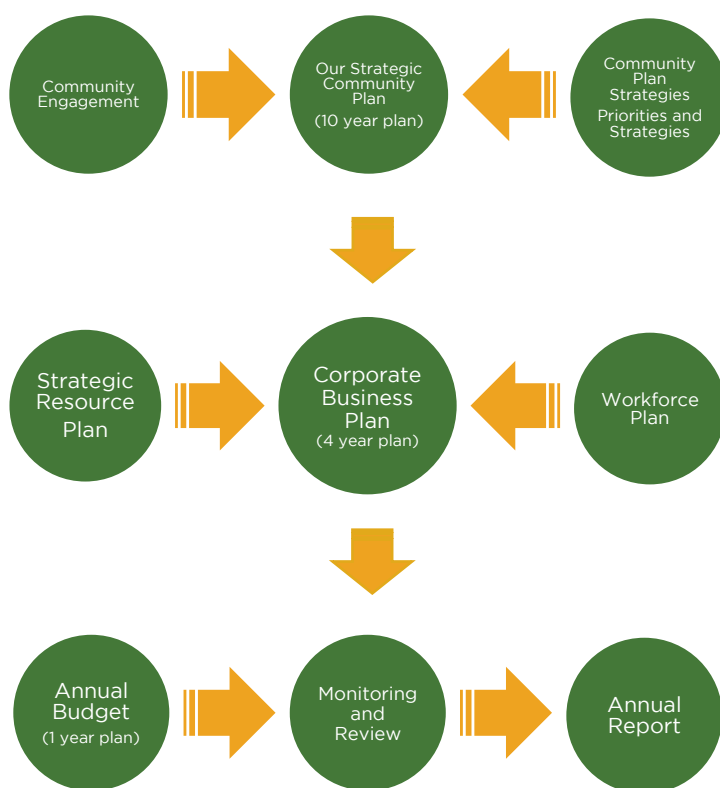
Annual Budget

Driven by the Corporate Business Plan, the Annual Budget is a detailed short-term financial statement for the following financial year and reflects all aspects of the Corporate Business Plan actions and operations for the year. The Annual Budget sets out how the resources will be allocated over the twelve-month period.

Annual Report

The Annual Report, produced at the end of every financial year, is a report of our achievements during the previous twelve-month period beginning 1 July and ending 30 June. It contains an overview of the Strategic Community Plan and the Corporate Business Plan and information about the actions, achievements and budget performance.

The diagram below depicts the components that make up the Shire of Dowerin's Integrated Planning and Reporting Framework. It shows the integration between the plans and the influences of the informing strategies. The intent of the Integrated Planning and Reporting Framework is to ensure the priorities and services provided by the Shire of Dowerin are aligned with our community needs and aspirations. The informing strategies consider available resources to deliver the best possible outcomes for the community.



Measuring Our Achievements and Progress

The Corporate Business Plan is reviewed annually, in conjunction with the annual budget deliberation process, with quarterly reporting on operational progress, ensuring the Shire of Dowerin is working towards implementation and achievement.

It is important for the Shire to be able to measure and monitor the progress of initiatives to deliver on the strategic aspirations detailed in the Strategic Community Plan. 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. Reporting to Council and the community on the performance and achievement of the Corporate Business Plan will be provided through quarterly reports and the Annual Report.

Definitions

For each Key Action to be completed, the Corporate Business Plan indicates in the following pages in which year (over the next four years) completion is expected to occur. In some cases, the Key Action is an ongoing one which is to be actioned every year. The following symbols indicate this information:

- To Be Completed
- ↻ Ongoing
- ✓ Completed
- In Progress
- ✕ Not Commenced
- Scheduled
- Ω Project on Hold

Our Actions Linked to the Strategic Community Plan 2018-2028

Theme	Our Lifestyle						
Objective	A safe, friendly and engaged community with diverse education and employment opportunities and services that meet the needs of all generations.						
Outcome 1							
More people, particularly young people and families, live and stay in Dowerin							
No	Strategy	Priority		Our Role			
C1	Actively promote Dowerin as a vibrant, family friendly community with quality and diverse amenities and services	1		Facilitate			
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020		
C1.1	Continue to support the Dowerin Home Care Service	↻	↻	↻	↻		
C1.2	Develop and implement an annual Community Development Plan	➤	➤	➤	↻		
C1.3	Develop and implement a Dowerin Marketing Plan	➤	➤	➤	➤		
Comment: Implementation of Dowerin Marketing Plan progressing (Plan yet to be documented)							
Outcome 2							
Sustainable management through greater collaboration and innovative governance models							
No	Strategy	Priority		Our Role			
C2	Establish a ‘volunteer register’ which documents volunteering capacity and provides a measurable value to volunteering in Dowerin	2		Direct Delivery			
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020		
C2.1	Continue to maintain the Dowerin Home Care Volunteer Register	↻	↻	↻	↻		
C2.2	Develop and maintain a community volunteer register	➤	➤	➤	➤		
Comment: Volunteer register requires reviewing to integrate the Dowerin Home Care Volunteer Register							
No	Strategy	Priority		Our Role			
C3	Investigate best practice in shared governance arrangements for volunteer groups to support a more sustainable volunteer base	2		Direct Delivery			
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020		
C3.1	Facilitate best-practice governance training for community groups	➤	➤	↻	↻		
Comment:							

Shire of Dowerin is providing administration support to the Dowerin Business Association.					
Outcome 3 A friendly and welcoming community that all residents and visitors participate and have pride in					
No	Strategy	Priority		Our Role	
C4	Targeted engagement of all sectors of the community, recognising cultural diversity	1		Direct Delivery Facilitate	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
C4.1	Develop, implement and monitor a Communication and Engagement Framework	x	x	x	x
Comment: Completion of the Communication and Engagement Framework deferred until early 2021					
No	Strategy	Priority		Our Role	
C5	Provide an annual program of events that incorporates activities and opportunities	1		Direct Delivery Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
C5.1	Develop and implement an annual Community Development Plan	➤	➤	➤	➤
Comment: Implementation of the 2020/2021 Community Development Plan is in progress					
Outcome 4 Better access to quality and diverse education and training opportunities					
No	Strategy	Priority		Our Role	
C6	Continued support of the educational institutions in Dowerin and, in partnership with the Dowerin Senior High School, identify and integrate senior high school options.	1		Advocate Facilitate	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
C6.1	Continued provision of HR and payroll support for Lil' Tigers Early Years Centre	⌚	⌚	⌚	⌚
C6.2	Continued provision of a facility to support Lil' Tigers Early Years Centre	⌚	⌚	⌚	⌚
C6.3	Support agencies and community groups to implement youth initiatives	⌚	⌚	Ω	⌚
C6.4	Support agencies, businesses and community organisations to advocate for increased educational services	□	□	□	□
Comment: Youth Publication Project postponed due to COVID-19; Youth Engagement Series finalised; Youth Week grant application submitted for youth skate workshop; C6.4 scheduled for 2020/2021					

No	Strategy	Priority		Our Role		
C7	Collaborate with the Community Resource Centre to deliver training and development opportunities aligned to community needs and advocate for local businesses to support apprenticeships and further educational opportunities	1 & 2		Partner		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
C7.1	Investigate opportunities and partnership to develop a community traineeship program	x	↻	↻	↻	
Comment: Discussions with Directions regarding trainee programs are progressing						
Outcome 5 Services provision meets the varying needs of different sectors of the Dowerin community						
No	Strategy	Priority		Our Role		
C8	Create an 'Aged Friendly Community Plan' identifying infrastructure and service delivery requirements and continue to support the Dowerin Home Care service as a priority	4		Direct Delivery		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
C8.1	Develop and implement an 'Aged Friendly Community Plan'	☐	☐	☐	☐	
C8.2	Continue to support the Dowerin Home Care Service	↻	↻	↻	↻	
Comment: Development and implementation of the Aged Friendly Community Plan is scheduled for 2020/2021						
No	Strategy	Priority		Our Role		
C9	Support the Dowerin District High School Youth Leadership Group to provide youth led and informed social and development opportunities and experiences for young people	1 & 5		Direct Delivery Facilitate Partner		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
C9.1	Develop and implement a Strategic Youth Plan	x	x	x	↻	
Comment: Youth engagement series completed; identified outcomes will be included in the Strategic Youth Plan						

Theme	Our Infrastructure				
Objective	Our infrastructure will drive economic and population growth, be a key enabler to the digital economy and support reliable, efficient service delivery.				
Outcome 1					
Infrastructure is fit for purpose, responsibly managed and maintained					
No	Strategy	Priority		Our Role	
I1	Empty spaces/places review to determine and promote opportunities for the re-use and revitalisation of unused community assets	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
I1.1	Facility and Spaces audit and review completed	x	x	x	➤
I1.2	Develop a Facility and Spaces Plan and implement identified strategies	x	x	x	x
I1.3	Develop and implement a Streetscaping Plan	➤	➤	➤	➤
Comment: Preliminaries for the Facility and Spaces audit has commenced; Implementation of Streetscaping Plan has commenced					
No	Strategy	Priority		Our Role	
I2	Develop a comprehensive asset management plan that prioritises assets and details a replacement and management schedule, that aligns to community needs	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
I2.1	Prepare a comprehensive Property Portfolio of Council's owned assets that includes 10-year replacement and management schedules	➤	➤	➤	➤
I2.2	Review the Asset Management Plan	➤	➤	➤	➤
Comment: The review of the Asset Management Plan is scheduled for April 2021					
Outcome 2					
Housing meets existing community need and facilities in-migration of families and workers					
No	Strategy	Priority		Our Role	
I3	Undertake a housing needs analysis to identify specific housing requirements and opportunities to address gaps in the market	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
I3.1	Complete a Housing Needs Analysis	□	□	□	□
Comment: Housing Needs Analysis scheduled for 2020/2021					

No	Strategy	Priority		Our Role	
I4	Investigate and implement appropriate housing investment models for Dowerin	4		Direct Delivery Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
I4.1	Implement the Avon Well Housing Project	Ω	Ω	Ω	Ω
I4.2	Identify a sustainable housing model to improve the quality of housing in Dowerin	□	□	□	□
Comment: Council made the decision to put the Avon Well Housing Project on hold during the 2019/20 Budget deliberations due to budget restraints and the current lack of demand for independent living units; Key Action I4.2 is scheduled for 2021/2022					

Theme	Our Economy				
Objective	A strong and growing local economy supported by new industry development aligned to identified economic opportunity				
Outcome 1					
Available, well-marketed and appropriately provisioned commercial and industrial land entices new business establishment					
No	Strategy	Priority		Our Role	
E1	Develop a Sub-Regional Industrial Land Prospectus to attract new business	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E1.1	Develop a business and industry investment prospectus	x	x	x	➤
E1.2	Develop and implement a Dowerin Marketing Plan	x	➤	➤	➤
Comment: Industry audit completed; Development of a business and industry investment prospectus preliminaries in place; Implementation of Dowerin Marketing Plan commenced (Plan yet to be documented)					
Outcome 2					
Tourism is a significant contributor to the local economy and is enhanced by investment in tourism initiatives that showcase Dowerin’s natural and built attributes					
No	Strategy	Priority		Our Role	
E2	Undertake a tourism asset and opportunity review to clearly identify target markets, tourism trends and opportunities for Dowerin to better promote offerings; encourage and support local businesses to better cater for visitors and tourists	1		Direct Delivery	

No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E2.1	Undertake a tourism audit to include attractions, services and signage	➤	➤	➤	✓
E2.2	Prepare and implement a Strategic Tourism Plan	□	□	□	□
Comment: The development of the Strategic Tourism Plan is scheduled for 2020/2021					
No	Strategy	Priority		Our Role	
E3	Continued involvement in regional tourism marketing campaigns and targeted marketing of the Dowerin Short Stay Accommodation precinct	1		Direct Delivery Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E3.1	Continue to be an active member of Pioneers Pathways and Wheatbelt Way and support the development of the products	↻	↻	↻	↻
E3.2	Review the Dowerin Short Stay Accommodation management model and implement identified initiatives and opportunities	✘	➤	➤	➤
E3.3	Develop and implement a Dowerin Short Stay Accommodation marketing plan	➤	➤	➤	➤
E3.4	Develop imagery inventory to enable marketing content	➤	➤	➤	➤
Comment: Review of the Dowerin Short Stay Accommodation management model is progressing; Implementation of Dowerin Short Stay Accommodation continuous					
No	Strategy	Priority		Our Role	
E4	Maintain the Wheatbelt Rail Heritage precinct as a static display whilst exploring opportunities for the transfer of ownership to private enterprise or a community group	1		Facilitate Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E4.1	Establish a Wheatbelt Rail Heritage working group and support identified initiatives to promote the precinct	➤	➤	Ω	➤
E4.2	Facilitate the transfer of ownership of the locomotives and rolling stock	➤	●		
E4.3	Facilitate the transfer of management of the Wheatbelt Rail Heritage Museum to an appropriate entity	✘	➤	➤	Ω
Comment: The Shire of Dowerin supports two annual events held at the Minnivale Wheatbelt Heritage Rail Discovery Centre; Discussions to transfer management of Wheatbelt Rail Heritage Museum has commenced					
Outcome 3					

New industry and strengthened existing industry supports economic growth and local employment generation					
No	Strategy	Priority		Our Role	
E5	Complete a local economic development and incentivisation plan that focuses on business development and identifies industry opportunities and actions to capitalise on prospects	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E5.1	Develop and implement a Strategic Economic Plan	□	□	□	□
Comment: Development of the Strategic Economic Plan is scheduled for 2020/2021.					
No	Strategy	Priority		Our Role	
E6	Local businesses are supported to thrive through continued membership and promotion of the Wheatbelt Business Network; and development of a local business development strategy	1		Advocacy Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
E6.1	Facilitate the re-activation of the Dowerin Business Association	➤	➤	➤	✓
E6.2	Advocate for increased local participation of the Wheatbelt Business Network	✗	✗	Ω	➤
E6.3	Facilitate the development of business development strategies and support local businesses with the implementation of identified initiatives	□	□	➤	➤
Comment: The Shire of Dowerin continues secretarial role of the Dowerin Business Association to support the re-activation of the organisation; When appropriate engagement with the Wheatbelt Business Network occurs; Facilitation and consultation to identify business development strategies progressing					

Theme	Our Natural Environment		
Objective	Dowerin's unique natural environment is conserved and enhanced through sustainable practices and responsible environmental management		
Outcome 1 Increased community education and awareness supports the preservation of Dowerin's natural environment			
No	Strategy	Priority	Our Role
N1	Work with environmental advocacy groups to deliver targeted education programs that support existing sustainability initiatives and encourages community ownership of recycling program	1	Partner

No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
N1.1	Facilitate and support the transfer of recycling program management to a community group	➤	➤	➤	➤
N1.2	Support the rollout of the Container Deposit Scheme	➤	➤	➤	➤
N1.3	Support recycling awareness campaigns	✗	✗	✗	✗
Comment: Container Deposit Scheme commences 1 October 2020; A number of community organisations facilitating own container deposit collections					
No	Strategy	Priority		Our Role	
N2	Investigate opportunities for local level support from an environmental officer specifically exploring the reinstatement of a dedicated NRM Officer and formalise an arrangement with Wheatbelt Natural Resource Management	3		Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
N2.1	Explore opportunities to reinstate an NRM Officer in collaboration with neighbouring Shires	□	□	□	□
N2.2	Investigate opportunities to formalise an agreement with Wheatbelt Natural Resource Management to advocate for a greater resource allocation for the Shire of Dowerin	□	□	□	□
Comment: The above Key Actions are scheduled for 2020/2021					
Outcome 2 Sustainable practices are researched and entrenched in areas such as waste management, water management and renewable energy production					
No	Strategy	Priority		Our Role	
N3	Large scale renewable energy production investigated for development potential in collaboration with neighbouring Shires	1		Advocate	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
N3.1	Investigate opportunities for renewable energy development	✗	✗	➤	➤
Comment: Opportunities currently investigated through NEWROC					

No	Strategy	Priority		Our Role		
N4	Develop a long-term plan for waste management that considers infrastructure, site management and resourcing requirements to include the investigation of local processing of recycled materials	1		Direct Delivery		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
N4.1	Develop and implement a Strategic Waste Management Plan	☐	☐	☐	☐	
Comment: Development of the Strategic Waste Management Plan is scheduled for 2020/2021; NEWROC Regional Waste Project progressing						
No	Strategy	Priority		Our Role		
N5	Integrate water management planning with land use planning focusing on; improved water harvesting, storage and use; water quality and salinity management	1		Direct Delivery		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
N5.1	Develop and implement a Water Management Plan	☐	☐	☐	☐	
Comment: Development of the Water Management Plan is scheduled for 2020/2021						
Outcome 3 Sustainable infrastructure design and maintenance minimises environmental impact						
No	Strategy	Priority		Our Role		
N6	Sustainable maintenance of parks, ovals, public spaces and infrastructure through planning for water harvesting, storage and use and renewable energy installations to reduce electricity consumption	1 & 2		Direct Delivery		
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020	
N6.1	Identify and action water use reduction, recovery and re-use initiatives	➤	➤	➤	➤	
N6.2	Identify opportunities to initiate renewable energy installations	↻	↻	↻	↻	
Comment: Oval Irrigation Project funding application through CSRFF not successful (secondary funding option available for discussion); Renewable energy opportunities are available, however require investment from Council; Costings of options will be presented to Council during the 2020/21 Budget deliberations						

No	Strategy	Priority		Our Role	
N7	Information packs and referrals to relevant associations for new infrastructure development include specifications for responsibly sourced and energy efficient materials and design features	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
N7.1	Provide appropriate environment friendly products and design information on the Shire of Dowerin's website	x	x	x	x
Comment: N7.1 not a priority during COVID-19					

Theme	Our Leaders				
Objective	A thriving and progressive rural community enabled by innovation in leadership, a focus on continuous improvement and adaptability to involving community needs				
Outcome 1					
A community that is engaged and involved because of collaborative decision making and transparent communication					
No	Strategy	Priority		Our Role	
L1	Specific volunteer groups and individuals are targeted for involvement in community projects that align to their areas of interest and expertise	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L1.1	Continue to facilitate and support identified project committees and working groups focusing on community priorities	↻	↻	↻	↻
Comment: In the last quarter the Shire of Dowerin has assisted identified community groups and organisations when requested					
No	Strategy	Priority		Our Role	
L2	Communication between the Shire and community is multi-faceted and includes electronic and print media as well as in-person engagement	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L2.1	Develop, implement and monitor a Communication and Engagement Framework	x	x	x	x
Comment: Completion of the Communication and Engagement Framework deferred until early 2021					
Outcome 2					

Through effective planning, service delivery meets community needs and assets are managed to optimise life cycle costs					
No	Strategy	Priority		Our Role	
L3	Develop an asset management plan and long-term financial plan consistent with identified community priorities for asset renewal and service delivery	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L3.1	Conduct a comprehensive service delivery review	➤	➤	➤	➤
L3.2	Develop a suite of service delivery plans and strategies	x	x	x	x
L3.3	Integrate service delivery strategies into the asset management plan and long-term financial plan	x	x	x	x
L3.4	Conduct a facility audit and develop a master plan for future facility usage	x	x	x	➤
Comment: COVID-19 and changes within management has deferred the: <ol style="list-style-type: none"> 1. Advancement of the service delivery reviews; 2. Development of service delivery plans and strategies; and 3. Finalisation of the Facility and Spaces audit and review 					
No	Strategy	Priority		Our Role	
L4	Efficient and proactive service provision and planning that adapts to meet changing community needs as identified through regular community health checks	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L4.1	Monitor and review IPR Suite of Plans	➤	➤	➤	➤
L4.2	Conduct biennial Community Satisfaction Surveys	□	□	□	✓
Comment: Community Satisfaction Survey completed; Review of IPR Suite of Plans progressing					
Outcome 3 Commitment to continuous improvement in service delivery and good governance practices ensures the Shire is adaptive to evolving community needs					
No	Strategy	Priority		Our Role	
L5	Continual review and revision of Council policy, procedures and governance frameworks to ensure responsible, efficient and effective service delivery	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020

L5.1	Ensure policies, procedures and practice are effective, transparent and aligned with corporate functions and service delivery	🔄	🔄	🔄	🔄
L5.2	Monitor and review the Shire of Dowerin's Risk Management Framework and Profiling Tool	🔄	🔄	🔄	🔄
L5.3	Continue to provide prudent financial controls and compliance systems	🔄	🔄	🔄	🔄
Comment: Quarterly reviews of the Risk Profiling Tool on track; 2007 Policy Manual rescinded					
No	Strategy	Priority		Our Role	
L6	Integrated planning evolves and adapts to meet the changing context for Dowerin	1		Direct Delivery	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L6.1	Review IPR Framework	☐	x	☐	➤
L6.2	Monitor and review IPR Suite of Plans	➤	➤	➤	➤
Comment: IPR Framework major review progressing; August CBP monitoring review missed due to COVID-19					
No	Strategy	Priority		Our Role	
L7	Continue to advocate for and create partnerships that will benefit the Dowerin community through ongoing collaboration with neighbouring Shires and active participation in regional, state and national alliances	1		Direct Delivery Partner	
No	Key Actions	Nov 2019	Feb 2020	May 2020	Oct 2020
L7.1	Continue to progress regional collaboration by participating in Avon Regional Organisation of Councils strategies and similar regional partnerships	🔄	🔄	🔄	🔄
L7.2	Work collaboratively with relevant State agencies to plan for future service and infrastructure needs	🔄	🔄	🔄	🔄
Comment: Dowerin commenced as a Council Member of NEWROC effective 1 July 2020					