



# PUBLIC ATTACHMENTS

Ordinary Council Meeting

31 July 2019

## DISCLAIMER:

Any recommendations contained in this document are officers' recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the minutes of the Council meeting at which these recommendations were considered. Resolutions are not considered final until the minutes of the meeting are confirmed or advised in writing by the CEO or authorised person.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

### Recording of Meeting

Members of the public are advised that meetings of Council are audio recorded to assist with ensuring an accurate record of the meeting is provided for the formal minutes of the meeting. In terms of the Privacy Act 1998 this may involve the recording of personal information provided at the meeting. The provision of any information that is recorded is voluntary, however if any person does not wish to be recorded they should not address or request to address the meeting. By remaining in this meeting, you consent to the recording of the meeting.

You are not permitted to record this meeting with any recording device, unless you have the express authorisation of the Council of the Shire of Victoria Plains.

# MONTHLY BRIEFING SESSION

22 July 2019 at 5.30 pm



## 1. Presentations

Nil

## 2. Matters for discussion

2.1	Piawaning has withdrawn their request to hold the Australia Day 2020 event and as such the OCM Resolution of June 2019 (Deferment : It was agreed without dissent that the matter of location for the Australia Day 2020 be deferred until further information is sought).
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## 3. Review of reports

3.1	Chief Executive Officer	Included
3.2	Finance & Admin Manager / Financial Consultant	Included
3.3	Works & Services Manager	Included
3.4	Environmental Health Officer	Included
3.5	Community Development Officer	Included
3.6	Governance Officer	Included
3.7	Community Emergency Services Manager	No report Included
3.8	Consultant Planner	Included
3.9	Council Meetings – Resolution Status Report	Included
3.10	Briefing Forum Actions – Status Report	Included

## 4. Other matters

4.1	Local Government Election 2019	Memo distributed.
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## 5. Information circulated

5.1	Letter Received from the Piawaning Community Group – Letter regarding withdrawing their request to hold the Australia Day Event.	Uploaded to Fluix

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**Item 3.1****CEO UPDATE****17 June – 21 July 2019**Meetings attended include

Date	Organisation / Person Met With	Reason for Meeting
17 June 2019	Council	SoVP Briefing Session
18 June 2019	Teleconference - [REDACTED]	SWALSC matter
18 June 2019	Teleconference - Shire Consultants	Various
18 June 2019	Teleconference – [REDACTED]	[REDACTED] matter
19 June 2019	Harvey Beef	Consultants re Feedlot project
20 June 2019	Works Supervisor Role - Shire of Victoria Plains	Interviews
21 June 2019	Avon Midland Country Zone Meeting - Update Provided	Regional matters.
24 June 2019	Meeting with Elected Member	Various
24 June 2019	Meeting with Bendigo Bank Branch Manager	Meeting of new Manager.
26 June 2019	SoVP Elected Members	OCM
27 June 2019	SoVP CEO and Kylie Williamson	Crown Land Specialist - Technical Land Tenure and Land Administration Advisory Services
28 June 2019	IT Vision Meeting	Rates function discussion
1 July 2019	AROC cancelled.	TBA
2 July 2019	Consultant meeting	Various
3 July 2019	Industrial Relations Commission	IR Matters
5 July 2019	Rural Water Council -update forthcoming.	Regional water matters.
5 July 2019	Resident Meeting	Resident update.
10 July 2019	LGISWA	Site visit.
10 July 2019	Tony Rudge - (c/o Macallum Group)	re Survey viewing
8 July 2019	Teleconference – [REDACTED]	[REDACTED] matter
16 July 2019	Bolgart Refuse Site Visit	General update.
17 July 2019	Botvarkel Site Visit	Excavating discussion
19 July 2019	Consultant Appts	Various

**MATTERS FOR NOTING**

- Staff Administrative matters
- Menzies Quarries matter

- CEO Office Reconfiguration

Longer term issues to attend to

- Finalising EBA
- Mogumber Reserve
- Toodyay Motor Cross

**MONTH AHEAD**

Meetings to be attended

- WALGA Convention
- [REDACTED]
- Avon-Midland Country Zone

**USE OF COMMON SEAL**

Nil

**ATTACHMENTS**

- Local Government Election Material.
- Organisational Chart

**Glenda Teede**  
CEO

19 July 2019

# Shire of Victoria Plains

## Memo



To: Elected Members  
From: Julie Klobas  
Date: 19 July 2019  
Re: 2019 Local Government Election

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Dear Elected Members

Please be advised that the Shire Governance Officer and I recently teleconferenced with Phil Richards and Kay Heron who are co- managing the 2019 Local Government elections.

FYI - there is a timeline of requirements:

- [2019 Local Government Election Postal timeline](#) (PDF, 68 KB); and
- [Service Charter for Local Government Elections 2019](#) (PDF, 615 kB)

### Key Points noted in discussion:

- Key date – close of roll – Friday 30 August -5pm - Word version of text to be advertised regarding close of enrolments -to be emailed out shortly for inclusion in newsletter and other places of prominence eg libraries, Shire Office window.
- Owner / occupiers roll – awaiting state wide advertising (done by AEC). Shire to advertise in Shire newsletter.
- If requested, candidates are entitled to copy of roll including name, property address and postal address fields only.
- Private email and not Council photo for electioneering purposes by current EM's.
- No photocopying by Shire staff for current Councillors of Shire.
- Current SoVP logo reviewed and is approved for AEC to utilise.
- EM's - No handing out their Councillor business cards for electioneering purposes.
- Mandatory induction for all parties
- PowerPoint Presentation from AEC available if there is a perspective candidate information session - To be determine if required.
- If any EM's are thinking they may not be able to see out their full term appt, please contact the CEO advising intention of resignation (effective Election day) which will enable the AEC to include their vacancy when advertised on 28 August with the AEC to be advised by 21 August of the intended Elected Member resignation.
- CSO - replacement voting papers – Training by Returning Officer. Manual and portal provided. (approx. 45-60mins for training session of CSO's).
- Election Day – 8am-6pm. Polling Office - Shire Chambers.
- Returning Officer – Sandra Hartley. CEO agreeable to appointment.
- Returning Officer must be at the Shire from 2-4pm on 12 October + as per mutually agreeable appt with those wishing to run for Council.

- Counting wise – manual count – assist of 2 persons required after 6pm for counting.
- Julie Klobas – contact for Election Queries – Niel Mitchell to answer higher level queries.

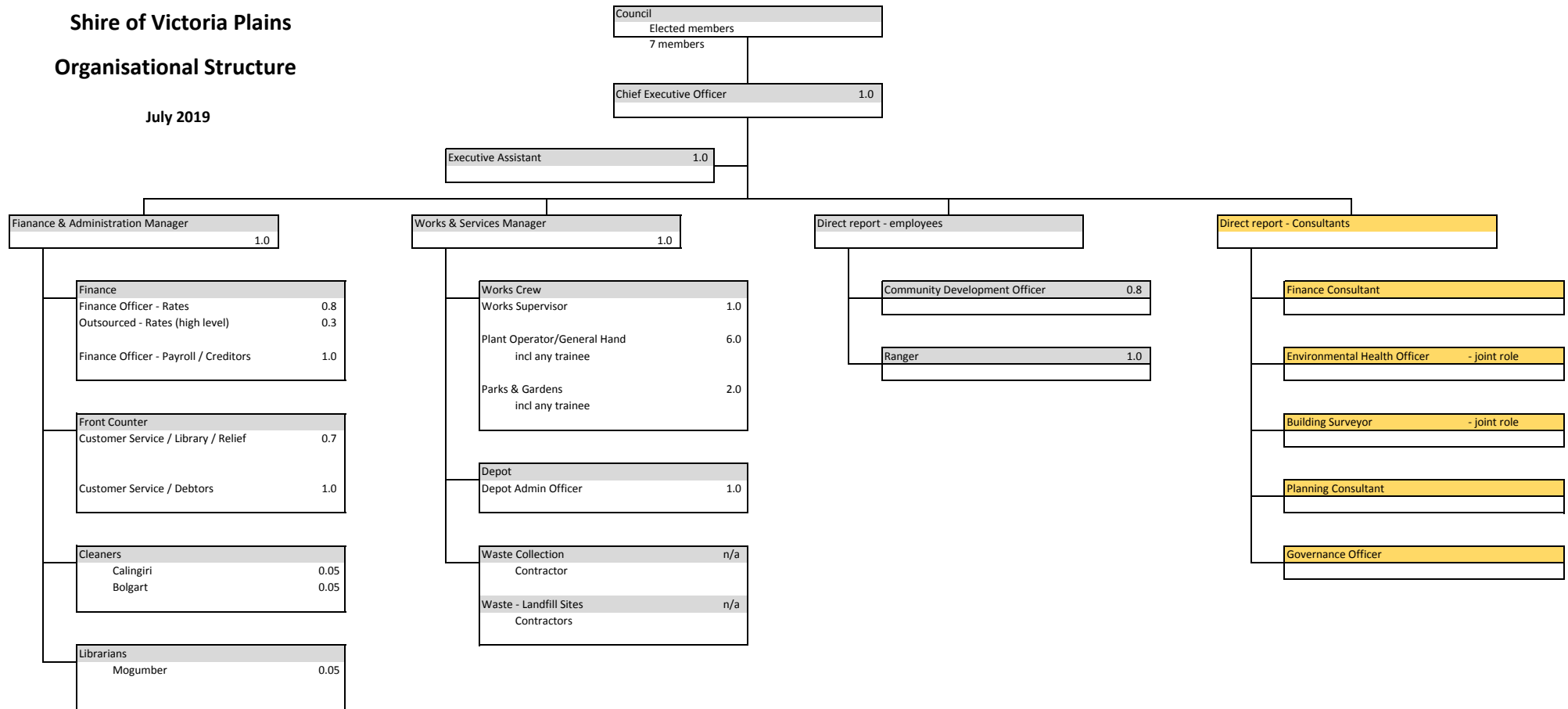
*Julie Klobas*

Executive Assistant

# Shire of Victoria Plains

## Organisational Structure

July 2019



1.00

4.0

1 1.0 10.0

1.0

1.8

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### **3.2 Financial Consultant – Bob Waddell – July 2019 Briefing Session**

#### **MONTH PAST – to 17<sup>th</sup> July 2019**

##### General activities

- Provided assistance with the preparation for the interim audit and audit queries.
- Commenced year-end close off of accounts for 2018/19.
- Progressed the 2019/20 annual budget preparations.
- The Capex Tracker to the end of June has been prepared with the assistance of the Works Supervisor and is presented with this briefing update for Council consideration.
- General Accounting Assistance has been provided over the months of June/July.

##### Meetings attended

- Budget workshop and OCM with Council on the 26th of June 2019.

#### **STAFF MOVEMENTS – FINANCE AREA**

- The Finance & Administration Manager, Ina Edwardson, has taken temporary leave of absence and shall return on the 22<sup>Nd</sup> of July 2019.

#### **MATTERS FOR NOTING**

- The RTR bridge works have been completed and expected to come in under budget by approximately \$100k. The funding associated with this underspend has been applied to the RRG Toodyay-Bindi Bindi Rd project. This means that Council does not have to spend any additional funds to meet the RTR funding requirements.
- The RRG job (Toodyay-Bindi Bindi Rd) is overspent by \$87,482. This overspend is technically negated by the savings found by applying the RTR funding (see for point above) to this project.
- Financial Assistance Grants (FAG's) for 19/20 of \$616,171 have been received in advance.
- The interim audit took place between the 10<sup>th</sup> and 12<sup>th</sup> of June. This took up a considerable amount of the time of the Shire's staff during this time and subsequently with follow up audit queries.
- Cash receipts of \$2,506,319 have been received for Rates and Rubbish Charges as of 30th June 2019. This represents 100.02% of Rates and Rubbish Debts levied in 18/19. NB: The excess of 100% is due to rates of \$35,433 being received in advance as at 30 June 2019.

#### **MONTH/S AHEAD – JULY/AUGUST 2019**

##### General activities

- Work will continue on the Annual Budget. Some reports will be presented to Council prior to the July OCM.
- Work will commence on EOY close off of accounts.

##### Meetings to be attended

- Will attend the July Budget Workshop and Ordinary Council Meeting.

SHIRE OF VICTORIA PLAINS  
2018/19 CAPITAL EXPENDITURE PROGRAM  
AS AT 30 JUNE 2019

Ordinary Council Meeting  
Agenda 31 July 2019

Project Progress		
Complete		●
On Track		●
Off Track		●
In Trouble		●

Planning Stage

Both

Implementation Stage

At Reporting Date

	30/06/2019	30/06/2019	30/06/2019				30/06/2018				Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Project Title	Current Budget	YTD Actual	PO Balance	YTD Actual PLUS PO Balance	Work Start Date	Work Finish Date	Code	Remaining Budget %	Comments													
Roadworks - Capital - Regional Road Group																						
Toodyay-Bindi Bindi Road 2018-19	637,410	724,892	0	724,892	1/11/2018	31/08/2019	🟡	-13.72%	Funding for this Project was held back by the State Government until November. The timing clashed with the harvest traffic. Roadswest Engineering has managed the Project and has used the Contractors who won the Ag Lime Route Contracts (See below). Most of this work was carried out early in the New Year. There has been an overspend on this project of \$87,482 to date. There is estimated to be an additional \$7,000 required on line marking to finalise the project in 2019/20. This overspend will be negated by the savings found by applying the RTR funding from the bridge project below to this project.													
Roadworks - Roads To Recovery Funded Infrastructure																						
Moore River Bridge Repairs (2017-18)	445,942	336,074	0	336,074	26/11/2018	28/02/2019	🟢	24.64%	Barrier and Sub-structure Works. Contractor: Main Roads WA, Sub Contractor: Enviro Infrastructure P/L. Work is now complete. Invoice from MRWA has come in under budget by approximately \$100k. This underspend has been applied to the RRG Toodyay-Bindi Bindi Rd Project and is expected to be completed by the end of August 2019.													
Yerecoin SE Road (2018-19)	174,020	171,283	8,099	179,382	1/07/2018	30/11/2019	🟡	-3.08%	Work has been undertaken by the Shire of Victoria Plains Works Dept. There is currently a small overspend of \$5,362 on this project. There is estimated to be an additional \$3,000 required for 350 lineal metres of single cost seal to finalise the project in 2019/20.													
Roadworks - AG Lime Program (MRWA) Funded Infrastructure																						
AG Lime Roads Project Development & Management	133,491	174,148	0	174,148	1/08/2018	31/12/2018	🟢	-30.46%	These funds have been spent on the initial Engineering planning and Environmental issues attached to the Project.													
AG Lime - Calingiri / New Norcia Road	1,030,000	1,239,429	0	1,239,429	17/09/2018	30/06/2019	🟢	-20.33%	There is extensive Pavement repairs and Drainage up-grades planned for this Section. Roadworks were carried out by Vernice P/L and the drainage/culvert work was carried out by Avon Concrete.													
AG Lime - Mogumber West Rd	525,000	415,957	10,185	426,142	1/10/2018	30/06/2019	🟢	18.83%	A tight bend alongside the Rail was widened to make it safer for road trains to negotiate. Telstra's Buried Assets were shifted to allow this to happen, Land was purchased, and a section of fencing was shifted.													
AG Lime - Calingiri / Goomalling Road	420,000	327,796	0	327,796	3/01/2019	30/06/2019	🟢	21.95%	There was extensive Pavement repairs, Drainage up-grades and Widening of corners carried out for this Section.													
TOTAL ROAD CONSTRUCTION PROGRAM	3,365,863	3,389,580	18,284	3,407,864																		

NB: The current overspend on the Ag Lime Road Projects above includes some expenditure for the Ag Lime Rail Crossing project for 2019/20. The current year overspend and 2019/20 overspend is fully recouped from MRWA.

### 3.3 Works Report for July 2019 Briefing Session. Topics for Discussion.

- **Carani East Rd.** A Road Safety Audit (RSA) has been completed on either end of this Road. An Application for Black Spot Funding is being prepared to meet the July Deadline. This will require Council Endorsement.
- **The Works program for 2019/20** is being finalized in time for the July OCM. There needs to be some discussion about how much Maintenance Grading the Shire should undertake this year. This will require Council endorsement.
- **The 2020/21 MCAs** are currently being prepared to be submitted to the WBN RRG. This will require Council Endorsement.

The nominated projects are:

- 1) Mogumber – Yarawindah Rd – SLK 1.00 to 244 & 6.06 to 6.72 – RCN with some part stabilising – TEC = \$ 595,656 (RRG Amount = \$ 397,104) – MCA Score = 127
  - 2) Toodyay – Bindi Bindi Rd (North) – SLK 2.70 to 5.20 – RCN with some part stabilising – TEC = \$ 473,400 (RRG Amount = \$ 315,600) – MCA Score = 121
  - 3) Toodyay – Bindi Bindi Rd (South) – SLK 23.96 – Reconstruct & Upgrade 4 Barrel Culvert – TEC = \$ 120,900 (RRG Amount = \$ 80,600) – MCA Score = 119
  - 4) Glentromie - Gillingarra Rd – SLK 12.72 to 19.60 – Apply a Final Seal – TEC = \$ 244,500 (RRG Amount = \$ 163,000) – MCA Score = 84
- The total TEC of these 4 projects is \$ 1,434,456 and the total RRG component in this is \$ 956,304.
  - **Dale Chapman managing Aroc Waste Services** has requested the following to finalise the Victoria Plains Waste Services Specification.
    - Collection Maps
    - Location of the 4 x 6m3 and 5 x 4.5m3 bulk bins
    - Bin lists for your commercial, parks and reserves and street litter bins
    - A copy of the Shire of Victoria Plains Local Price Preference Policy, this will need to be incorporated into the RFQ document.
  - **Rail Crossing and Road Realignment Project Status Report.**  
Status report on the agency approvals for the Calingiri New Norcia Rd realignment at Toodyay Bindi Bindi Rd Project.

#### 1) PTA/ARC Infrastructure

- The ALCAM assessment (Railway Level Crossing Protection Committee) has been completed.
- ARC Infrastructure and MRWA have agreed with the location of the new level crossing and the control is to remain as STOP (no flashing Lights)

- The one condition required by ALCAM assessment was that some vegetation clearing/pruning (0.25Ha) is required to be done within the railway corridor to the south from the rail crossing so that road vehicles have the required sight lines to trains.
- ARC Infrastructure have provided their construction details for the level crossing construction and Roadswest is embedding them within the road design drawings
- Roadswest is meeting with ARC Infrastructure hopefully next week to review the design drawings for the rail crossing.
- Once the Level crossing/road design drawings are accepted by ARC Infrastructure the early Engagement Agreement that has being setup previously, will be signed by ARC

## 2) **MRWA Approval**

- Roadswest is currently finalising the draft final design drawings for the new pavement markings and road signs for the project
- All new signs and pavement markings require approval by the MRWA
- Roadswest will issue these to MRWA next week

## 3) **Environmental Approval**

- To date, we have not received any response from DWER for the Clearing permit application lodged for this project.
- Roadswest via Enviro Consultants Coterra, have made enquires in early June, the application is being reviewed but no comments to date.
- Advice from Coterra with respect to the approval for clearing for the railway sight lines, is that a separate application for Clearing for this is to be compiled and submitted.

## 4) **Land Severance**

- We have agreement from the only affected land owner, Martindale Pty Ltd for the taking of land as shown in the road design drawings.

## 5) **General**

- **Maintenance Grading** has been interrupted due to the winter rains, which have helped with the added moisture but hampered getting the full winter program out of the way.
- **The Mogumber Emergency Water Supply and Standpipe** is currently being investigated, there needs to be funding sourced from somewhere, perhaps an approach to a Federal Minister by the Deputy President, to enable the development of a permanent water supply for Mogumber on Shire controlled land. I suggest that we engage the services of a Hydraulic Engineer to design the pipe size requirements for the Standpipe.
- **The Application for the Clearing Permit** for the Western Riverland's Poultry Entrance is in the final stages of the DWER process. Tony Young of WRP has engaged Tony Saraullo of Roadswest Engineering to supply the Drawings and Bill of Quantities for the Intersection Construction, this material is now complete.

- **The New Norcia section of the Old Great Northern Highway** is into the control of the Shire of Victoria Plains. New Norcia Road is in the process of being de-Proclaimed but it has not happened as yet.  
For our purpose, consider this a Local Authority Unclassified Road (Shire of Vic Plains) – not a primary distributor road.
- **R Munns Engineering Consulting Service** is looking into the Bolgart WBN RRG and R2R funded upgrade from SLK 0.00 to 3.80. There was a considerable overspend and we require the Council to endorse a request to have RMECS to carry out an Audit of the work completed and see if there was Value for Money on this Project Spend. RMECS will also go into bat for us with the WBN RRG, if the Audit is satisfactory and ask for any unspent funds within the Group to be passed onto us.
- **Depot Shed Extension** is now finished, transfer of stores and oil stocks will be carried out once the concrete floor has had time to cure.
- **CEOs Office** has been completed apart from the arrival and fitting of an internal window, RFQs have been obtained for the tinting of the main front windows of the Admin Building. The relocation of the ATM will require Council endorsement. RFQs for the Brickwork associated with the re-location of the ATM have been hard to get due to small size of the job.
- **Tony Rudge of the Macallum Group** invited the CEO and WSM to view their Muchea Seismic Line operation at Mogumber on Monday 8th or Tuesday 9th July.

**ITEM 3.4 BUILDING & HEALTH OFFICER BRIEFING SESSION  
JUNE 2019****1.0. SEWERAGE SCHEME****Boshack Accommodation Units**

Plans for 13 accommodation units have been issued a Building Permit. [REDACTED]

Two new on-site effluent disposal systems are currently with the Department of Health which will replace the unapproved substandard current system. One of the on-site effluent disposal systems will service the current ablution & Toilet facilities and the other system will service the proposed 4 accommodation units which have their own ensuite attached.

The owner still must submit plans for a new toilet block and laundry facilities and an upgrade of the existing ablution (shower facilities).

The owner and the private Building Surveyor have been very co-operative with a good outcome achieved so far.

**2.0 WASTE SITES**

- 2.1 As part of the annual audit commencing July 2019 by the Department of Water and Environmental Regulation (DWER) all Local Governments, recyclers and large non-metropolitan landfills will need to report waste and recycling data. This will mean that the Shire will need to itemize each type of waste and estimate the cubic meters entering the landfill sites. Any recyclable items leaving the site will also need to be recorded.
- 2.2 A site inspection of the Bolgart Landfill Site was carried out by two DWER Officer on the 16 July 2019. The site meeting was pre-arranged and attended by the Works Manager, the Ranger and myself. The purpose of the site meeting was to discuss an oversight of the Licensing conditions which required monitoring bores at the site in 2015. The landfill site is located adjacent to a Priority 2 Public Drinking Water Source Area and consequently why the monitoring bores being required.

We are currently sourcing suitably trained contractors through WALGA to provide a quotation for the 2019-20 budget to provide a Groundwater Sampling and Analysis Plan to assess and manage potential leachate emissions to ground water

**2.0 BUILDING ACTIVITY**

REFERENCE: BP= Building Permit. OP = Occupancy Permit. TPA= Town Planning Application. UA= Un-authorized Work, ST - Septic Tank Approval  
BP 13/2019 farm shed for L Mead 528 Benaring Road, Calingiri.

BP 14/2019 Boshack Accommodation Units Lot 12 Wattening Springs Road, Bolgart.

ST 14/2019 Boshack Accommodation Units Lot 12 Wattening Springs Road, Bolgart

Valuation: \$288,369.70	Building & <b>Planning App'</b> Fees	\$618.58
	Financial Year to date	\$4,316.31
Financial Year to Date \$2,146,661.70	Budget Estimate 2018-19	\$12,500.00

End of Report:

Allan Ramsay  
Environmental Health Officer  
Reg. Building Surveyor Contractor L2  
Registered Builder (unrestricted)

**Item 3.5 - Community Development Officer Report****July 2019 Briefing Session**

**Submitted by Ellie Efijemueh for month: July 2019**

**GRANTS & PROJECTS:****APPLICATIONS:****1. COTA WA Seniors Week 2019 Grant**

Activities are currently being investigated to be held during Seniors Week 10-17 November 2019. This grant has previously been applied for successfully by the Shire for activities including a Seniors Sundowner event and Seniors thank you lunches.

**Submissions Close: Friday 16 August 2019**

**2. WA Bicycle Network Grants**

The Shire has identified the need for further pathway development in Bolgart and Yerecoin town centres. These grants available through the Department of Transport support long term projects spanning 2 or more financial years to develop dual use paths in metro and regional areas, however requires a 50/50 contribution from local governments.

The Community Development Officer has proposed some draft budget contributions for this project and is currently working on plans for the two identified townsites to forward an Expression of Interest for the grants program. It has been identified that Bolgart is the main priority for the Shire, as there are currently no paths joining the primary school to the playground and Bolgart Community Hall, and no town pathway access to the Bolgart Bowling Club for local seniors.

**Submissions Close: Friday 25 July 2019**

**REPORTS & ACQUITTALS:****1. 'Suicide Prevention Project' – Extension**

A written report and financial acquittal was sent to the Mental Health Commission by Friday 14 June 2019, with a request to use the remainder of unspent funds within the new financial year. The Mental Health Commission granted permission to use the remainder of funds for proposed projects within the new financial year.

**2. Volunteering WA Grant: National Volunteer Week Acquittal**

A final acquittal was sent through to Volunteering WA on Thursday 13 June 2019. The Shire hosted a free lunch in partnership with the Calingiri Progress Association to celebrate the hard work of all volunteers within the Shire. The event allowed 32 local volunteers to come together at the Five Roads Café, to celebrate their involvements and achievements. The volunteers came from a wide variety of areas including local progress associations, Church, volunteer fire brigade and ambulance, sports clubs and school P&C members. At least half of the volunteers that attended are involved in more than one area, which highlights the importance of active community members in such a small community.

**ACTIVE/ ONGOING:****1. 'Suicide Prevention Project' – Extension**

A first stakeholder meeting for the Community Wellbeing Plan has been booked for **Wednesday 14 August 2019** from 2.30pm, to take place at the Calingiri Hall. This meeting will be facilitated by Jo Drayton and Eloise Fewster from Holyoake. The Community Development Officer has been contacting local stakeholders to invite them to participate in this meeting. The attendees currently include representatives from Avivo Health Services Northam, Wheatbelt WA Community Health Services and Wongan Hills Police.



The Community Development Officer is continuing to promote the Community Perception Survey that will assist with this meeting.

The Community Development Officer is investigating ways to move forward with the proposed projects for the unspent grant funding, which includes:

- Completion of the additional suicide intervention tools training (half day);
- Completion of the introduction to local and relevant community groups to create a network of reference points (ex. Rural Men's Health, Toodyay Men's Shed, etc); and
- Continuation of the instrumental involvement in the establishment of a "Community Well Being Plan" and "Public Health plan" for the Shire.
- NEW ASIST training for the West Ward
- NEW Mental Health First Aid training for the community
- NEW SafeTALK training for the community

#### **UNSUCCESSFUL:**

##### **1. 'Plain Proud Program'**

An application was submitted on 26 March 2019 to the 'Strengthening Rural Communities – Small and Vital' grant round offered by the 'Foundation of Rural and Regional Renewal'. Funds were sought to establish a central SOVP community reference group. Feedback has been provided by the grant provider, and the Community Development Officer will look to implement a central group of representatives from all town Progress Associations without grant funding.

#### **REQUESTS FOR PROJECT SUPPORT/ FUNDING:**

##### **1. Piawaning Expo 2019**

A request was sent to the Shire for the Community Development Officer to source event funding and/or funding for a proposed dump point for a temporary caravan park at Piawaning. The CDO has had discussions with Lotterywest who are unable to provide funding for the dump point and investigated other avenues with no success. General event funding applications require a minimum of three months lead in time, which unfortunately has now passed. It is noted that:

- The previous CDO provided a partially completed Youth Engagement Grant in March 2019 that was not completed or submitted by the group.
- Piawaning Expo Inc. did not submit any Community Budget requests to the Shire for the 2019/2020 community grants round.

##### **2. Senior Exercise Classes**

The Calingiri Progress Association have requested further funding support for the continuation of seniors exercise classes at Calingiri Hall. The CDO has discussed that the Shire cannot apply for the same projects under successful funding avenues and it is almost impossible to find ongoing funding sources. The CDO will keep researching possible solutions and avenues to continue subsidised classes.

#### **COMMUNITY GROUP INTERACTION/ ACTIVITIES:**

##### ***'Piawaning Expo Inc' and Piawaning Progress Association***

Community Development Officer has continued to work with the Piawaning Expo Committee to ensure Shire procedures are followed for event approval. The Shire has received an Event Notification form, with site map and a proposal of fencing requirements for the event site perimeter and horse arena. The Shire are still waiting on a copy of the Public Liability Insurance for the event. Shire staff are currently seeking direction of providing event approval, due to the main event site being situated on Crown land vested to the Shire.

##### ***Calingiri Community Garden***

The Community Development Officer has met with members of the Calingiri Progress Association leading the community garden project to ascertain their needs and requirements within the space provided for the

garden. The Community Development Officer is currently drafting a Memorandum of Understanding for the community garden requirements between the Shire and Progress Association.

**UPCOMING EVENTS:**

***Piawaning Expo – 7 September 2019***

- Attended Piawaning Expo Committee meeting
- Shire waiting for event PL Insurance
- Shire seeking direction for event approval of Crown land for 2019 event

**STRATEGIC/ FORWARD PLANNING:**

- Continued contact and communication with CEO.

**REQUIRES ATTENTION:**

Nil for this period.

**END OF REPORT**

**3.6 GOVERNANCE UPDATE – Briefing Session – 22 July 2019****General activities –**

- Business Continuity Plan
  - o Due to go to Council Meeting in July
- Risk Management Review commenced – refer Audit Reg 17
  - o Due to go to Council Meeting in July
- Review of required registers continuing, including –
  - o Owners and Occupiers – for postal voting and absentee electors
  - o Contracts and leases
- New Norcia Emergency Services lease extension
  - o Currently with Monchorum for signing
  - o Still awaiting response from St John Ambulance head office
    - no issues anticipated, just need conformation
  - o will follow up again
- Significant Accounting Policies to include –
  - o asset capitalisation thresholds – required by Office of Auditor General
  - o depreciation
  - o portable & attractive items as per Financial Management Regulations to be confirmed
- Continue development of Owners and Occupiers Roll required by the LG Act
- Matters as directed by CEO

**Meetings attended –**

- 14 June – CEO and EA in Perth
- 17 June – Briefing Forum, Governance etc in Calingiri
- 26 June – Council Meeting, Governance etc in Calingiri
- 8 July – WA Electoral Commission by telephone conference

**MATTERS FOR NOTING / DISCUSSION****1. Longer term issues to address –**

- a) Delegations Register – detailed review
  - o Separation of Delegations and Authorisations needed
- b) Committees – review all Terms of Reference in accordance with legislation prior to October 2019 meeting
- c) Leases for property management
  - o To bring into compliance over time with Local Government Act s.5.1.(4)6 and 5.17(1)(c)(i)
  - o Develop a register to track
    - Supplier/lessee
    - Duration, commencement/termination etc
- d) Continue with development of required Registers for compliance with various legislation

**2. Waste Local Law**

- Will have to re-start process as it has taken so long

**3. Omnibus Local Law amendment**

- Public Places and Local Government Property
  - o Targeting parking on verges and over footpaths
- Fencing Local Law
  - o Zonings in townsites etc

**4. Local Government Legislation Amendment Bill 2019**

- has now received Governor's Assent, with amendments from the original Bill
  - o documents with tracked changes to Local Government Act and other legislation can be circulated if desired
- some sections have immediate effect, others still to be proclaimed
  - o NOTE – it is the intention of the Government that all intending candidates in 2019 elections must complete a mandatory induction, before their nomination for election can be accepted by the Returning Officer
- see information listed in Section 2 of this Briefing

**MONTH AHEAD****Priority tasks –**

1. Election candidate gift / contributions –
  - o Forms and information to be prepared and put on website
  - o Register of declarations is required to be published on website
2. Delegations Register review
3. Policy Manual –
  - continue evaluation of Policy Manual 2017
  - further development of Policy Manual 2018
4. Fire Control and Fuel Hazard Reduction order
  - Revise for Council approval prior to Gazettal for the 2019/2020 fire season
  - Target July OCM

**General activities –**

1. Election preparations –
  - Various matters remain Shire responsibility, including –
    - o Electoral gifts/contributions register –
      - Statutory requirements now apply to intending candidates
    - o Owners and occupiers roll as required by Regulations
  - Currently, Shire responsibilities remain on track
2. Continue review of documentation for legislative compliance –
  - Forms, Delegations, Policy, operating documents etc
3. Matters as directed by CEO

**Meetings to be attended –**

26 June – Governance, Council Meeting  
 22 July – Governance, Briefing Forum  
 31 July – Governance, Council Meeting

## ELECTIONS TIMETABLE

Summary of legislative requirements etc –

Date	Requirement
20 April	All candidate must declare election gifts received on or after this day, until 22 October, within 3 days of nomination - Refer CEO for details
10 August	Advertise for applications to be included on Non-Resident Owners and Occupiers Roll - Conditions apply
24 August	Nominations to be advertised after this date and by 4 September
30 August	Enrolments close 5.00 pm
5 September	Nominations open - 1 vacancy in each of – <div style="display: flex; justify-content: space-between;"> <div> <ul style="list-style-type: none"> <li>o Central</li> <li>o East</li> <li>o South</li> <li>o West</li> </ul> </div> <div>           term expiring – Cr Corless-Crowther            Cr Broadhurst            Cr Clarke            Cr Bantock         </div> </div>
12 September	Nomination close at 4.00 pm
	Returning Officer to give Statewide notice of elections not later than 30 September
19 October	Election Day
22 October	End of electoral gifts declaration period
	Complaint may be made to Court of Disputed Returns within 28 days

There are a lot of intricacies surrounding the election process, the requirements on candidates, advertising etc. If you have queries, please seek advice from CEO or Governance Officer.

**Niel Mitchell**  
 Governance

18 July 2019

ITEM	MATTER	STATUS	COMMENT
1.	Review of the Shire's local planning framework including Local Planning Strategy, Local Planning Scheme No.5 and all associated local planning policies.	Given Council's decision at its June 2019 Ordinary meeting to not immediately proceed with a formal review of the Shire's Local Planning Strategy and Local Planning Scheme No.5 and the need to address some town planning issues of immediate concern, an omnibus amendment to Local Planning Scheme No.5 and formulation of both revised and new local planning policies are now proposed.	A formal agenda item providing details of a proposed omnibus amendment to Local Planning Scheme No.5 is currently being prepared for consideration at Council's July 2019 Ordinary Meeting. A separate agenda item regarding formulation of both revised and new local planning policies will follow in the next month or two.
2.	Updates to the Town Planning portal on Shire's website.	In progress.	The Town Planning portal on the Shire's website is outdated and is in need of a number amendments. In addition, changes are proposed to the portal to include copies of important documents and plans for community information and guidance purposes. Links to other agency websites will also be included as these contain useful supporting information.

## Shire of Victoria Plains

## Council Meetings - Actions Status Report

As at -

19-July-2019

Please note -

Only resolutions requiring action are listed. Those that accept, endorse, approve, confirm etc are omitted from listing.

Not all matters that may still be in progress prior to April 2018 are listed. These will be updated as they are observed.

Item	Meeting reference				Resolution Title - Resolution in full or summary	Responsible position	Status	Date - Comment
	Year	Month	Item	Res. No.				
1	2018	Feb	F03/2018	n/a	Insurance payments for Community Groups	CEO / Governance	In progress	11/6/2018 - referred to July OCM Briefing Session for discussion 25/7/2018 - Revised policy to be developed and presented
2	2018	Apr	F14/2018	62/2018	Community Request Submissions - 2018/2019 Budget - a) Request the CEO investigate leasing the land to the Gillingarra Sports & Recreation Club for a maximum term; and that b) Approve the Shire cover costs associated with the establishment costs of the lease, which are estimated at up to \$5,000 and use funds from the Community Budget Submission.	CEO / Governance	In progress	1/5/18 - Dept Lands - Ministerial approval only needed, lease does not have to be registered. Template lease obtained. Letter drafted for GSRC. 28/5/2018 - Advised meeting on 4 June to discuss. 9/6/2018 - GSRC have advised leasing is accepted. Civic Legal preparing a lease for Bolgart Progress Assoc. for Lot 500 which should be able to be adapted for GSRC as well. 30/11/2018 - Meeting to be arranged with GSR 13/2/2019 - draft lease nearly finalised
3	2018	Apr	P02/2018	64/2018	Lot 100 Mogumber townsite - Future Road Reserve - That once vesting is made, application be made to Geographic Names Committee of the Dept of Planning, Lands and Heritage for allocation of the following names – - the whole of the north-south axis of Lot 100 to be known as Butler Street; and - the whole of the east-west axis of Lot 100 to be known as Lanigan Street.	CEO / Governance	Not commenced	Dependent on vesting
4	2018	Apr	P02/2018	65/2018	Lot 100 Mogumber townsite - Future Road Reserve - That once the processes are complete, Main Roads be informed of – the vesting of Lot 100 as a road reserve; the naming of the road reserves; and the need to update the road asset database.	CEO / Governance	Not commenced	Dependent on vesting
5	2018	Apr	P02/2018	66/2018	Lot 100 Mogumber townsite - Future Road Reserve - That once Lot 100 is vested in the Shire as a road reserve, the CEO provide a further report to Council on any obstructions or materials that may be stored on the future road reserve at that time, for authorisation of any action requiring removal.	CEO / Governance	Not commenced	Dependent on vesting
6	2018	May	10.11	1805-17	Terms of Reference - Committees, Advisory Groups - That Terms of Reference be developed for a Australia Day Celebration Advisory Group	CEO / Governance	In progress	11/6/2018 - Clarification of membership of several also requires finalisation.
7	2018	Aug	10.13	1808-08	Lot 100 Mogumber, Future Road Reserve - That in accordance with the requirements of the Land Administration Act 1997 s.52 and Land Administration Regulations 1998 r.6, all necessary actions be undertaken for – a) acquisition as Crown land of the private road being Lot 100 Mogumber, and b) subsequent vesting as a road reserve.	CEO / Governance	In progress	Draft letters prepared 27/8/2018 - letters sent to owners of adjoining land 29/8/2018 - letters sent to service agencies 2/10/2018 Following requests of 2 landowners, reply due date extended to end of October 2018 19/10/2018 - Correspondence received on behalf of one landholder. Dec/Jan - various correspondence in relation to 2 landholders
8	2018	Aug	10.14	1808-09	Lot 23, 44 Smith St, Bolgart Industrial Subdivision - That this matter be deferred to enable – - further investigation of assistance of Landcorp to develop the land; - possibility of grant funding to develop the land be sought; and - Minister for Regional Development invited to discuss.	CEO / Governance	Not commenced	
9	2018	Sep	10.4	1809-07	Local Laws Final Adoption – Amenity 2018 and Meeting Procedures 2018 That Council – 1. resolves to make the following local law as per the attached drafts, incorporating amendments outlined by the Department of Local Government, Sporting & Cultural Industries – - Meeting Procedures Local Law 2018 2. authorise the President and CEO to sign and affix the Common Seal to the Local Law; 3. authorise the CEO to – - publish the Local Law in the Government Gazette and provide copies of the local laws to the Minister for Local Government; and - forward a copy of the Gazetted Local Law, explanatory memoranda and associated documentation to the Parliamentary Joint Standing Committee on Delegated Legislation for review.	Governance	In progress	Amentity Local Law to be further reviewed.  Meeting Procedures to be submitted for publication in Government Gazette  26/10/2018 - Meeting Procedures Local Law Gazetted. Local Public Notice in November Newsletter - Mtg Local Law complete

Item	Year	Month	Item	Res. No.	Resolution in full or summary	position	Status	Date - Comment
10	2018	Sep	10.5	1809-08	Mogumber Outback Club – 2017-2018 Community Funding approval That – - the unbudgeted expenditure of \$15,000 originally made in the 2017-2018 Budget for the community request submission of the Mogumber Outback Club permanent arena ring and yards located on Reserve 8588 be approved, subject to the same requirements for payment of the assistance; and - no payment be made to the Mogumber Outback Club until all approvals, planning requirements etc are satisfactorily concluded	CEO	In progress	MOC advised 17/5/19 - Item regarding request for extension received
11	2018	Sep	10.5	n/a	Mogumber Outback Club Environmental and heritage approvals to be presented to Council for information	CEO EA	In progress	4/10/2018 - documents held, and to be scanned into e-files
12	2018	Sep	13.1	1819-14	Shire of Victoria Plains Enterprise Bargaining Agreement 2005 That application is made to the Fair Work Commission – a) for a declaration that the Shire of Victoria Plains (External Employees) Enterprise Bargaining Agreement 2005 does not apply to the Shire; or b) should a declaration not be made or is considered not feasible, to terminate the Shire of Victoria Plains (External Employees) Enterprise Bargaining Agreement 2005	CEO	In progress	3/10/2018 - HWL Ebsworth advised to action 30/11/2018 - CEO to meet with EBL early December Jan 2019 - Mtgs with depot based staff Submissions to be made to Fair Work Commission
13	2018	Oct	10.8	1810-12	New Norcia Emergency Services Facility - That – a) the Benedictine Community of New Norcia Inc. be approached to extend the lease of part Melbourne location 342 housing the shared emergency services facility for a further 21 year period to 11 May 2040, and b) negotiate with St John Ambulance Association, the New Norcia SJAA Sub-Centre and the New Norcia Bush Fire Brigade – i) alternative management arrangement to set aside the requirement for a formal Management Committee as per clause 7 and Schedule 2, and ii) increase of public liability insurance to a minimum of \$20 million; and iii) for the agreement to extend to 11 May 2040.	Governance	In progress	4/12/2018 - Letter drafted/sent 20/12/2018 - Benedictine Community advised their agreement 7/1/2019 - email to SJAA Belmont to initiate, propose changes, seek comment, prior to formalising extension 21/1/2019 - Documentation sent to Civic Legal to finalise arrangement with the Benedictine Community 14/2/2018 - Extension signed under delegated authority and sent to Monochorum for execution 14/2/2018 - Also awaiting comment to come back from St John Ambulance 15/5/2019 - Nothing heard from SLJJ. Queried again
14	2018	Nov	10.5	1811-07	Reserve 8588 Mogumber (Refuse) - That the Minister for Lands be requested to amend the purpose of Reserve 8588 Mogumber to include Refuse and Transfer Station Site.  1811-07 Procedural Motion / Council Resolution That this matter be deferred to the February 2019 Council meeting.  Reason for variation – to allow time for investigation of options for the Mogumber tip.	GO WSM	In progress	Updated resolution from February meeting as follows: "That the matter be deferred until after consideration of report of the Ethnological Survey of portion of Reserve 8588 prepared by Brad Goode and Associates". Awaiting feedback from Yued Group. (12/7/2019)
15	2019	Feb	10.7	1902-09	That in relation to the section of Great Northern Highway through New Norcia, Council agrees to the – • transfer of responsibility for the New Norcia Road to be proclaimed as of midnight 30 June 2019, subject to a final Agreement being settled; • draining and kerbing repairs or replacement to be included in the Agreement to the satisfaction of the CEO and Works and Service Manager; and • other provisions as contained in the Basis of Agreement.	CEO / WSM	Complete	A copy of the signed agreement has been sent to MRWA - 18 July 2019



Item	Year	Month	Item	Res. No.	Resolution in full or summary	position	Status	Date - Comment
16	2019	Feb	10.9	1902-11	<p>Menzies Quarries -</p> <p>1. That all relevant information regarding the operations of Menzies Quarries, its development approvals, operating agreement etc with the Shire, be forwarded to Council's solicitors with the instruction to prepare an immediate order to cease operations until such time as –</p> <p>a) the slip lane as agreed in the contract is constructed to the Shire's satisfaction; and</p> <p>b) payment for the maintenance of the road for the damaged caused by the vehicles entering and leaving the quarry is made for the extraction of materials from the quarry.</p> <p>2. The CEO be authorised to negotiate payment of the road maintenance charge based on a mutually agreed volume of material extracted.</p> <p>3. Should agreement with Menzies Quarries not be reached within 60 days, the matter is to be referred to Council for consideration of –</p> <p>a) carrying out the required works and recovering all costs from Menzies Quarries;</p> <p>b) cancelation of the approval to operate, and</p> <p>c) if necessary, instigate legal action to enforce cessation of operations, recovery of the payment as agreed and prosecution under the Planning and Development Act 2005.</p>	CEO	In progress	<p>Material regarding the matter has been supplied to the Shire's lawyers. CEO is now awaiting response regarding same.</p> <p>13/5/2019 - Letter has been sent to Menzies Quarries Discussions on-going</p>
17	2019	Feb	10:10	1902-13	<p>That the Shire of Victoria Plains Local Emergency Management Committee be established with the following –</p> <p>a) LEMC members (voting) –</p> <ul style="list-style-type: none"> <li>- Chair - Shire President SoVP (currently Cr David Lovelock)</li> <li>- Deputy Chair – Officer in Charge of Wongan Hills Police Force (currently senior sergeant Bernie Hush)</li> <li>- District Emergency Services Wheat Belt - Dept. of Communities (currently Jo Spadaccini)</li> <li>- District Officer, Department Fire &amp; Emergency Services (DFES) (currently Ian Comben)</li> <li>- Chief Bush Fire Control Officer SoVP (currently Gary Manning)</li> <li>- President St John Ambulance Shire of Victoria Plains Sub Branch (currently John Young)</li> <li>- Nominee of a District Primary School Principal (Calingiri, Yerecoin or Bolgart)</li> <li>- Gavin Halligan</li> <li>- Cr A Broadhurst</li> <li>- Cr N Clarke</li> </ul> <p>b) LEMC deputy members (voting only if member is absent for the whole of the meeting) –</p> <ul style="list-style-type: none"> <li>- Cr J King to Cr A Broadhurst</li> <li>- Cr N Bantock to Cr N Clarke</li> <li>- District Emergency Management Advisor (currently Yvette Grigg)</li> <li>- Deputy Chief Bush Fire Control Officer (currently Ric Pearson) for Chief Bush Fire Control Officer (currently Gary Manning).</li> </ul> <p>c) permanent invitees/observers (non-voting) –</p> <ul style="list-style-type: none"> <li>- DPIRD (Kari-Lee Faulkner)</li> <li>- Moora / Northam</li> <li>- Parks (DBAC). – Merredin (currently Graeme Keals)</li> <li>- Water Corporation – Rob Brooks</li> <li>- SES – Moora (currently Hugh Bryan)</li> <li>- Volunteer Fire and Rescue (currently Trent Breen)</li> <li>- Western Power (currently Paul Casey)</li> <li>- CBH (currently Chad Atkinson)</li> <li>- Hay Farms (Mackie Hay)</li> </ul>	CESM	In progress	<p>Confirming with CESM that letters were sent to members and deputies of the LEMC.</p>

Item	Year	Month	Item	Res. No.	Resolution in full or summary	position	Status	Date - Comment
18	2019	Feb	13.2	1902-19	5 Roads Café - That: • this matter be deferred until the CEO has sought legal advice; and • the lessee be advised that Council acknowledges the operation of the Commercial Tenancy (retail Shops) Agreements Act 1985 s.13C.	CEO	In progress	The CEO has sought legal advice regarding the Option to Renew and further a letter has been written to the Lessee acknowledging the operation of the Commercial Tenancy (retail Shops) Agreements Act 1985 s.13C (12/3/2019) including the current expiration date of 31 August 2019. Awaiting formal request for extension of Lease.
19	2019	Mar	13.1	1903-20	That a report be prepared for Council including investigation of the legalities, costs and consequences associated with designating alternate or multiple reserve uses within Reserve 8588 Mogumber.	GO	In progress	Information collated. 17/5/19 - some information obtained from Dept of Water & Environmental Protection. Estimates for preparation of the required plans to be obtained.
20	2019	Mar	13.1	1903-21	That a report be prepared for Council including investigation to research of the significance of the Reserve to multiple users, including but not limited to the Shire's current rate payers, long standing residents and the cultural history with an established connection.	GO	Not commenced	17/5/2019 - to be actioned once feedback from SWALSC and Yued group received, and Council's lawyers advise appropriate to proceed. Consistent with Resolution 1904-15. Awaiting further comment from the Yued People.
21	2019	April	13.2	1904-15	That the Ethnographic Heritage Survey Report of Reserve 8588 Mogumber remain confidential and is not made available to the public until such time as the advice of Council's lawyers indicates that it is appropriate for the Report to be made public.	CEO	In progress	Awaiting release date advice from Lawyers. 12/7/2019
22	2019	May	10.6	1905-13	That the draft Memorandum of Understanding for Mutual Assistance in Emergencies be circulated to all adjoining Councils, requesting – a) their agreement to the concept of an MOU for this purpose, and b) their comments regarding the proposed MOU.	CESM	In progress	CESM to circulate MOU.
23	2019	May	10.7	1905-15	That Main Roads WA be advised that the request of the Bolgart Progress Association for a reduction of speed limits is supported as follows – • Bolgart townsite – 50 km/hr on Toodyay-Bindi Bindi Road and on Bolgart East Road • approach to Bolgart – a reduction to 60 km/hr east of Bull Road intersection on Bolgart East Road.	CESM	In progress	CESM to provide update.
24	2019	May	10.8	1905-16	That extension of the following Community Funding Projects to the 2019/2020 Financial Year be approved and allocation be made within the Budget –  • \$15,000 ex GST to Mogumber Outback Club for Mogumber Arena Stage 2 Installation, and • \$5,000 ex ST to Gillingarra Sport and Recreation Association for lease arrangements of the Gillingarra Community Church.	FAM	Complete	FAM to action. Funding rolled over.

Item	Year	Month	Item	Res. No.	Resolution in full or summary	position	Status	Date - Comment
25	2019	May	13.1	1905-32	Status Update & Options for SAT Case - Botvarkel Pty Ltd v Shire of Victoria Plains. That Council resolve to: 1. Note the current status of Botvarkel Pty Ltd's application to the State Administrative Tribunal (SAT) requesting a review of the Shire of Victoria Plains decision to refuse to grant building permit approvals for the construction of new single dwellings and associated infrastructure on each of Lots 10, 11 & 12 Moora-Bindoon Road, Mogumber as outlined in the body of this report; and 2. Support Option 2 as outlined in the body of this report by authorising the Shire's Chief Executive Officer to instruct the Shire's legal representatives Castledine Gregory Law & Mediation to settle the matter with Botvarkel Pty Ltd by granting approval to the amended building permit applications following receipt of revised information and plans demonstrating compliance with all relevant building and health requirements.	CEO / Shire Planner	Complete	Matter now resting with Department of Main Roads WA.
26	2019	June	10.3	1906-07	That the level of use of the Community Car be assessed over the next 6 months minimum, following advertising for Volunteer Drivers, and advised to Council for consideration concerning its future.	GO/EA	In progress	Advertising of fees and charges across multiple platforms including request for volunteer drivers to approach Shire for further information. Community use to be reviewed December 2019.
27	2019	June	10.4	1906-09	That – - Provision be made in the 2019/2020 Budget for all councillors wishing to do so, and for the CEO to attend the WALGA 2019 Annual Convention, - the President and Deputy President be nominated as the voting delegates, - if the President or Deputy President is unavailable, alternate voting delegates be –  o Mr S Penn; and o Mr N Clarke.	EA	Complete	Registrations completed with accommodation booked. Additional requirements reviewed including car parking arrangements.
28	2019	June	10.5	1906-10	That Telstra be requested to review their response protocols and advise their response time for such outages, in emergency events, particularly those affecting the Shire of Victoria Plains.	CEO/WSM/GO	In progress	Update forthcoming.
29	2019	June	12	1906-17	That Council consider, in budget deliberations, funding to complete the Bolgart Progress Association's general and community project of \$5,709.50.	FAM / Fin Consultant	In progress	Noted for budget deliberations.
30	2019	June	12	1906-18	Council consider, in the draft budget deliberations, costings towards development of plan to establish a supply of water for Mogumber.	FAM / Fin Consultant	In progress	Noted for budget deliberations.
31	2019	June	12	1906-19	Budget consideration be given to assisting subsidising the senior residents' exercise classes.	FAM / Fin Consultant	In progress	Noted for budget deliberations.

As at - 19-July-2019

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Briefing Forum Required Actions - Status Report

As at - 19-July-2019

Meeting	Ref No.	Recommendation / Action	Responsible position	Status	Date - Comment
15-Apr-19	3.3	Report on substandard Roads within Shire. (Series of Roads are not actually roads).	WSM	In progress	Discussed at the Budget Workshop (29/5/2019). Bob Waddel, Rob Munns and WSM have done mini workshop about what roads should be included and included on the list for for funding purposes. A priority list has been established.
15-Apr-19	3.4	EHO Site Visit - Shire have purchased traps from Shire of Gingin and taking soil samples. Report forthcoming.	EHO	In progress	Site Meeting - 21 May 2019
15-Apr-19	General	Calingiri Garden Group Project	CEO / Cr Corless-Crowther	In progress	Cr Corless-Crowther to approach group members to ascertain their plans and for plans to be put in writing and meeting scheduled with CEO and WSM.
15-Apr-19	General	Mogumber Outback Club - Do Council agree to put into budget, roll over or remove?	CEO / Fin Consultant	Complete	Cr Bantock noted she was going to speak with another party about this matter. Funds rolled over.
15-Apr-19	General	Menzies Quarries report to be forthcoming.	CEO	In progress	Report forthcoming.
15-Apr-19	General	Cr Clarke queried definition of trail of Salvado Walk	EA	In progress	Further information being provided by Graeme Wishard
20-May-19	3.1		CEO	In progress	In the hands of the lawyers. GO noted Ombudsman has powers of a Royal Commission, however can only investigate with no power to impose a penalty on a person or organisation. Can only recommend a particular action be taken. False claims to the Ombudsman can have serious consequences. If an organisation does not copy with a recommendation, they must report to Parliament.
20-May-19	3.1	Yerecoin Sewerage	CEO	In progress	To contact Clive Duggan. Look at information 1982/83/84. Laneway owned by Progress Association. Privately constructed. Residents paid either \$500 or \$1k each. Nothing located in Minutes. Acting CEO went back to 1980. Cr Broadhurst suggested could be as early as the 1960's and perhaps in the form of a letter? WSM noted there is nothing on file, a
20-May-19	General	Menzies Quarries	CEO	In progress	Actioned. No reply as yet. Looking at quarterly figures moving forward. As of December 2018, Annual survey moving forward. Mutually agreed surveyor. No correspondence received re slip lane however still not done - MQ responsibility entirely. Currently not compliant according to Main Roads.

As at - 19-July-2019

Meeting	Ref No.	Recommendation / Action	Responsible position	Status	Date - Comment
20-May-19	3.1	SWALSC Matter	CEO / GO	In progress	Extended time frame until 31 May for Yued People feedback on Brad Goode report. Shire has done what Lawyers have instructed. Report distributed to Working Pary by Stephanie Mippy. Date after Council Meeting - Decision in June. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] President suggested survey for community feedback - Post June 2019 OCM.
20-May-19	3.1	Toodyay Motor Cross development	CEO	In progress	Shire of Toodyay have initiated legal action. Shire President has spoken to the ABC on the matter. Shire unsure what action the proponents are taking. CEO to send email to Shire of Toodyay. (Emailed 22/5/2019). Info only - no further action for SoVP to take at this stage. Toodyay Shire Planning Officer advised 4 / 6 / 2019 that "The Shire has engaged the services of a solicitor to pursue this matter for us. This is currently underway and we hope to provide further updates to Victoria Plains regarding this matter when possible" (Therefore no submission or witness that So VP
20-May-19	3.3	Meeting to be set with Louise Adamson. (Post her leave 31/5/19)	WSM	In progress	Update on meeting required re fund spending.
20-May-19	3.3	Meeting set with Elizabeth Davies and others from MRWA - 30/5/2019	WSM / CEO	In progress	Meeting went well. Cr Bantock took notes and wrote a Report [REDACTED]
20-May-19	3.3	Cr Clarke questioned Telstra account and whether there is a case to seek a refund for culvert transfer. Jo and Rod Munns to put together a case.	WSM	In progress	Status update required. Dave McKenna to send through photos. [REDACTED] [REDACTED]
20-May-19	3.3	Mogumber Emergency (Water?) Supply	CESM	In progress	Following up information re funding.
20-May-19	3.6	General discussion. Bob Waddell suggested Community Car become a Pool Car available to the community.	GO	In progress	6 month trial. [REDACTED] Risk and requirements matrix. Significant risks involved in this service. Are the community prepared for those risks? Noted Licence renewal due in September and Insurance in July. Highlight areas including national clearnace, risk and mileage. Draft Policy to Council in May 2019. - GO to check with LGIS.

Meeting	Ref No.	Recommendation / Action	Responsible position	Status	Date - Comment
20-May-19	3.6	Policy Directions	GO	In progress	Policy - 2.6 - no action. 6.5.2 - OAG will likely pick this policy out. Action: Report to the Progress Associations. Start Process. There will be a strong procurement focus. Buildings pursue an agency line. Action: Legal Opinion - what does agency mean in that particular aspect of the Act (Nothing that prevents Council from acting through an agent). Contract with agent? Action: Who is responsible for building maintenance, cost and insurance. Could take 12 months. Discussion between GO and Cr Clarke re concept of what we are going to do. Shire owned and privately owned leases. 8.1.23 (Redundancies) - removed. Remove severance. No policy - no gift. 8.4.1 - proposed changes by GO - agreed. 9.3.10 - Noted applies to all Council functions, whether on council property or not. Policy 10.17 - make it compliant. Delegate to CEO only or subdelegate to other staff members. Policy 11.6.1 - substantially
20-May-19	2.3	WALGA Convention - Delegate Registration Form - due 16 July 2019.	EA	Complete	Uploaded registrations of CEO and those EM's attending.
20-May-19	General	CDO Role.	CEO	In progress	Information provided.
20-May-19	General	WSM - Forming Committee	WSM	In progress	Suggested Local Government make use of Mining Company Off-Sets. Discussion only. WALGA getting involved. Possible Cr Bantock to address at ALGA?
20-May-19	General	Work Supervisor Interviews - 20 June 2019	CEO / WSM	In progress	Role re-advertised - 24 May 2019. Close off date - Tuesday 4 June 2019.
17-Jun-19	General	CESM Appt -Nick Parry started with Shire -24 June 2019.	CESM	Complete	Nick has commenced and settled in well. To present to Council in due course..
17-Jun-19	General	Bush Fire Risk Management Plan	GO	Complete	Signed version from Shire of Gin Gin and DFES was ratified at June OCM.
17-Jun-19	General	Piawaning Expo (September 2019) Shire requires Plans of event.	CEO	In progress	Site Map and Event Notification received -9 July 2019. Piawwaning Land Gate Doc outlining Piawwaning rates assessments.
17-Jun-19	General	Botvarkel	CEO	Complete	Matter handed over to Main Roads.
17-Jun-19	General	Auditor General	GO	In progress	Awaiting report from Auditor General and costing of Audit. Report to go to Council.
17-Jun-19	General	Update re Works Supervisor Role.	CEO / WSM	Complete	Appointment made. starting at the Shire 22 July 2019
17-Jun-19	General	EM / Snr Staff Badges	EA	In progress	Wait until after October 2019 LG Election to order.
17-Jun-19	General	AROC Meeting - Waste transfer	Shire President / CEO/ WSM	In progress	Begins 1 July 2019. Report being prepared - Waste collection changing in the West part of the District. Report to be distributed to Council.



## SHIRE OF VICTORIA PLAINS

### MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the Period Ended 30 June 2019

#### LOCAL GOVERNMENT ACT 1995

#### LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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**MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 JUNE 2019****KEY INFORMATION****Items of Significance**

The material variance adopted by the Shire of Victoria Plains for the 2018/19 year is \$10,000 and 10%. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of significant/material variance is disclosed in Note 2.

	% Collected / Completed	Amended Annual Budget	Amended YTD Budget	YTD Actual	Variance (Under)/Over
<b>Significant Projects</b>					
Toodyay-Bindi Bindi Road 2017-18	114%	637,410	637,410	724,892	(87,482)
Moore River Bridge Repairs (2017-18)	75%	445,942	445,942	336,074	109,868
Yerecoin SE Road (2018-19)	98%	174,020	174,020	171,283	2,737
AG Lime Roads Project Development & Management	130%	133,491	133,491	174,148	(40,657)
AG Lime - Calingiri / New Norcia Road	120%	1,030,000	1,030,000	1,239,429	(209,429)
AG Lime - Mogumber West Rd	79%	525,000	525,000	415,957	109,043
AG Lime - Calingiri / Goomalling Road	78%	420,000	420,000	327,796	92,204
<b>Grants, Subsidies and Contributions</b>					
Operating Grants, Subsidies and Contributions	180%	748,188	748,188	1,350,448	602,260
Non-operating Grants, Subsidies and Contributions	99%	3,182,839	3,182,839	3,158,030	(24,810)
	115%	3,931,027	3,931,027	4,508,478	577,451
Rates Levied	100%	2,496,321	2,496,321	2,489,921	(6,400)

% Compares current ytd actuals to annual budget

Financial Position		Prior Year 30 June 2018	Current Year 30 June 2019
Adjusted Net Current Assets	82%	\$ 229,463	\$ 188,171
Cash and Equivalent - Unrestricted	75%	\$ 467,726	\$ 352,668
Cash and Equivalent - Restricted	75%	\$ 624,847	\$ 470,117
Receivables - Rates	-37%	\$ 27,348	-\$ 10,149
Receivables - Other	157%	\$ 294,147	\$ 460,370
Payables	114%	\$ 461,328	\$ 523,858

% Compares current ytd actuals to prior year actuals at the same time

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

## MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

## INFORMATION

### PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 30 June 2019  
Prepared by: Bob Waddell (Local Government Consultant)  
Reviewed by: Bob Waddell (Local Government Consultant)

### BASIS OF PREPARATION

#### REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

#### BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

#### THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

### SIGNIFICANT ACCOUNTING POLICIES

#### GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable

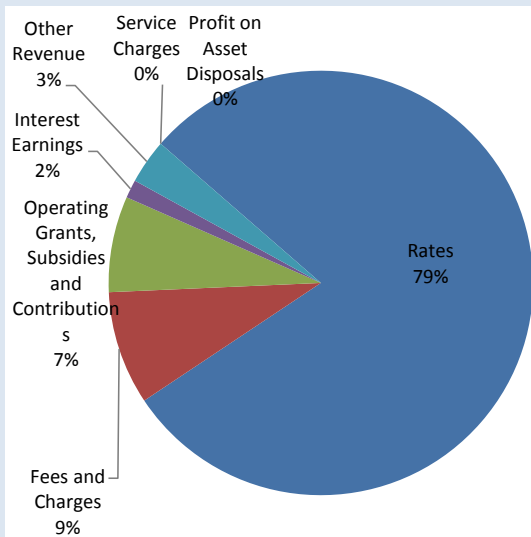
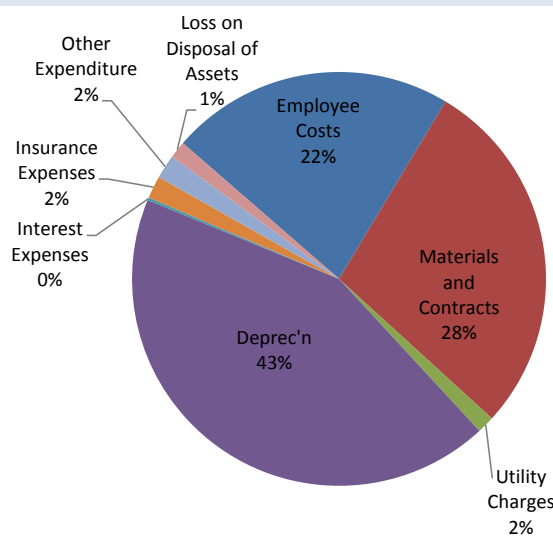
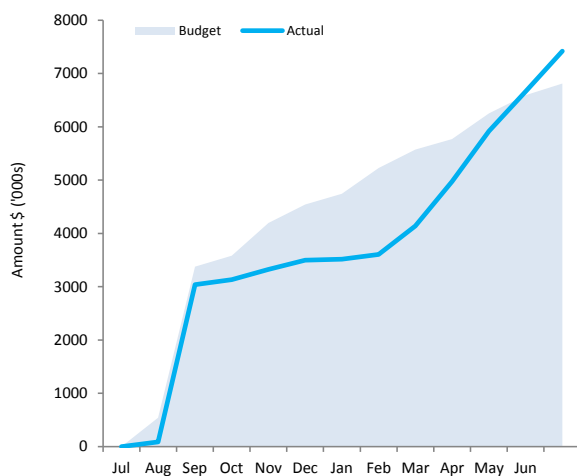
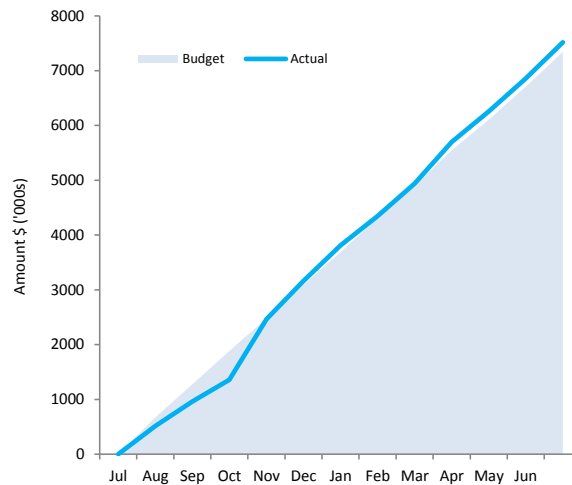
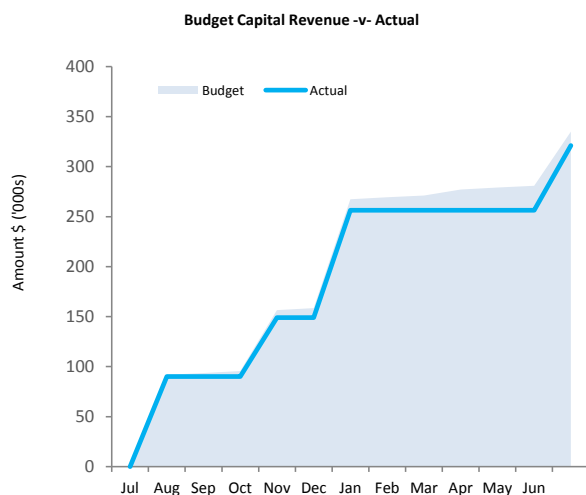
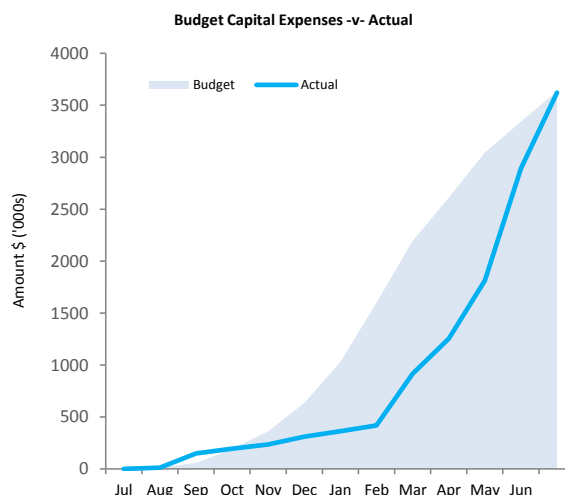
from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

#### CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### ROUNDING OFF FIGURES

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

**MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 JUNE 2019****SUMMARY GRAPHS****OPERATING REVENUE****OPERATING EXPENSES****Budget Operating Revenues -v- Actual****Budget Operating Expenses -v- YTD Actual****CAPITAL REVENUE****CAPITAL EXPENSES**

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

## KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 30 JUNE 2019

## STATUTORY REPORTING PROGRAMS

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

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

STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019

## STATUTORY REPORTING PROGRAMS

	Note	Adopted Annual Budget	Amended Annual Budget (d)	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var. ▲▼	Significant Var. \$
		\$	\$	\$	\$	\$	%		
<b>Opening Funding Surplus(Deficit)</b>	1	335,505	229,463	229,463	229,463	0	0%		
<b>Revenue from operating activities</b>									
Governance		5,724	3,849	3,849	4,678	829	22%	▲	
General Purpose Funding - Rates	5	2,517,266	2,496,321	2,496,321	2,489,921	(6,400)	(0%)	▼	
General Purpose Funding - Other		515,497	599,146	599,146	1,220,379	621,233	104%	▲	\$
Law, Order and Public Safety		65,691	70,139	70,139	65,348	(4,792)	(7%)	▼	
Health		5,638	2,575	2,575	2,858	283	11%	▲	
Education and Welfare		5,000	11,000	11,000	3,083	(7,917)	(72%)	▼	
Housing		91,243	97,424	97,424	97,804	380	0%	▲	
Community Amenities		83,301	78,334	78,334	80,158	1,825	2%	▲	
Recreation and Culture		43,080	43,957	43,957	41,638	(2,319)	(5%)	▼	
Transport		83,426	128,181	128,181	147,508	19,327	15%	▲	\$
Economic Services		33,887	35,811	35,811	37,513	1,702	5%	▲	
Other Property and Services		31,855	62,734	62,734	71,677	8,943	14%	▲	
		<b>3,481,608</b>	<b>3,629,472</b>	<b>3,629,472</b>	<b>4,262,565</b>				
<b>Expenditure from operating activities</b>									
Governance		(505,006)	(529,502)	(529,502)	(543,349)	(13,847)	(3%)	▼	
General Purpose Funding		(348,880)	(356,619)	(356,619)	(395,939)	(39,320)	(11%)	▼	\$
Law, Order and Public Safety		(296,833)	(346,821)	(346,821)	(354,646)	(7,825)	(2%)	▼	
Health		(144,599)	(154,408)	(154,408)	(160,214)	(5,806)	(4%)	▼	
Education and Welfare		(104,687)	(113,872)	(113,872)	(73,160)	40,712	36%	▲	\$
Housing		(226,694)	(222,739)	(222,739)	(249,604)	(26,866)	(12%)	▼	\$
Community Amenities		(445,706)	(494,728)	(494,728)	(525,450)	(30,722)	(6%)	▼	
Recreation and Culture		(514,421)	(622,519)	(622,519)	(672,243)	(49,724)	(8%)	▼	
Transport		(2,964,012)	(4,271,713)	(4,271,713)	(4,318,056)	(46,343)	(1%)	▼	
Economic Services		(194,483)	(196,218)	(196,218)	(189,276)	6,943	4%	▲	
Other Property and Services		(10,000)	(34,000)	(34,000)	(36,002)	(2,002)	(6%)	▼	
		<b>(5,755,321)</b>	<b>(7,343,139)</b>	<b>(7,343,139)</b>	<b>(7,517,940)</b>				
<b>Operating activities excluded from budget</b>									
Add back Depreciation		1,869,194	3,275,108	3,275,108	3,239,758	(35,350)	(1%)	▼	
Adjust (Profit)/Loss on Asset Disposal	6	46,686	88,520	88,520	99,121	10,601	12%	▲	\$
Movement in Leave Reserve (Added Back)		0	0	0	0	0			
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0			
Movement in Employee Benefit Provisions		0	0	0	0	0			
Rounding Adjustments		0	0	0	0	0			
Loss on Asset Revaluation		0	0	0	0	0			
Adjustment in Fixed Assets		0	0	0	0	0			
<b>Amount attributable to operating activities</b>		<b>(357,833)</b>	<b>(350,040)</b>	<b>(350,040)</b>	<b>83,504</b>				
<b>Investing Activities</b>									
Non-operating Grants, Subsidies and Contributions	10	3,135,051	3,182,839	3,182,839	3,158,030	(24,810)	(1%)	▼	
Proceeds from Disposal of Assets	6	214,500	170,429	170,429	166,338	(4,091)	(2%)	▼	
Land Held for Resale	7	0	0	0	0	0			
Land and Buildings	7	(100,795)	(133,813)	(133,813)	(116,315)	17,498	13%	▲	\$
Construction other than Buildings	7	0	0	0	0	0			
Plant and Equipment	7	(30,000)	(16,364)	(16,364)	(17,870)	(1,506)	(9%)	▼	
Motor Vehicles	7	0	0	0	0	0			
Furniture and Equipment	7	(57,220)	(58,019)	(58,019)	(35,609)	22,410	39%	▲	\$
Infrastructure Assets - Roads	7	(3,318,075)	(3,365,863)	(3,365,863)	(3,389,580)	(23,717)	(1%)	▼	
Infrastructure Assets - Footpaths	7	0	0	0	0	0			
Infrastructure Assets - Other	7	0	0	0	0	0			
<b>Amount attributable to investing activities</b>		<b>(156,539)</b>	<b>(220,792)</b>	<b>(220,792)</b>	<b>(235,006)</b>				
<b>Financing Activities</b>									
Proceeds from New Debentures		0	0	0	0	0			
Proceeds from Advances		0	0	0	0	0			
Self-Supporting Loan Principal		16,815	16,815	16,815	17,081	266	2%	▲	
Transfer from Reserves	9	204,880	164,533	164,533	154,730	(9,803)	(6%)	▼	
Advances to Community Groups		0	0	0	0	0			
Repayment of Debentures	8	(61,335)	(61,335)	(61,335)	(61,601)	(266)	(0%)	▼	
Transfer to Reserves	9	0	0	0	0	0			
<b>Amount attributable to financing activities</b>		<b>160,360</b>	<b>120,013</b>	<b>120,013</b>	<b>110,210</b>				
<b>Closing Funding Surplus(Deficit)</b>	1	<b>(18,507)</b>	<b>(221,355)</b>	<b>(221,355)</b>	<b>188,171</b>				

## KEY INFORMATION

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

Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

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

**KEY TERMS AND DESCRIPTIONS****FOR THE PERIOD ENDED 30 JUNE 2019****NATURE OR TYPE DESCRIPTIONS****REVENUE****RATES**

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

**OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**PROFIT ON ASSET DISPOSAL**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**FEES AND CHARGES**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**SERVICE CHARGES**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996

identifies these as television and radio broadcasting,

underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**INTEREST EARNINGS**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**OTHER REVENUE / INCOME**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

**EXPENSES****EMPLOYEE COSTS**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**MATERIALS AND CONTRACTS**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**UTILITIES (GAS, ELECTRICITY, WATER, ETC.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**INSURANCE**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**LOSS ON ASSET DISPOSAL**

Loss on the disposal of fixed assets.

**DEPRECIATION ON NON-CURRENT ASSETS**

Depreciation expense raised on all classes of assets.

**INTEREST EXPENSES**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**OTHER EXPENDITURE**

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019

## BY NATURE OR TYPE

	Note	Adopted Annual Budget	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var. ▲▼	Significant Var. \$
		\$	\$	\$	\$	\$	%		
<b>Opening Funding Surplus (Deficit)</b>	1	335,505	229,463	229,463	229,463	0	0%		
<b>Revenue from operating activities</b>									
Rates	5	2,517,266	2,496,321	2,496,321	2,489,921	(6,400)	(0%)	▼	
Operating Grants, Subsidies and Contributions	10	598,487	748,188	748,188	1,350,448	602,260	80%	▲	\$
Fees and Charges		219,775	247,529	247,529	272,037	24,508	10%	▲	
Service Charges		0	0	0	0	0			
Interest Earnings		52,036	45,380	45,380	43,748	(1,632)	(4%)	▼	
Other Revenue		92,130	90,549	90,549	106,412	15,863	18%	▲	\$
Profit on Disposal of Assets	6	1,914	1,505	1,505	0	(1,505)	(100%)	▼	
		<b>3,481,608</b>	<b>3,629,472</b>	<b>3,629,472</b>	<b>4,262,565</b>				
<b>Expenditure from operating activities</b>									
Employee Costs		(1,573,068)	(1,681,251)	(1,681,251)	(1,670,515)	10,736	1%	▲	
Materials and Contracts		(1,862,534)	(1,908,528)	(1,908,528)	(2,117,329)	(208,801)	(11%)	▼	\$
Utility Charges		(99,802)	(88,030)	(88,030)	(101,774)	(13,744)	(16%)	▼	\$
Depreciation on Non-Current Assets		(1,869,194)	(3,275,108)	(3,275,108)	(3,239,758)	35,350	1%	▲	
Interest Expenses		(23,121)	(21,121)	(21,121)	(15,520)	5,601	27%	▲	
Insurance Expenses		(127,161)	(136,275)	(136,275)	(132,359)	3,916	3%	▲	
Other Expenditure		(151,841)	(142,801)	(142,801)	(141,564)	1,237	1%	▲	
Loss on Disposal of Assets	6	(48,600)	(90,025)	(90,025)	(99,121)	(9,096)	(10%)	▼	
Loss FV Valuation of Assets		0	0	0	0	0			
		<b>(5,755,321)</b>	<b>(7,343,139)</b>	<b>(7,343,139)</b>	<b>(7,517,940)</b>				
<b>Operating activities excluded from budget</b>									
Add back Depreciation		1,869,194	3,275,108	3,275,108	3,239,758	(35,350)	(1%)	▼	
Adjust (Profit)/Loss on Asset Disposal	6	46,686	88,520	88,520	99,121	10,601	12%	▲	\$
Movement in Leave Reserve (Added Back)		0	0	0	0	0			
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0			
Movement in Employee Benefit Provisions		0	0	0	0	0			
Rounding Adjustments		0	0	0	0	0			
Loss on Asset Revaluation		0	0	0	0	0			
Adjustment in Fixed Assets		0	0	0	0	0			
<b>Amount attributable to operating activities</b>		<b>(357,833)</b>	<b>(350,040)</b>	<b>(350,040)</b>	<b>83,504</b>				
<b>Investing activities</b>									
Non-Operating Grants, Subsidies and Contributions	10	3,135,051	3,182,839	3,182,839	3,158,030	(24,810)	(1%)	▼	
Proceeds from Disposal of Assets	6	214,500	170,429	170,429	166,338	(4,091)	(2%)	▼	
Land Held for Resale	7	0	0	0	0	0			
Land and Buildings	7	(100,795)	(133,813)	(133,813)	(116,315)	17,498	13%	▲	\$
Construction other than Buildings	7	0	0	0	0	0			
Plant and Equipment	7	(30,000)	(16,364)	(16,364)	(17,870)	(1,506)	(9%)	▼	
Motor Vehicles	7	0	0	0	0	0			
Furniture and Equipment	7	(57,220)	(58,019)	(58,019)	(35,609)	22,410	39%	▲	\$
Infrastructure Assets - Roads	7	(3,318,075)	(3,365,863)	(3,365,863)	(3,389,580)	(23,717)	(1%)	▼	
Infrastructure Assets - Footpaths	7	0	0	0	0	0			
Infrastructure Assets - Other	7	0	0	0	0	0			
<b>Amount attributable to investing activities</b>		<b>(156,539)</b>	<b>(220,792)</b>	<b>(220,792)</b>	<b>(235,006)</b>				
<b>Financing Activities</b>									
Proceeds from New Debentures		0	0	0	0	0			
Proceeds from Advances		0	0	0	0	0			
Self-Supporting Loan Principal		16,815	16,815	16,815	17,081	266	2%	▲	
Transfer from Reserves	9	204,880	164,533	164,533	154,730	(9,803)	(6%)	▼	
Advances to Community Groups		0	0	0	0	0			
Repayment of Debentures	8	(61,335)	(61,335)	(61,335)	(61,601)	(266)	(0%)	▼	
Transfer to Reserves	9	0	0	0	0	0			
<b>Amount attributable to financing activities</b>		<b>160,360</b>	<b>120,013</b>	<b>120,013</b>	<b>110,210</b>				
<b>Closing Funding Surplus (Deficit)</b>	1	<b>(18,507)</b>	<b>(221,355)</b>	<b>(221,355)</b>	<b>188,171</b>				

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

Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

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



## NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30 JUNE 2019

## NOTE 1(a) NET CURRENT ASSETS

### SIGNIFICANT ACCOUNTING POLICIES

#### CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

#### EMPLOYEE BENEFITS

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

- (i) Wages, Salaries, Annual Leave and Long Service Leave (*Short-term Benefits*)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

- (ii) *Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

#### PROVISIONS

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

#### INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 30 JUNE 2019**

**OPERATING ACTIVITIES**

**NOTE 1(b)**

**ADJUSTED NET CURRENT ASSETS**

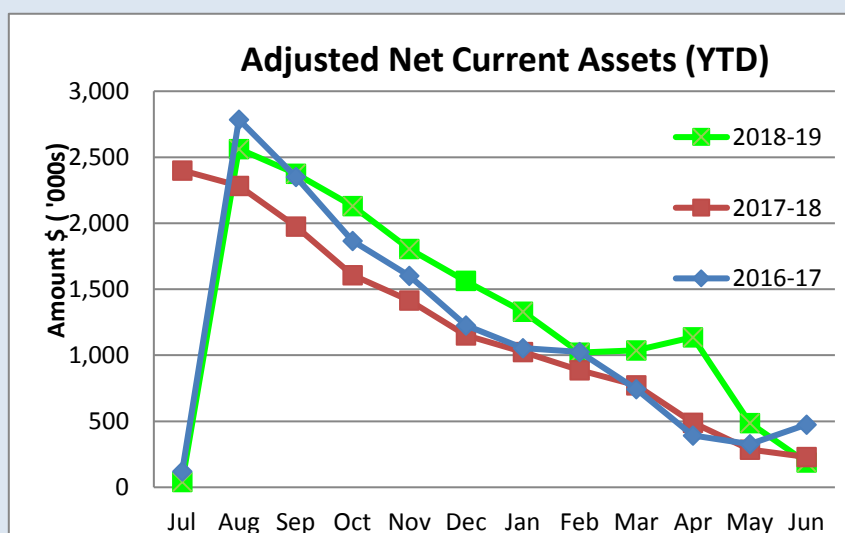
<b>Adjusted Net Current Assets</b>	<b>Note</b>	<b>Last Years Closing 30/06/2018</b>	<b>This Time Last Year 30/06/2018</b>	<b>Year to Date Actual 30/06/2019</b>
		\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	3	467,726	467,726	352,668
Cash Restricted - Reserves	3	624,847	624,847	470,117
Receivables - Rates	4	27,348	27,348	(10,149)
Receivables - Other	4	294,147	294,147	460,370
Inventories		40,612	40,612	46,084
		<u>1,454,681</u>	<u>1,454,681</u>	<u>1,319,091</u>
<b>Less: Current Liabilities</b>				
Payables		(461,328)	(461,328)	(523,858)
Loan Liability		(61,335)	(61,335)	266
Provisions		<u>(136,945)</u>	<u>(136,945)</u>	<u>(136,945)</u>
		<u>(659,608)</u>	<u>(659,608)</u>	<u>(660,536)</u>
Less: Cash Reserves	9	(624,847)	(624,847)	(470,117)
Add Back: Component of Leave Liability not Required to be funded		0	0	0
Add Back: Current Loan Liability		61,335	61,335	(266)
Adjustment for Trust Transactions Within Muni		(2,098)	(2,098)	0
<b>Net Current Funding Position</b>		<b>229,463</b>	<b>229,463</b>	<b>188,171</b>

**SIGNIFICANT ACCOUNTING POLICIES**

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

**KEY INFORMATION**

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



**This Year YTD**

**Surplus(Deficit)**

**\$.19 M**

**Last Year YTD**

**Surplus(Deficit)**

**\$.23 M**

## NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD ENDED 30 JUNE 2019

## NOTE 2

## EXPLANATION OF SIGNIFICANT VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2018/19 year is \$10,000 and 10%.

Reporting Program	Var. \$	Var. %	Var. ▲▼	Significant Var. \$	Timing/ Permanent	Explanation of Variance
<b>Revenue from operating activities</b>	\$	%				
General Purpose Funding - Other	621,233	104%	▲	\$	Permanent	2019/20 FAG's of \$616,171 was received in advance.
Transport	19,327	15%	▲	\$	Permanent	Royalty income of \$19,171.25 has been received from Menzies Quarries for the period up to 31 May 2019
<b>Expenditure from operating activities</b>						
General Purpose Funding	(39,320)	(11%)	▼	\$	Permanent	Admin costs allocated running higher than budget.
Education and Welfare	40,712	36%	▲	\$	Permanent	The Community Development Officer position was vacant for a month or so. The Suicide Prevention Grant Funding expenditure will require re-budgetting.
Housing	(26,866)	(12%)	▼	\$	Permanent	Staff housing at 16 Yulgering Road required furnishing after being vacated by the previous HR manager. Admin costs allocated running higher than budget.
<b>Investing Activities</b>						
Land and Buildings	17,498	13%	▲	\$	Timing	Timing of recognition of expenditure on staff housing, depot and admin office capital expenditure. Some of this expenditure will require re-budgetting in 2019/20.
Furniture and Equipment	22,410	39%	▲	\$	Permanent	Some of the expenditure relating to computer equipment and software has been transferred to operating due to changes in the Local Government Financial Management Regulations.
<b>Reporting Nature or Type</b>	<b>Var. \$</b>	<b>Var. %</b>	<b>Var. ▲▼</b>	<b>Significant Var. \$</b>	<b>Timing/ Permanent</b>	<b>Explanation of Variance</b>
<b>Revenue from operating activities</b>	\$	%				
Operating Grants, Subsidies and Contributions	602,260	80%	▲	\$	Permanent	2019/20 FAG's of \$616,171 was received in advance.
Other Revenue	15,863	18%	▲	\$	Permanent	Income relating to the reimbursement of legal fees from ratepayers was reclassified from fees and charges to Other Revenue.
<b>Expenditure from operating activities</b>						
Materials and Contracts	(208,801)	(11%)	▼	\$	Permanent	Expenditure on consultants greater than budget. Expenditure on repairs/servicing of plant/motor vehicles greater than budget.
Utility Charges	(13,744)	(16%)	▼	\$	Permanent	Electricity charges for the Calingiri Football Club came in higher than budget. Water charges on staff housing came in higher than budget.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019OPERATING ACTIVITIES  
NOTE 3  
CASH AND INVESTMENTS

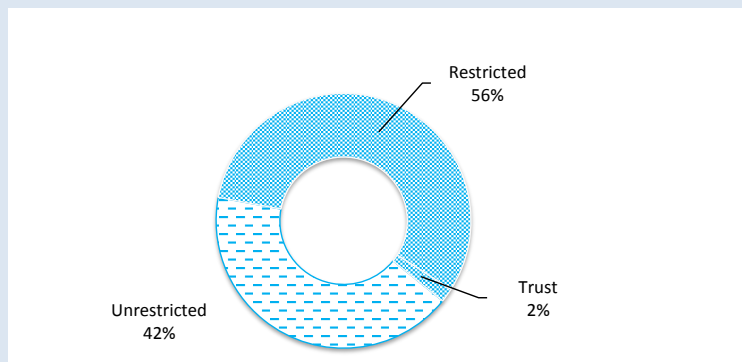
	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>Cash on Hand</b>							
Petty Cash Float	590			590	N/A	Nil	On Hand
<b>At Call Deposits</b>							
Municipal Funds Bank A/c	348,490			348,490	Bendigo	0.00%	At Call
Reserve Funds Bank Account		362,111		362,111	Bendigo	2.00%	19/06/2018
Trust Bank Account			14,853	14,853	Bendigo	0.00%	At Call
<b>Term Deposits</b>							
Municipal Savings Bank Account	3,588			3,588	Bendigo	1.25%	At Call
Reserves - Term Deposit		108,007		108,007	Bendigo	2.00%	5/09/2018
<b>Total</b>	<b>352,668</b>	<b>470,117</b>	<b>14,853</b>	<b>837,639</b>			

## SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

## KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



Total Cash	Unrestricted
<b>\$0.84 M</b>	<b>\$0.47 M</b>

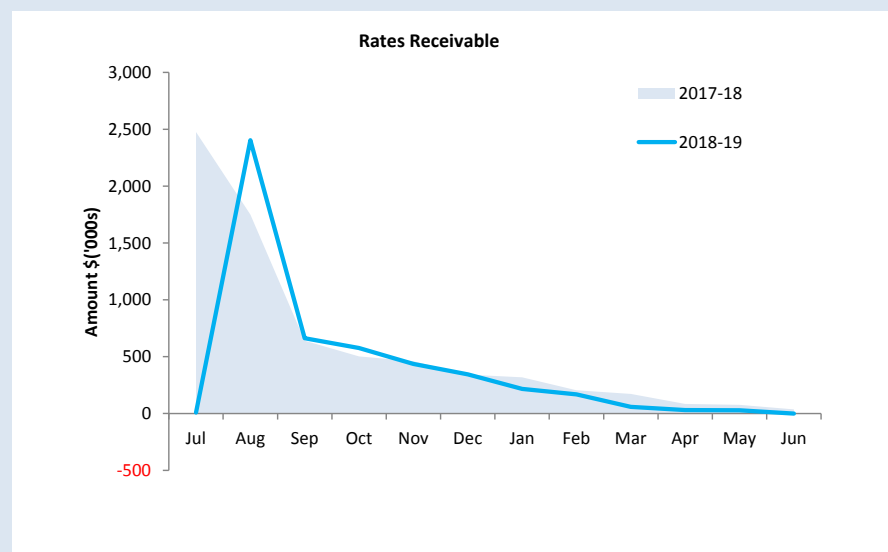
NB: Council's overdraft facility has not been utilised in this month.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019OPERATING ACTIVITIES  
NOTE 4  
RECEIVABLES

Receivables - Rates & Rubbish	30 June 2018	30 Jun 19
	\$	\$
Opening Arrears Previous Years	58,397	37,107
Levied this year	2,367,642	2,468,822
Less Collections to date	(2,388,933)	(2,506,319)
Equals Current Outstanding	<b>37,107</b>	<b>(391)</b>
<b>Net Rates Collectable</b>	<b>37,107</b>	<b>(391)</b>
% Collected	98.47%	100.02%

## KEY INFORMATION

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

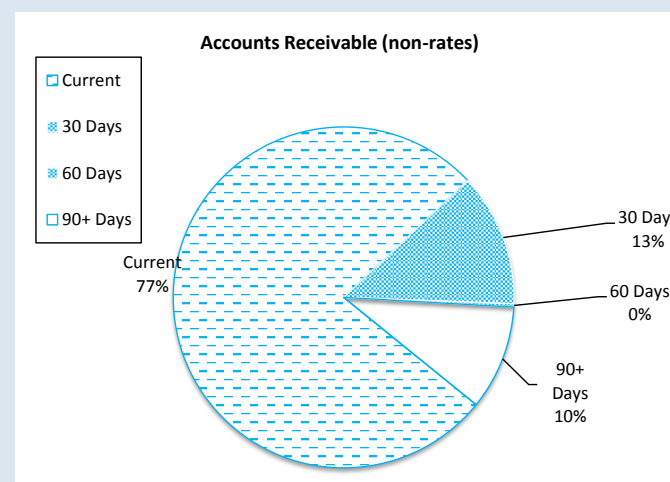


Collected	Rates Due
<b>100%</b>	<b>-\$391</b>

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	133,636	21,869	528	17,198	173,231
Percentage	77%	13%	0%	10%	
<b>Balance per Trial Balance</b>					
Sundry Debtors					170,887
Receivables - Other					289,216
<b>Total Receivables General Outstanding</b>					<b>460,104</b>
<b>Amounts shown above include GST (where applicable)</b>					

## SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



## Debtors Due

**\$460,104**

## Over 30 Days

**23%**

## Over 90 Days

**10%**

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019

## OPERATING ACTIVITIES

## NOTE 5

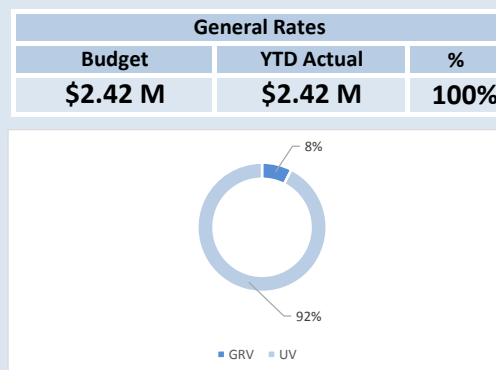
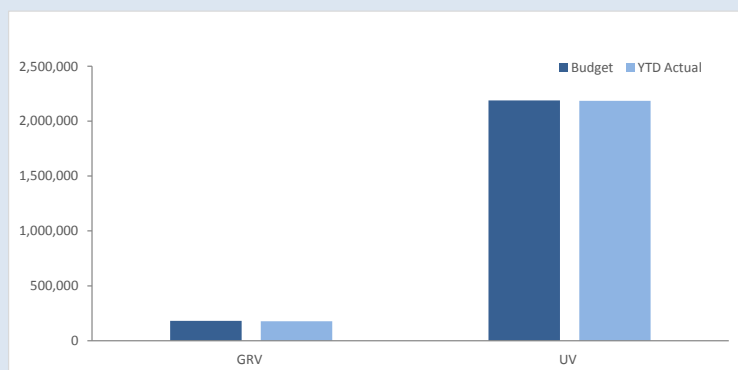
## RATE REVENUE

RATE TYPE	Amended Budget							YTD Actual			
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
	\$			\$	\$	\$	\$	\$	\$	\$	\$
<b>General Rate</b>											
GRV	10.1086	160	1,776,674	179,597	1,200	0	180,797	179,597	(1,766)	(420)	177,411
UV	0.6883	306	318,010,000	2,188,863	0	0	2,188,863	2,188,863	(2,963)	(51)	2,185,849
<b>Sub-Totals</b>		<b>466</b>	<b>319,786,674</b>	<b>2,368,460</b>	<b>1,200</b>	<b>0</b>	<b>2,369,660</b>	<b>2,368,460</b>	<b>(4,729)</b>	<b>(471)</b>	<b>2,363,259</b>
<b>Minimum Payment</b>	<b>Minimum \$</b>										
GRV	420.00	72	93,787	30,240	0	0	30,240	30,240	0	0	30,240
UV	550.00	42	1,299,241	23,100	0	0	23,100	23,100	0	0	23,100
<b>Sub-Totals</b>		<b>114</b>	<b>1,393,028</b>	<b>53,340</b>	<b>0</b>	<b>0</b>	<b>53,340</b>	<b>53,340</b>	<b>0</b>	<b>0</b>	<b>53,340</b>
		<b>580</b>	<b>321,179,702</b>	<b>2,421,800</b>	<b>1,200</b>	<b>0</b>	<b>2,423,000</b>	<b>2,421,800</b>	<b>(4,729)</b>	<b>(471)</b>	<b>2,416,599</b>
Discounts							0				0
Concession							0				0
<b>Amount from General Rates</b>							<b>2,423,000</b>				<b>2,416,599</b>
Ex-Gratia Rates							73,321				73,321
Movement in Excess Rates							0				0
Specified Area Rates							0				0
<b>Totals</b>							<b>2,496,321</b>				<b>2,489,921</b>

## SIGNIFICANT ACCOUNTING POLICIES

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

## KEY INFORMATION

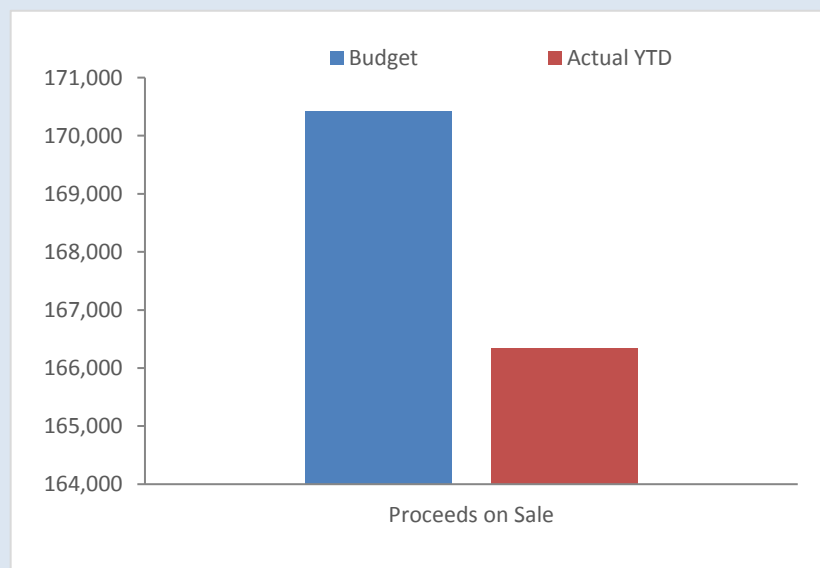


**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 30 JUNE 2019**

**OPERATING ACTIVITIES**  
**NOTE 6**  
**DISPOSAL OF ASSETS**

Asset Number	Asset Description	Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Plant and Equipment</b>								
PE097	Toro Z580D 25hp Ride On Mower	2,586	4,091	1,505					
PE080	PGR9 Cat Grader 120 M Series	161,837	107,225		(54,612)	161,837	107,225		(54,612)
PE113	Volvo BL71B Backhoe Loader	94,525	59,113		(35,413)	94,525	59,113		(35,413)
PE045	Rear mounted roller (behind grader)	0	0			9,096			(9,096)
		<b>258,948</b>	<b>170,429</b>	<b>1,505</b>	<b>(90,025)</b>	<b>265,458</b>	<b>166,338</b>	<b>0</b>	<b>(99,121)</b>

**KEY INFORMATION**



Proceeds on Sale		
Budget	YTD Actual	%
<b>\$170,429</b>	<b>\$166,338</b>	<b>98%</b>

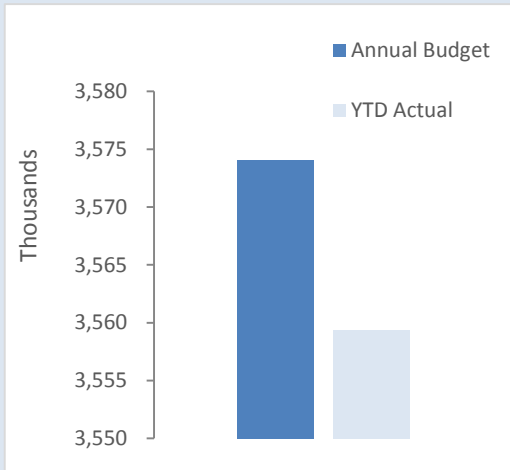
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 30 JUNE 2019**

**INVESTING ACTIVITIES**  
**NOTE 7**  
**CAPITAL ACQUISITIONS**

Capital Acquisitions	Adopted	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget	Annual Budget		
	\$	\$	\$	\$	\$
Land Held for Resale	0	0	0	0	0
Land and Buildings	100,795	133,813	133,813	116,315	(17,498)
Construction other than Buildings	0	0	0	0	0
Plant and Equipment	30,000	16,364	16,364	17,870	1,506
Motor Vehicles	0	0	0	0	0
Furniture and Equipment	57,220	58,019	58,019	35,609	(22,410)
Infrastructure Assets - Roads	3,318,075	3,365,863	3,365,863	3,389,580	23,717
Infrastructure Assets - Footpaths	0	0	0	0	0
Infrastructure Assets - Other	0	0	0	0	0
<b>Capital Expenditure Totals</b>	<b>3,506,090</b>	<b>3,574,059</b>	<b>3,574,059</b>	<b>3,559,373</b>	<b>(14,686)</b>
<b>Capital acquisitions funded by:</b>					
	\$	\$	\$	\$	\$
Capital Grants and Contributions	3,135,051	3,182,839	3,182,839	3,158,030	(24,810)
Borrowings	0	0	0	0	0
Other (Disposals & C/Fwd)	214,500	170,429	170,429	166,338	(4,091)
Council contribution - Cash Backed Reserves					
Various Reserves		164,533	164,533	154,730	(9,803)
Council contribution - operations		56,259	56,259	80,276	24,018
<b>Capital Funding Total</b>		<b>3,574,059</b>	<b>3,574,059</b>	<b>3,559,373</b>	<b>(14,686)</b>

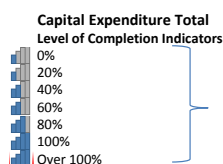
**SIGNIFICANT ACCOUNTING POLICIES**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**KEY INFORMATION**

Acquisitions	Annual Budget	YTD Actual	% Spent
	<b>\$3.57 M</b>	<b>\$3.56 M</b>	<b>100%</b>
Capital Grant	Annual Budget	YTD Actual	% Received
	<b>\$3.18 M</b>	<b>\$3.16 M</b>	<b>99%</b>





Percentage YTD Actual to Annual Budget  
Expenditure over budget highlighted in red.

% of

Completion Level of completion indicator, please see table at the top of this note for further detail.

Assets	Account Number	Balance Sheet Category	Job Number	Adopted	Amended		Total YTD	Variance (Under)/Over
				Annual Budget	Annual Budget	YTD Budget		
				\$	\$	\$	\$	\$
<b>Buildings</b>								
<b>Governance</b>								
0.76				(27,295)	(27,295)	(27,295)	(20,656)	6,639
	Admin Office Upgrade	40052	9231					
	<b>Total - Governance</b>			<b>(27,295)</b>	<b>(27,295)</b>	<b>(27,295)</b>	<b>(20,656)</b>	<b>6,639</b>
<b>Housing</b>								
1.11	12 Harrington St - Upgrade	40064	9231	(15,000)	(15,000)	(15,000)	(16,577)	(1,577)
0.00	44 Edmonds Street - Housing upgrade	40110	9231	(5,000)	(5,000)	(5,000)	0	5,000
	<b>Total - Housing</b>			<b>(20,000)</b>	<b>(20,000)</b>	<b>(20,000)</b>	<b>(16,577)</b>	<b>3,423</b>
<b>Recreation And Culture</b>								
1.16	Calingiri Recreation Centre Capital	40129	9231	(13,500)	(22,755)	(22,755)	(26,343)	(3,588)
	<b>Total - Recreation And Culture</b>			<b>(13,500)</b>	<b>(22,755)</b>	<b>(22,755)</b>	<b>(26,343)</b>	<b>(3,588)</b>
<b>Other Property &amp; Services</b>								
0.83	Depot Office Upgrade	40063	9231	(40,000)	(63,763)	(63,763)	(52,739)	11,024
0.83	<b>Total - Other Property &amp; Services</b>			<b>(40,000)</b>	<b>(63,763)</b>	<b>(63,763)</b>	<b>(52,739)</b>	<b>11,024</b>
0.87	<b>Total - Buildings</b>			<b>(100,795)</b>	<b>(133,813)</b>	<b>(133,813)</b>	<b>(116,315)</b>	<b>17,498</b>
<b>Plant &amp; Equipment</b>								
<b>Transport</b>								
1.09	Purchase Ride on Mower - 2018/19	40041	9235	(30,000)	(16,364)	(16,364)	(17,870)	(1,506)
	<b>Total - Transport</b>			<b>(30,000)</b>	<b>(16,364)</b>	<b>(16,364)</b>	<b>(17,870)</b>	<b>(1,506)</b>
1.09	<b>Total - Plant &amp; Equipment</b>			<b>(30,000)</b>	<b>(16,364)</b>	<b>(16,364)</b>	<b>(17,870)</b>	<b>(1,506)</b>
<b>Furniture &amp; Equipment</b>								
<b>Governance</b>								
1.00	Furn & Equip - Chambers	40031	9233	(7,220)	(8,019)	(8,019)	(8,019)	0
0.55	Computing Upgrade software & hardware	40069	9233	(50,000)	(50,000)	(50,000)	(27,590)	22,410
	<b>Total - Governance</b>			<b>(57,220)</b>	<b>(58,019)</b>	<b>(58,019)</b>	<b>(35,609)</b>	<b>22,410</b>
0.61	<b>Total - Furniture &amp; Equipment</b>			<b>(57,220)</b>	<b>(58,019)</b>	<b>(58,019)</b>	<b>(35,609)</b>	<b>22,410</b>
<b>Roads</b>								
<b>Transport</b>								
1.14	Toodyay-Bindi Bindi Road 2018-19	40022	9240	RR0035	(637,410)	(637,410)	(724,892)	(87,482)
0.75	Moore River Bridge Repairs (2017-18)	40024	9240	R2R024	(445,942)	(445,942)	(336,074)	109,868
0.98	Yerecoin SE Road (2018-19)	40024	9240	R2R025	(174,020)	(174,020)	(171,283)	2,737
1.30	AG Lime Roads Project Development & Management	40025	9240	AG0000	(85,703)	(133,491)	(174,148)	(40,657)
1.20	AG Lime - Calingiri / New Norcia Road	40025	9240	AG0008	(1,030,000)	(1,030,000)	(1,239,429)	(209,429)
0.79	AG Lime - Mogumber West Rd	40025	9240	AG0023	(525,000)	(525,000)	(415,957)	109,043
0.78	AG Lime - Calingiri / Goomalling Road	40025	9240	AG0123	(420,000)	(420,000)	(327,796)	92,204
	<b>Total - Transport</b>				<b>(3,318,075)</b>	<b>(3,365,863)</b>	<b>(3,389,580)</b>	<b>(23,717)</b>
1.01	<b>Total - Roads</b>				<b>(3,318,075)</b>	<b>(3,365,863)</b>	<b>(3,389,580)</b>	<b>(23,717)</b>
1.00	<b>Grand Total</b>				<b>(3,506,090)</b>	<b>(3,574,059)</b>	<b>(3,559,373)</b>	<b>14,686</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019FINANCING ACTIVITIES  
NOTE 8  
BORROWINGS

Information on Borrowings		New Loans			Principal Repayments			Principal Outstanding			Interest & Guarantee Fee Repayments		
Particulars/Purpose	01 Jul 2018	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Community Amenities</b>													
Loan 72 Drought Proofing Calingiri	10,291	0	0	0	10,291	10,291	10,291	0	0	0	427	589	589
<b>Recreation and Culture</b>													
Loan 82 Calingiri Sports Pavilion	77,136	0	0	0	18,022	18,022	18,022	59,114	59,114	59,114	3,080	3,826	3,826
<b>Economic Services</b>													
Loan 84 Piawaning Water Supply	151,429	0	0	0	16,207	16,207	16,207	135,222	135,222	135,222	2,911	4,720	4,720
	238,856	0	0	0	44,520	44,520	44,520	194,336	194,336	194,336	6,418	9,135	9,135
<b>Self supporting loans</b>													
<b>Recreation and Culture</b>													
Loan 83 Calingiri Football Club *	239,177	0	0	0	17,081	16,815	16,815	222,096	222,362	222,362	9,102	11,986	11,986
	239,177	0	0	0	17,081	16,815	16,815	222,096	222,362	222,362	9,102	11,986	11,986
	478,033	0	0	0	61,601	61,335	61,335	416,432	416,698	416,698	15,520	21,121	21,121

\* These loans are self supporting loans.

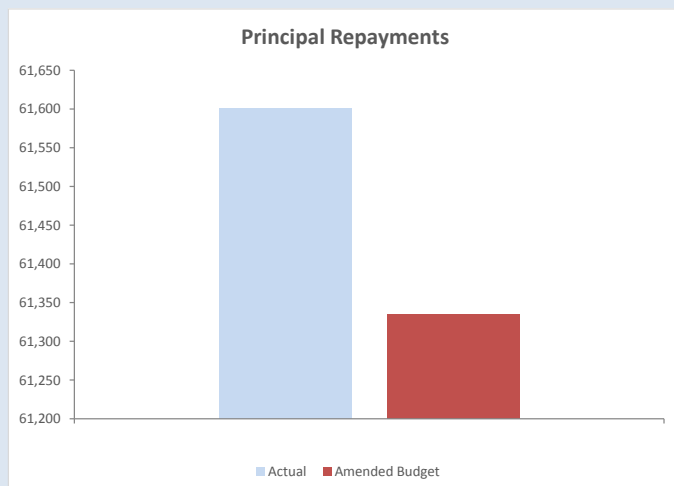
All other debenture repayments were financed by general purpose revenue.

## SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

## KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



## Principal Repayments

**\$61,601**

## Interest Earned

**\$43,748**

## Reserves Bal

**\$.47 M**

## Interest Expense

**\$15,520**

## Loans Due

**\$.42 M**

Shire of Victoria Plains  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019**

**OPERATING ACTIVITIES**  
**NOTE 9**  
**CASH BACKED RESEVES**

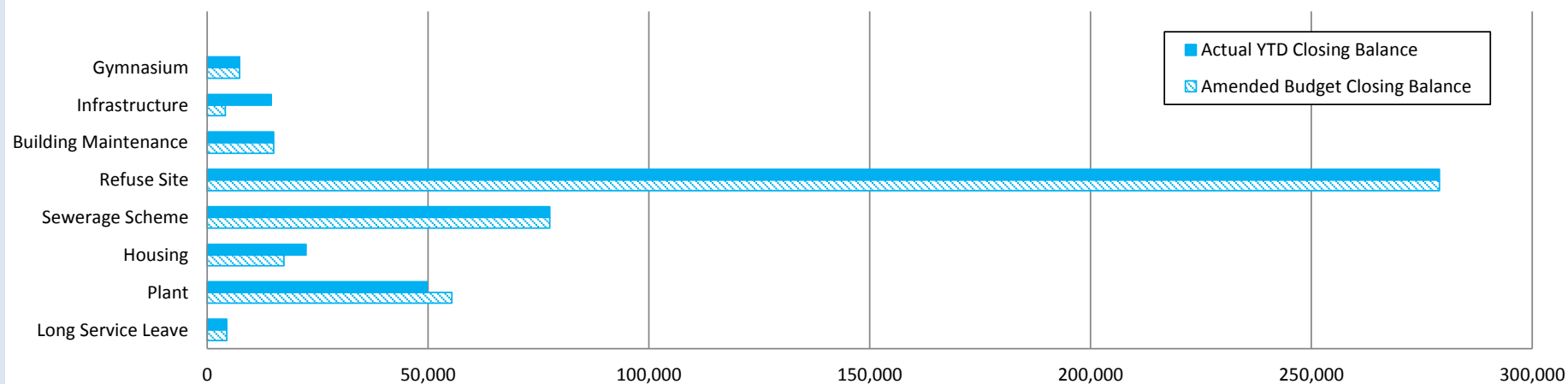
**Cash Backed Reserve**

Reserve Name	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers In (+)	Actual Transfers In (+)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave	4,437	0	0	0	0	0	0	4,437	4,437
Plant	67,678	0	0	0	0	(12,273)	(17,870)	55,405	49,808
Housing	37,400	0	0	0	0	(20,000)	(15,000)	17,400	22,400
Sewerage Scheme	77,578	0	0	0	0	0	0	77,578	77,578
Refuse Site	278,982	0	0	0	0	0	0	278,982	278,982
Building Maintenance	77,292	0	0	0	0	(62,260)	(62,260)	15,032	15,032
Infrastructure	74,135	0	0	0	0	(70,000)	(59,600)	4,135	14,535
Gymnasium	7,345	0	0	0	0	0	0	7,345	7,345
	<b>624,847</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(164,533)</b>	<b>(154,730)</b>	<b>460,314</b>	<b>470,117</b>

**KEY INFORMATION**

Reserve interest is being retained in Municipal Funds per the 18/19 adopted budget.

**Note 9 - Year To Date Reserve Balance to End of Year Estimate**



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 June 2019**

**NOTE 10**  
**GRANTS AND CONTRIBUTIONS**

Grants and Contributions	Grant Provider	Amended		Adopted		Variance (Under)/Over
		Annual Budget	YTD Budget	Annual Budget	YTD Actual	
Operating grants, subsidies and contributions						
General Purpose Funding						
Grants Commission - General	WALGGC	308,523	308,523	224,312	624,712	316,189
Grants Commission - Local Roads	WALGGC	248,624	248,624	234,536	548,606	299,982
Law, Order & Public Safety						
Grant - ESL BFB Operating Grant	Dept of Fire & Emergency Service	53,830	53,830	53,830	48,055	(5,775)
Contribution - DFES Commission on ESL Levy	Dept of Fire & Emergency Service	4,000	4,000	4,000	4,000	0
Education & Welfare						
Contributions to Community Development Programs	Community contributions	10,000	10,000	5,000	949	(9,051)
Transport						
Contribution - Street Lighting	Main Roads WA	0	0	1,000	915	915
Grant - Direct Road	Main Roads WA	123,211	123,211	75,809	123,211	0
Operating grants, subsidies and contributions Total		748,188	748,188	598,487	1,350,448	602,260
Non-operating grants, subsidies and contributions						
Transport						
Grant - Regional Road Group - Road Projects	Main Roads WA	424,936	424,936	424,936	339,948	(84,988)
Grant - Roads to Recovery	Dept of Infrastructure	649,412	649,412	649,412	649,412	0
Grant - Ag-Lime Project	Main Roads WA	2,108,491	2,108,491	2,060,703	2,168,670	60,179
Non-operating grants, subsidies and contributions Total		3,182,839	3,182,839	3,135,051	3,158,030	(24,810)
		3,931,027	3,931,027	3,733,538	4,508,478	577,451

**KEY INFORMATION**

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 30 JUNE 2019****NOTE 11  
TRUST FUND**

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 01 Jul 2018	Amount Received	Amount Paid	Closing Balance 30 Jun 2019
	\$	\$	\$	\$
BCITF	2,252.00	5,220.90	(7,472.90)	0.00
BSL	3,318.30	4,612.14	(5,883.79)	2,046.65
Community Bus	0.00	0.00	0.00	0.00
Central Midlands Vroc	0.00	0.00	0.00	0.00
Gillingara Sports & Recreation Association	0.00	5,000.00	0.00	5,000.00
Gym Key Bond	862.00	241.00	(20.00)	1,083.00
Housing Bonds	0.00	1,200.00	(1,200.00)	0.00
Hall & Hall Key Bond	740.00	1,249.00	(797.00)	1,192.00
Vehicle Licensing	2,097.70	250,524.95	(252,161.80)	460.85
Councillor Nomination Bonds	0.00	0.00	0.00	0.00
Other Trust Items	1,537.76	2,055.00	(100.00)	3,492.76
Tip Key Bond	1,538.00	40.00	0.00	1,578.00
	<b>12,345.76</b>	<b>270,142.99</b>	<b>(267,635.49)</b>	<b>14,853.26</b>

**KEY INFORMATION**

## NOTE 12

### BUDGET AMENDMENTS

[illegible]

## KEY INFORMATION

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
EFT7854	05/06/2019	Payroll deductions - Union fees		25.90
EFT7855	05/06/2019	Sweep streets in Calingiri, Bolgart and Yerecoin on 15 May 2019		1,331.00
EFT7856	05/06/2019	Collection fees and charges - May 2019		695.42
EFT7857	05/06/2019	Attendance at Ordinary council meeting, assistance with annual budget 19/20, teleconferencing with auditors		4,336.20
EFT7858	05/06/2019	Payroll deductions		154.93
EFT7859	05/06/2019	Reimbursement - accommodation and travel - Financial Reporting/Budget workshops		426.17
EFT7860	05/06/2019	Purchased depot toilet, kitchen, and cleaning items		408.27
EFT7861	05/06/2019	Executive assistant - meal and accommodation - January/February 2019		350.75
EFT7862	05/06/2019	Bolgart hall and toilets - cleaning services - 30/05/19		192.50
EFT7863	13/06/2019	Sweep streets in Calingiri, Bolgart and Yerecoin - April 2019		1,210.00
EFT7864	13/06/2019	Aglime route 2 project- Materials used - concrete, pipes/headwall		33,767.15
EFT7865	13/06/2019	Purchased Kubota mower - Depot		19,657.00
EFT7866	13/06/2019	Purchased heat temperature infrared bearing gun - Depot		224.80
EFT7867	13/06/2019	Gas cylinder service monthly charges - May 2019		44.15
EFT7868	13/06/2019	Keys cut for Mogumber hall's back door		29.60
EFT7869	13/06/2019	Assistance with:		6,831.00
		<i>Rates function, sewerage investigations/research, rates modelling and record keeping</i>	2,277.00	
		<i>19/20 annual budget, sewerage model, rates and interim audit</i>	4,554.00	
EFT7870	13/06/2019	Vehicle service and safety checks:		1,075.29

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
		<i>Works Manager vehicle - 110,000km service in March 2019</i>	391.71	
		<i>CEO's vehicle - 70,000km service: Work Manager's vehicle- 130,000km service in May 2019</i>	683.58	
EFT7871	13/06/2019	Monthly library services - June 2019		330.70
EFT7872	13/06/2019	Monthly purchases (May 2019) - postage, kitchen supplies, reticulation/maintenance items, battery		1,523.97
EFT7873	13/06/2019	Disconnected multi head C at Main Admin airconditioner unit		263.45
EFT7874	13/06/2019	Purchased lens cleaner towel - Depot		37.98
EFT7875	13/06/2019	Monthly purchases - Newspaper, milk, coffee, unleaded petrol, nibbles for council meeting, and kitchen supplies		354.19
EFT7876	13/06/2019	Catering services for Volunteering WA event		480.00
EFT7877	13/06/2019	Synthetic green grass for Cemetery		272.00
EFT7878	13/06/2019	Contracting services of Community Development Officer for week ending 25/05/2019 and 01/06/2019		2,124.32
EFT7879	13/06/2019	Rates comparison report 2018-19		275.00
EFT7880	13/06/2019	Amlib Annual maintenance (2 users) - renewal		1,457.30
EFT7881	13/06/2019	Purchased of cabinet, cartridge printer ink, and wipes for Admin office, and biscuits for Council meeting.		173.53
EFT7882	13/06/2019	Provision of services from 03/06/2019 to 16/06/2019:		4,408.47
		<i>Cleaning services at Bolgart Hall</i>	308.00	
		<i>Tips management at Bolgart and Calingiri</i>	2,868.47	
		<i>Cleaning services of various Shire's facilities</i>	1,232.00	
EFT7883	13/06/2019	Purchased Rest area signs at Mogumber hall		299.20
EFT7884	13/06/2019	Consulting work - provision of 2019/20 draft Road capital expenditure and Operating expenditure budget plus travel		1,872.33
EFT7885	13/06/2019	Kerbing on Smith Street, Bolgart - semi mountable		2,821.17



**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

<b>Chq/EFT</b>	<b>Date</b>	<b>Description</b>	<b>Invoice amount</b>	<b>Total Amount</b>
EFT7886	13/06/2019	Diesel for the Mogumber Gillingarra Fire Truck		345.14
EFT7887	13/06/2019	Cleaning services at Gillingarra hall (toilets) from 14/05/19 to 04/6/19		140.00
EFT7888	13/06/2019	Wheel rotation and alignment and replaced tyres - Ranger's vehicle; and battery for Drum Roller		1,523.00
EFT7889	13/06/2019	Purchased two Pro-C 3 station module (retic) for Bolgart Caravan Park		78.80
EFT7890	13/06/2019	Purchased engraved bulk locks for Mogumber tip		179.90
EFT7891	13/06/2019	Supplied and laid concrete for ATM new site - Admin Office		1,760.00
EFT7892	13/06/2019	Drum Roller service and changed battery; repairs and maintenance of Multi-roller		1,055.18
EFT7893	13/06/2019	NBN wireless service - May 2019; and Computing and IT support managed service for May 2019		973.75
EFT7894	13/06/2019	Installed solenoid bank and wiring at Admin ground		1,781.64
EFT7895	13/06/2019	Installed new tyres for Hino 700 truck and side tipper trailer		4,263.75
EFT7896	20/06/2019	Maintenance grading in April 2019, and labour to extend culverts in Yerecoin South East Rd		23,040.60
EFT7897	20/06/2019	Gravel from Mundagunda pit for Yerecoin works (Roads to Recovery project), and Aglime route project		2,832.61
EFT7898	20/06/2019	Payroll deductions - Union fees		25.90
EFT7899	20/06/2019	Payroll deductions		32,852.00
EFT7900	20/06/2019	Aglime Route project - Labour and machine hire		109,569.90
EFT7901	20/06/2019	Carried out 80000km service and safety checks on Rangers ute		889.89
EFT7902	20/06/2019	Refuse collection charges for April 2019		4,611.09

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
EFT7903	20/06/2019	Assistance with interim audit, review of asset register, briefing session, May monthly statements, integrated planning, 19/20 annual budget, year end audit preparation, and rates function		4,059.00
EFT7904	20/06/2019	Legal advice on:		5,614.40
		<i>Conduct complaint</i>	4,743.20	
		<i>Mogumber reserve</i>	871.20	
EFT7905	20/06/2019	Purchased steel pin plugs and rubber, and adjust head kit for trailers and rollers		58.48
EFT7906	20/06/2019	Payroll deductions		154.93
EFT7907	20/06/2019	Legal advice on:		7,854.00
		<i>Lease of Reserve 40297 to Gillingarra Sport and Recreation Club</i>	1,617.00	
		<i>Breaches of agreement for gravel extraction</i>	4,342.80	
		<i>Lease of Shire's building at 19 Cavell St</i>	1,894.20	
EFT7908	20/06/2019	Purchased chain, bars and poly cut for whipper snipper		522.00
EFT7909	20/06/2019	Town planning consultancy services provided in May 2019		9,945.48
EFT7910	20/06/2019	Reimbursed electricity charges of Gillingarra water supply from 12 Oct 2018 to 4 April 2019		284.96
EFT7911	20/06/2019	Purchased 12000ltrs diesel - Depot		16,790.40
EFT7912	20/06/2019	Contracting services - Community Development Officer for week ending 8 June 2019		1,194.93
EFT7913	20/06/2019	Repairs of Bridge no 4049 over Moore River (Gillingarra Bridge) - Roads to recovery project		369,681.70
EFT7914	20/06/2019	Contribution for upgrade of Mogumber hall - installation of aircon in the kitchen/meeting room, and lighting on the veranda		5,000.00

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
EFT7915	20/06/2019	Diesel fuel for New Norcia Fire Truck		166.12
EFT7916	20/06/2019	Purchased administration office supplies		84.63
EFT7917	20/06/2019	Upgrade of Shire housing - 12 Harrington St - bathroom and laundry (final payment)		6,930.00
EFT7918	20/06/2019	Health and Building Services for the month of June 2019		7,799.00
EFT7919	20/06/2019	Bridge 4047 on Glenotromie/Yerecoin Rd - emergency propping and stringers		9,703.42
EFT7920	20/06/2019	Provision of project management and engineering services from 19/04/2019 to 30/05/2019:		89,974.83
		<i>Aglime Route 2 project</i>	<i>76,160.48</i>	
		<i>Toodyay Bindi Bindi Road - Roads to Recovery project</i>	<i>13,814.35</i>	
EFT7921	20/06/2019	Freight charges - Bolgart library		115.10
EFT7922	20/06/2019	Roads works:		632,737.95
		<i>Carted gravel from Mundagunda pit to Yerecoin</i>	<i>15,147.52</i>	
		<i>Aglime route 2 project - materials, labor and plant hire</i>	<i>387,676.76</i>	
		<i>Regional road group project -Toodyay-Bindi Bindi Road - labour, plant hire, and materials</i>	<i>229,913.67</i>	
EFT7923	20/06/2019	Purchased washed stone for roads - Bitumen maintenance, and Calingiri/New Norcia Road, and road base for Yerecoin Road		29,946.35
EFT7924	20/06/2019	Switch safety outlet for Depot		128.25
EFT7925- EFT7953	27/06/2019	Cancelled - technical error		-
EFT7954	27/06/2019	Sweep streets in Calingiri, Bolgart and Yerecoin		1,270.50
EFT7955	27/06/2019	Member's sitting fees and telecommunication allowance 4th qtr 2018/2019		2,125.00

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
EFT7956	27/06/2019	Refuse collection charges - May 2019		6,387.26
EFT7957	27/06/2019	GPS monitoring services of fleet vehicles - June 2019		374.00
EFT7958	27/06/2019	Assistance with sewerage modelling, 19/20 annual budget, works resource budget, end of year audit, rates function and administration		5,973.00
EFT7959	27/06/2019	Approved funding for roof structure, wall and brick paving for the kitchen entrance - Bolgart hall		10,000.00
EFT7960	27/06/2019	Approved funding for Notice Board Renewal project		1,500.00
EFT7961	27/06/2019	Purchased lens cleaner towel and poly ear plug for depot		48.68
EFT7962	27/06/2019	Copier monthly meter reading - May 2019 - Administration		1,563.21
EFT7963	27/06/2019	Member's sitting fees, President's and telecommunication allowance 4th qtr 2018/2019		3,750.00
EFT7964	27/06/2019	Purchased swing seats - Calingiri Sports pavilion		198.00
EFT7965	27/06/2019	Member's sitting fees and telecommunication allowance 4th qtr 2018/2019		2,125.00
EFT7966	27/06/2019	Member's sitting fees and telecommunication allowance 4th qtr 2018/2019		2,125.00
EFT7967	27/06/2019	Purchased battery for Nissan Navarra VP40 - General Works vehicle		133.00
EFT7968	27/06/2019	Purchased gravel for maintenance grading - various roads		12,038.40
EFT7969	27/06/2019	Regional Risk Coordination Programme insurance premium 2nd instalment		3,788.40
EFT7970	27/06/2019	Contracting services - Community Development Officer for the week ending 15/06/19		1,274.59
EFT7971	27/06/2019	Repair of colourbond fence with new post at 13 Lambert St - staff housing		715.00
EFT7972	27/06/2019	Valuation fees - Mining tenement roll (Rates)		279.95

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
EFT7973	27/06/2019	Member's sitting fees and telecommunication allowance 4th qtr 2018/2019		2,125.00
EFT7974	27/06/2019	Purchased office supplies and biscuits for Council meeting		513.70
EFT7975	27/06/2019	Member's sitting fees, Deputy President and telecommunication allowance 4th qtr 2018/2019		2,531.25
EFT7976	27/06/2019	Provision of services from 17/06/2019 to 30/06/2019:		4,408.47
		<i>Cleaning services of various Shire's facilities</i>	1,232.00	
		<i>Tips management of Bolgart and Calingiri tips</i>	2,868.47	
		<i>Cleaning services of Bolgart hall and toilets</i>	308.00	
EFT7977	27/06/2019	Mileage claim - assisted in facilitating annual performance appraisal - Officer		292.35
EFT7978	27/06/2019	Member's sitting fees and telecommunication allowance 4th qtr 2018/2019		2,125.00
EFT7979	27/06/2019	Staff uniform - Depot		41.80
EFT7980	27/06/2019	Purchased dip stick engine oil for multi-tyred roller		173.90
EFT7981	27/06/2019	Various maintenance and repairs jobs:		5,341.79
		<i>Multi tyred roller - removed and replaced dip stick</i>	1,023.28	
		<i>Prime Mover - removed AmFM radio</i>	114.68	
		<i>Water tank - changed out water pump seal and changed out beacon</i>	3,222.71	
		<i>Mitsubishi Fuso 13 Tonne 6 Wheel Tip Truck - greased thrust bearing, changed power inverter</i>	174.08	
		<i>Bobcat T650 Track Loader - changed O rings</i>	66.83	
		<i>Hino 700 Series truck - changed beacon</i>	740.21	
EFT7982	27/06/2019	Key cutting - Staff housing		30.00
		<b>Total EFT payments</b>		<b>1,545,375.07</b>

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
12233	13/06/2019	Rates refund		1,950.00
12234	25/06/2019	Cancelled		-
12235	27/06/2019	Registration fees for new mower		95.65
12236	27/06/2019	Payroll deductions - Bond		100.00
		<b>Total Cheque payments</b>		<b>2,145.65</b>
Weekly rental - staff housing Mofflin St for week 10/06/19 and week				
11171	26/06/2019	17/06/19		460.00
DD11138.1	12/06/2019	Superannuation contributions		4,057.76
DD11138.2	12/06/2019	Superannuation contributions		586.95
DD11138.3	12/06/2019	Superannuation contributions		286.51
DD11138.4	12/06/2019	Superannuation contributions		842.99
DD11138.5	12/06/2019	Superannuation contributions		209.38
DD11138.6	12/06/2019	Superannuation contributions		190.65
DD11138.7	12/06/2019	Superannuation contributions		206.99
DD11138.8	12/06/2019	Superannuation contributions		223.22
DD11152.1	05/06/2019	Licensing payments for 6 June 2019		12,356.70
DD11152.2	07/06/2019	Licensing Payments 6/7 June 2019		299.30
DD11154.1	10/06/2019	Licensing payments		26.85
DD11154.2	11/06/2019	Licensing payments 12/6/2019		1,178.35
DD11157.1	10/06/2019	Licensing payments 12/6/2019		1,800.20
DD11159.1	18/06/2019	Licensing payments 18/6/2019		3,877.95
DD11161.1	20/06/2019	Licensing payments 20/6/2019		456.10
DD11161.2	21/06/2019	Licensing payments 21/6/2019		613.25
DD11163.1	24/06/2019	Licensing payments 24/6/2019		725.80
DD11171.1	10/06/2019	Mobile phone usage from 22 April 2019 to 21 May 2019 - Fire Prevention		12.20
DD11171.2	25/06/2019	Electricity charges from 25 April 2019 to 24 May 2019		1,326.40

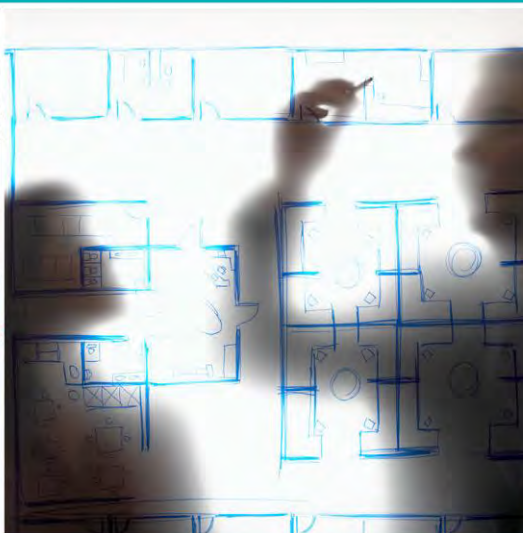
**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
DD11171.3	17/06/2019	Telephone charges from 22 April 2019 to 22 May 2019		1,125.09
DD11171.4	05/06/2019	Mobile phone charges from 17 April 2019 to 16 May 2019		285.16
DD11171.5	24/06/2019	Weekly staff housing rental - Mofflin st - week 24.06.19		230.00
DD11171.7	03/06/2019	Internet connection for Bolgart and Mogumber libraries - June 2019		79.98
DD11171.8	12/06/2019	Electricity charges from 21 March 2019 to 22 May 2019		218.05
DD11180.1	26/06/2019	Superannuation contributions		3,524.16
DD11180.2	26/06/2019	Superannuation contributions		586.95
DD11180.3	26/06/2019	Superannuation contributions		286.51
DD11180.4	26/06/2019	Superannuation contributions		842.99
DD11180.5	26/06/2019	Superannuation contributions		182.38
DD11180.6	26/06/2019	Superannuation contributions		193.06
DD11180.7	26/06/2019	Superannuation contributions		204.94
DD11180.8	26/06/2019	Superannuation contributions		226.05
DD11187.1	25/06/2019	Transport Transactions 21/06/19		245.90
DD11187.2	26/06/2019	Transport Transactions 24/06/19		337.95
DD11187.3	27/06/2019	Transport transactions 25/06/19		204.85
DD11189.1	28/06/2019	Transport Transactions 28/6/19		549.05
DD11197.1	12/06/2019	Electricity charges from 21/03/2019 to 01/05/2019 Bolgart Hall		156.70
DD11197.2	14/06/2019	Credit card charges for the month of May 2019		2,838.08
DD11197.3	14/06/2019	Fuel card charges for the month of May 2019		355.05
	30/06/2019	Bank fees and charges		454.16
		<b>Total Direct debits</b>		<b>42,864.61</b>
EFT	12/06/2019	Payroll Ending 10 June 2019		39,990.89
EFT	26/06/2019	Payroll Ending 24 June 2019		36,624.05
		<b>Total Payroll</b>		<b>76,614.94</b>

**Shire of Victoria Plains**  
**Creditor & Payroll Payments for the Month of June 2019**

Chq/EFT	Date	Description	Invoice amount	Total Amount
		<b>Total Municipal Account</b>		<u>1,667,000.27</u>
216	20/06/2019	Refund gym card bond		20.00
217	27/06/2019	BCITF Agency fee for July /August 2018		1,298.54
218	27/06/2019	Staff housing bond - 7 Harrington St Calingiri		<u>600.00</u>
		<b>Total Trust payments</b>		<u>1,918.54</u>
		<b>TOTAL ACCOUNTS PAID FOR THE MONTH OF JUNE 2019</b>		<u><b>1,668,918.81</b></u>





## Risk Management Procedures

June 2019  
Version: 2.0

# Shire of Victoria Plains

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# Risk Management Procedures

## Governance

Appropriate governance of risk management within the Shire of Victoria Plains (the “Shire”) provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of risk management functions.
- An effective Governance Structure to support the risk framework.

## Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness biennially.

## Operating Model

The Shire has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

### First Line of Defence

All **operational** areas of the Shire are considered ‘**1<sup>st</sup> Line**’. They are responsible for ensuring that risks within their scope of operations are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decision-making process of risk.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

### Second Line of Defence

The Shire’s Risk Framework Owner (as appointed by the CEO) acts as the primary ‘**2<sup>nd</sup> Line**’. This position owns and manages the framework for risk management, drafts and implements governance procedures and provides the necessary tools and training to support the 1st line process. The Senior Management Team supplements the second line of defence.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1<sup>st</sup> & 3<sup>rd</sup> lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1<sup>st</sup> Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Shire’s risk reporting for the CEO & Senior Management Team and the Audit Committee.

### Third Line of Defence

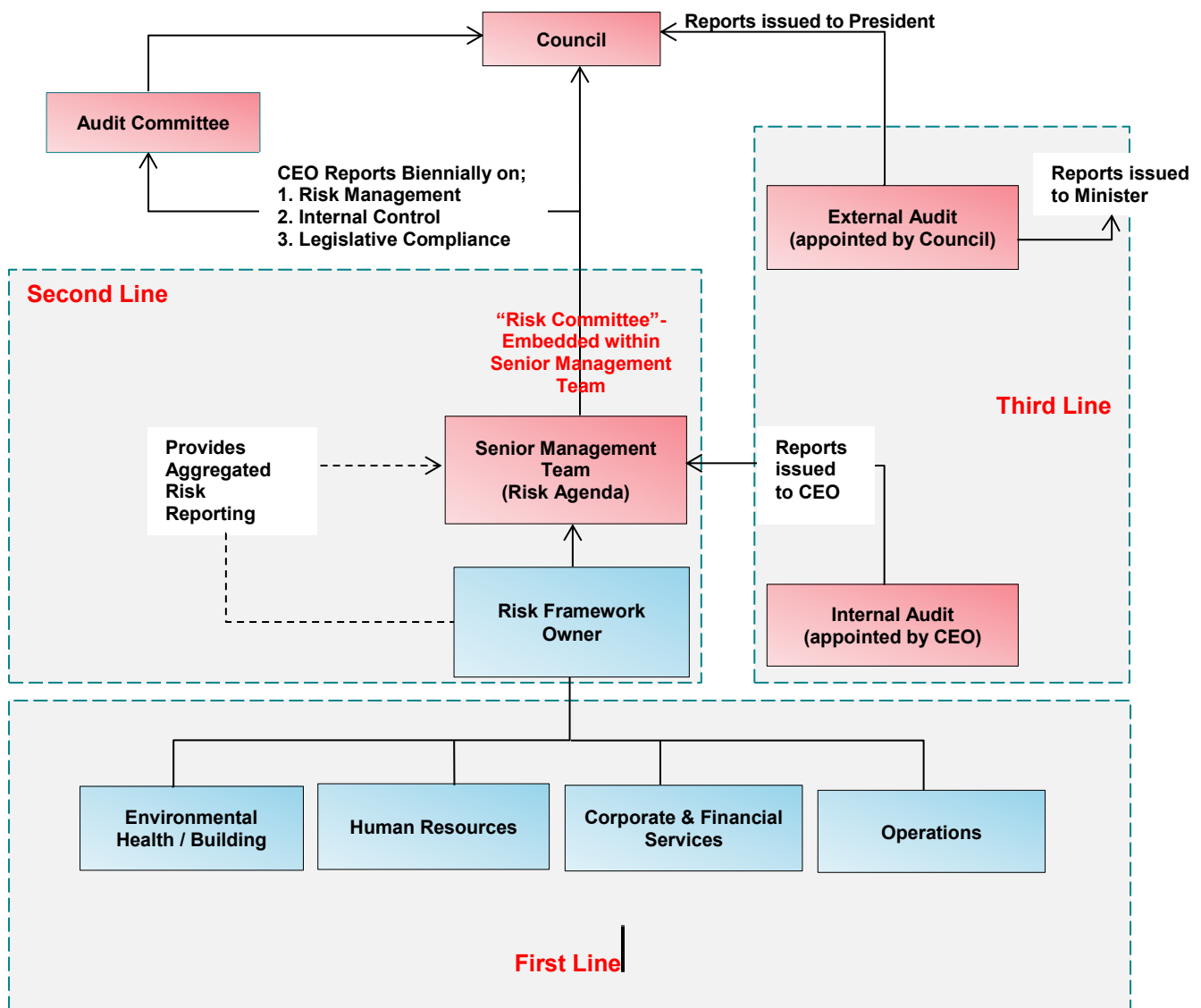
Internal self-audits & External Audits are the '3<sup>rd</sup> Line' of defence, providing assurance to the Council, Audit Committee and Shire Management on the effectiveness of business operations and oversight frameworks (1<sup>st</sup> & 2<sup>nd</sup> Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Audit Committee.

External Audit – Appointed by Council on the recommendation of the Audit Committee to report independently to the President and CEO on the annual financial statements only.

### Governance Structure

The following diagram depicts the current operating structure for risk management within the Shire.



## Roles & Responsibilities

### Council

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Appoint / Engage External Auditors to report on financial statements annually.
- Establish and maintain an Audit Committee in terms of the Local Government Act.

### Audit Committee

- Support Council in providing effective corporate governance.
- Oversight of all matters that relate to the conduct of External Audits.
- Independent, objective and autonomous in deliberations.
- Recommendations to Council on External Auditor appointments.

### CEO / Senior Management Team

- Undertake internal controls as required under Local Government (Audit) regulations.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from risk matters.
- Own and manage the Risk Profiles at Shire Level.

### Risk Framework Owner

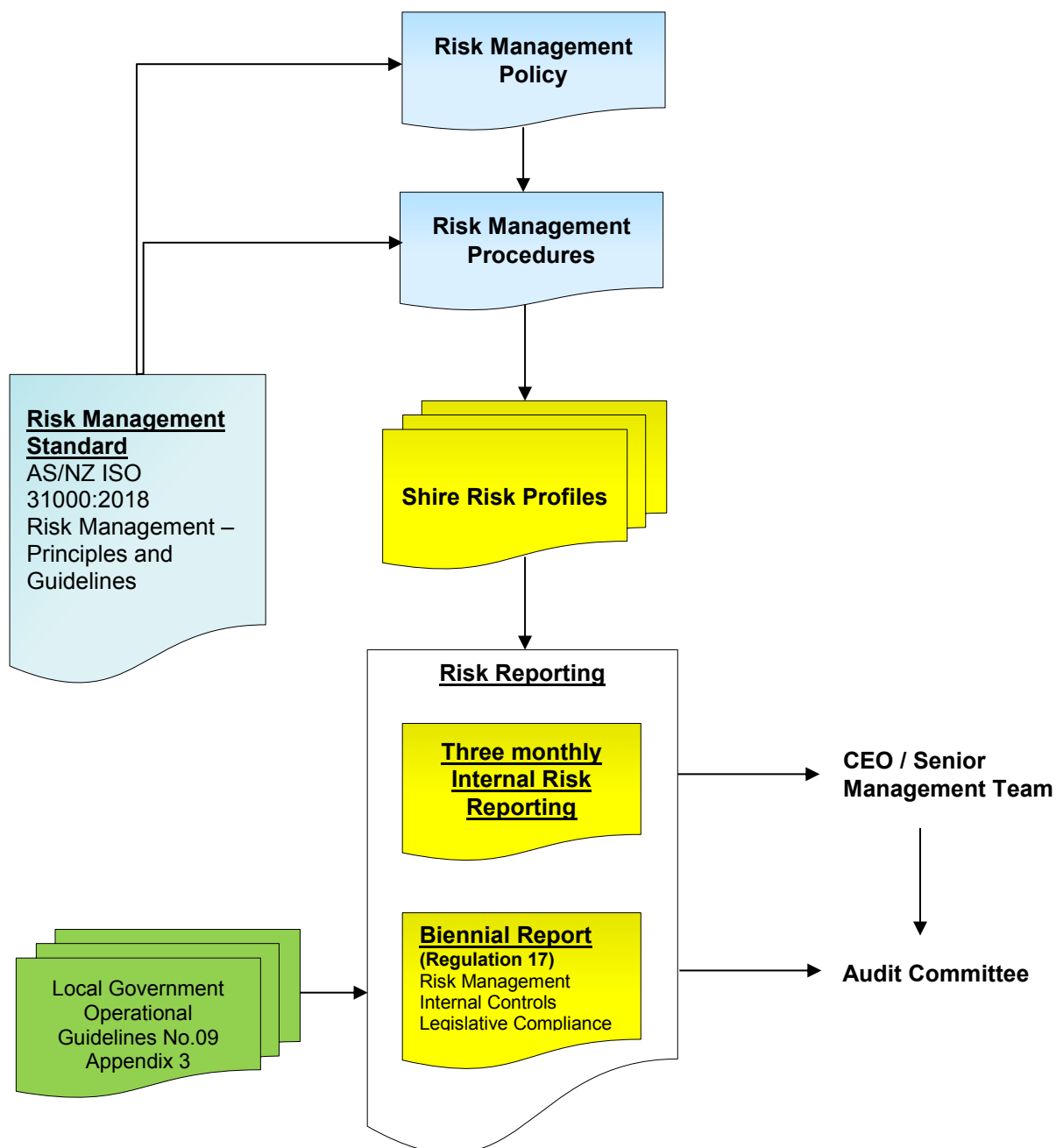
- Oversee and facilitate the Risk Management Framework.
- Champion risk management within operational areas.
- Support reporting requirements for Risk matters.
- Monitor KPI's for risk.

### Managers / Teams

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk & Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into Management Meetings, by incorporating the following agenda items;
  - New or emerging risks.
  - Review existing risks.
  - Control adequacy.
  - Outstanding issues and actions.

### Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.



## Risk & Control Management

All Work Areas of the Shire are required to assess and manage the Risk Profiles on an ongoing basis.

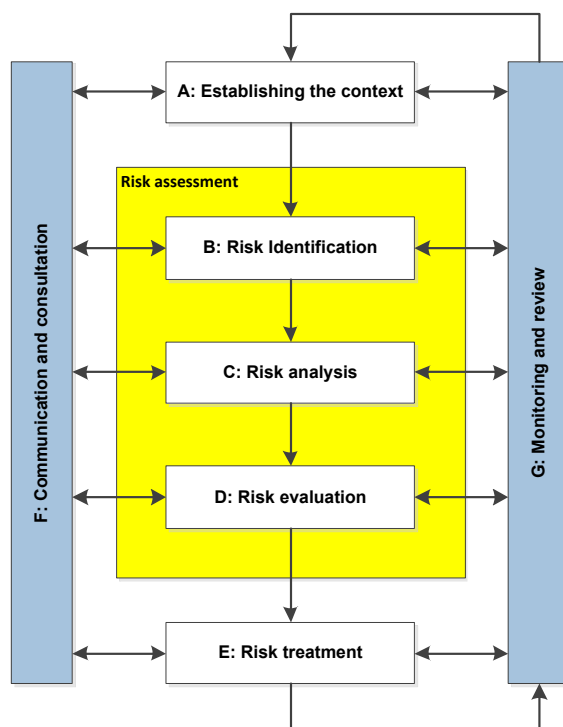
Each Manager, in conjunction with the Risk Framework Owner is accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Shire.
- Reviewed on at least a six monthly basis, or sooner if there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported by the use of data inputs, workshops and ongoing business engagement.

### Risk & Control Assessment

To ensure alignment with AS/NZ ISO 31000:2018 Risk Management, the following approach is to be adopted from a Risk & Control Assessment perspective:



#### A: Establishing the Context

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

#### Organisational Context

The Shire's Risk Management Procedures provide the basic information and guidance regarding the organisational context to conduct a risk assessment; this includes Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision making processes.

### Specific Risk Assessment Context

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process.

For risk assessment purposes the Shire has been divided into three levels of risk assessment context:

#### 1. Strategic Context

This constitutes the Shire's external environment and high-level direction. Inputs to establishing the strategic risk assessment environment may include;

- Organisation's Vision
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Existing Strategies / Objectives / Goals

#### 2. Operational Context

The Shire's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its Key Activities i.e. what is trying to be achieved. Note: these may already be documented in business plans, budgets etc.

For the purposes of recording risks, risk profiles are to be utilised. These risk profiles are based on themes or broad areas of risk and are expected to change over time. To ensure consistency, amendments must be endorsed and approved by the Senior Management Team.

#### 3. Project Context

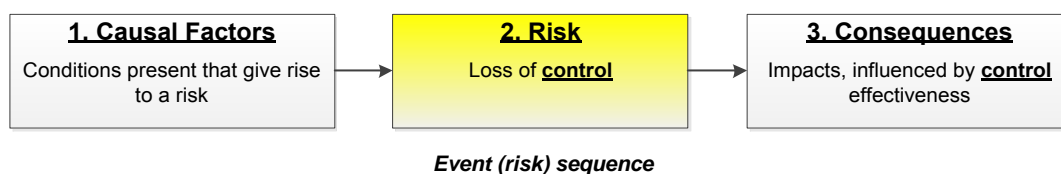
Project Risk has two main components:

- **Direct** refers to the risks that may arise as a result of project activity (i.e. impacting on current or future process, resources or IT systems) which may prevent the Shire from meeting its objectives
- **Indirect** refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

### B: Risk Identification

Once the context has been determined, the next step is the identification of risks. This is the process of finding, recognising and describing risks. Risks are described as the point along an event sequence where control has been lost. An event sequence is shown below:



Relevant stakeholders are considered to be the subject experts when considering potential risks to the objectives of the work environment and should be included in all risk assessments being undertaken. Key risks to the organisation/unit can then be captured within risk profiles, Service Plans and project toolkits.



Using the specific risk assessment context as the foundation, raise the below questions to identify potential risks that could prevent the Shire from achieving its goals:

- What can go wrong? / What are areas of uncertainty? (**Risk Description**)
- How may this risk eventuate? (**Potential Causes**)
- What are the current measurable activities that mitigate this risk from eventuating? (**Controls**)
- What are the potential consequential outcomes of the risk eventuating? (**Consequences**)

This step also is where opportunities for enhancement or gain across the organisation can be found. Unidentified risks can cause major losses through missed opportunities or adverse events occurring, therefore risks should also be identified through other business operations including policy and procedure development, internal and external audits, customer complaints, incidents and systems analysis.

**Risk Description** – describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event.

**Potential Causes** – are the conditions that may present or the failures that may lead to the event, or point in time when control is lost (risk).

**Controls** – are measures that modify risk. At this point in the process only existing controls should be considered. They must meet the following three tests to be considered:

1. Is it an object, technological system and / or human action?
2. Does it, by itself, arrest or mitigate an unwanted sequence?
3. Is the required performance specifiable, measureable and auditable?

**Consequences** – are impacts to the Shire. These can be safety of staff, visitors or contractors; financial loss; interruption to services; non-compliance or damage to reputation, assets or the environment. There is no need to determine the level of impact at this stage.

### C: Risk Analysis

To analyse the risks, the Shire's Risk Assessment and Acceptance Criteria (Appendix A) is applied:

**Step 1** – Based on the documented controls, **analyse the risk in terms of Existing Control Ratings**:

Controls need to be considered from three perspectives:

1. The **design effectiveness** of each individual key control.
2. The **operating effectiveness** of each individual key control.
3. The **overall or combined effectiveness** of all identified key controls.

### **Design Effectiveness**

This process reviews the 'design' of the controls to understand their **potential for mitigating the risk without any 'operating' influences**. Controls that have inadequate designs will never be effective, no matter if it is performed perfectly every time.

There are four components to be considered in reviewing existing controls or developing new ones:

1. **Completeness** – The ability to ensure the process is completed once. How will the control ensure that the process is not lost or forgotten, or potentially completed multiple times?
2. **Accuracy** – The ability to ensure the process is completed accurately, that no errors are made or components of the process missed.
3. **Timeliness** – The ability to ensure that the process is completed within statutory timeframes or internal service level requirements.
4. **Theft / Fraud** – The ability to protect against internal misconduct or external theft / fraud based activities.

It is very difficult to have a single control that meets all the above requirements when viewed against a Risk Profile. It is imperative that all controls are considered so that the above components can be met across a number of controls.

### **Operating Effectiveness**

This process reviews **how well the control design is being applied**. Similar to above, the best designed control will have no impact if it is not applied correctly.

As this generally relates to the human element of control application there are four main approaches that can be employed by management or the risk function to assist in determining the operating effectiveness and / or performance management.

1. **Re-perform** – this is only applicable for those short timeframe processes where they can be re-performed. The objective is to re-perform the same task, following the design to ensure that the same outcome is achieved.
2. **Inspect** – review the outcome of the task / process to provide assurance that the desired outcome was achieved.
3. **Observe** – physically watch the task / process being performed.
4. **Enquire** – through discussions with individuals / groups determine the relevant understanding of the process and how all components are required to mitigate any associated risk.

### **Overall Effectiveness**

This is the value of the combined controls in mitigating the risk. All factors as detailed above are to be taken into account so that a considered qualitative value can be applied to the 'control' component of risk analysis.

The criterion for applying a value to the overall control is the same as for individual controls and can be found in Appendix A under 'Existing Control Ratings'.

### **Step 2 – Determine the controls (or Shire's) ability to influence the outcome of a risk materialising (Strategic Risks only)**

Many strategic risks have external influences or sources that are difficult (and sometimes impossible) to manage or influence. It is critical to consider this aspect so that monitoring or 'lobbying' activities can be considered from a treatment perspective.

### Step 3 – Determine the Residual Risk rating

There are three components to this step:

1. Determine relevant consequence categories and rate the 'probable worst consequence' if the risk eventuated with existing controls in place. This is not the worst case scenario but rather a qualitative judgement of the worst scenario that is probable or foreseeable. (Consequence)
2. Determine how likely it is that the 'probable worst consequence' will eventuate with existing controls in place. (Likelihood)
3. Using the Shire's Risk Matrix, combine the measures of consequence and likelihood to determine the risk rating. (Level of Risk)

### D: Risk Evaluation

The Shire is to verify the risk analysis and make a risk acceptance decision based on:

- Controls Assurance (i.e. are the existing controls in use, effective, documented, up to date and relevant)
- Level of Risk
- Risk Acceptance Criteria (Appendix A)
- Risk versus Reward / Opportunity

The risk acceptance decision needs to be documented and acceptable risks are then subject to the monitor and review process. Note: Individual Risks or Issues may need to be escalated due to urgency, level of risk or systemic nature.

### E: Risk Treatment

There are generally two requirements following the evaluation of risks.

1. In all cases, regardless of the residual risk rating; controls rated 'Inadequate' must have a treatment plan (action) to improve the control effectiveness to at least 'Adequate'.
2. If the residual risk rating is high or extreme, treatment plans must be implemented to either:
  - a. Reduce the consequence of the risk materialising.
  - b. Reduce the likelihood of occurrence.

*(Note: these should have the desired effect of reducing the risk rating to at least moderate)*

  - c. Improve the effectiveness of the overall controls to 'Effective' and obtain delegated approval to accept the risk as per the Risk Acceptance Criteria.

### F: Monitoring & Review

The Shire is to review all Risk Profiles regularly or if triggered by one of the following;

- Changes to context,
- A treatment is implemented,
- An incident occurs or due to audit/regulator findings.

The Risk Framework Owner (RFO) is to monitor the status of risk treatment implementation and report on, if required.

The CEO & Senior Management Team will monitor significant risks and treatment implementation as part of their normal agenda item on a quarterly basis with specific attention given to risks that meet any of the following criteria:

- Risks with a Level of Risk of High or Extreme
- Risks with Inadequate Existing Control Rating
- Risks with Consequence Rating of Extreme
- Risks with Likelihood Rating of Almost Certain

The design and focus of the Risk Summary report will be determined from time to time on the direction of the CEO & Senior Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

### G: Communication & Consultation

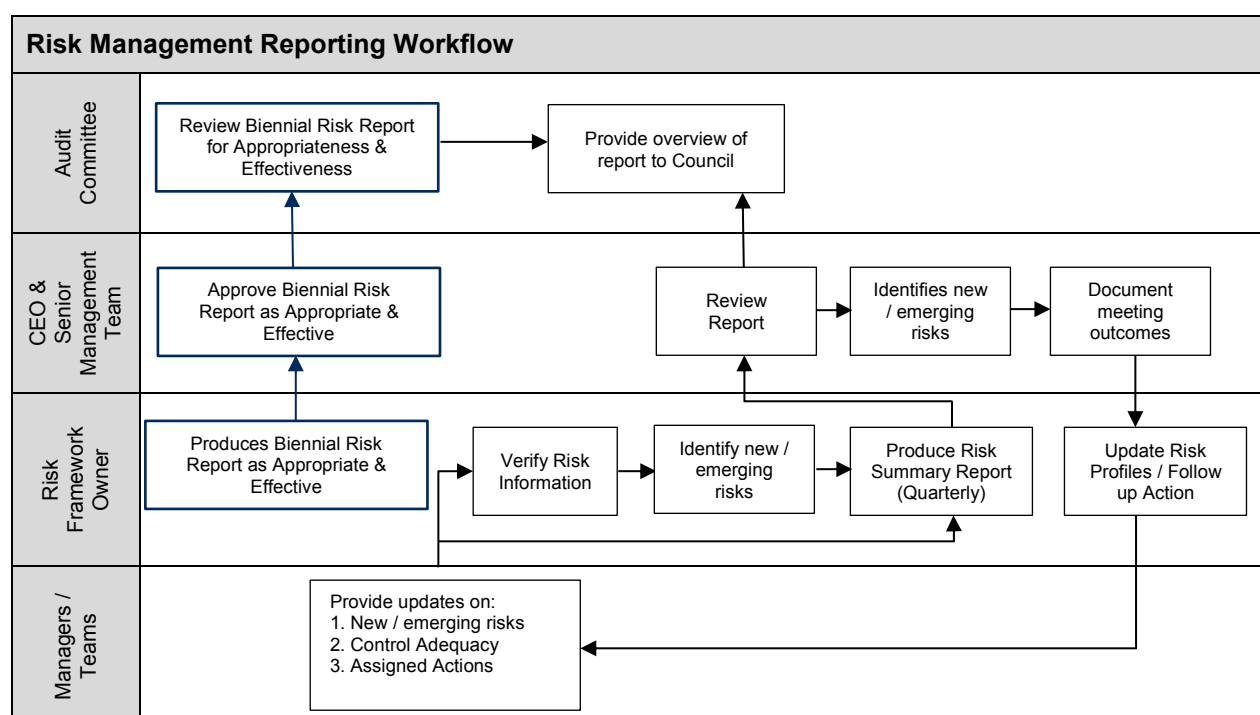
Throughout the risk management process, stakeholders will be identified, and where relevant, be involved in or informed of outputs from the risk management process. Council, through the Audit Committee will be provided with quarterly update reports.

Risk management will be included within the employee induction process to ensure new employees are introduced to the Shire's risk management culture.

## Reporting Requirements

### Coverage & Frequency

The following diagram provides a high level view of the ongoing reporting process for Risk Management.



Each Work Area is responsible for ensuring:

- They continually provide updates in relation to new and emerging risks, control effectiveness and indicator performance to the Risk Framework Owner.
- Work through assigned actions and provide relevant updates to the Risk Framework Owner.
- Risks / Issues reported to the CEO & Senior Management Team are reflective of the current risk and control environment.

The Risk Framework Owner is responsible for:

- Ensuring Shire Risk Profiles are formally reviewed and updated, at least an 18 month cycle. This allows for the formal review of an individual risk profile each month. In addition, risk profiles (in their entirety) are to be reviewed when there has been a material restructure, change in risk ownership or change in the external environment.
- Producing a quarterly Risk Report for the CEO & Senior Management Team which contains an overview Risk Summary for the Shire.
- Annual Compliance Audit Return completion and lodgement.

## Indicators

Indicators are required to be used for monitoring and validating risks and controls. The following describes the process for the creation and reporting of Indicators:

### Identification

The following represent the minimum standards when identifying appropriate Indicator risks and controls:

- The risk description and casual factors are fully understood
- The Indicator is fully relevant to the risk or control
- Predictive Indicators are adopted wherever possible
- Indicators provide adequate coverage over monitoring risks and controls

### Data Quality and Integrity

In all cases an assessment of the data quality and integrity must be completed to ensure that the Indicator data is relevant to the risk or Control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping Indicators can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the Indicator, the data is required to be revalidated to ensure reporting of the Indicator against a consistent baseline.

### Tolerances

Tolerances are set based on the Shire's Risk Appetite. They may be set and agreed over three levels:

- Green – within appetite; no action required.
- Amber – the Indicator must be closely monitored and relevant actions set and implemented to bring the measure back within the green tolerance.
- Red – outside risk appetite; the Indicator must be escalated to the CEO & Senior Management Team where appropriate management actions are to be set and implemented to bring the measure back within appetite.

## Monitor & Review

All active Indicators are updated as per their stated frequency of the data source.

When monitoring and reviewing Indicators, the overall trend should be considered over a longer timeframe than individual data movements. The trend of the Indicators is specifically used as an input to the risk and control assessment.

## Risk Acceptance

Day-to-day operational management decisions are generally managed under the delegated authority framework of the Shire.

Risk Acceptance *outside* of the appetite framework is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment & Acceptance Criteria) for an extended period of time (generally 3 months or longer).

The following process is designed to provide a framework for those *outside* appetite framework identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager and cover:

- A description of the risk.
- An assessment of the risk (e.g. Impact consequence, materiality, likelihood, working assumptions etc)
- Details of any mitigating action plans or treatment options in place
- An estimate of the expected remediation date.

Reasonable action should be taken to mitigate the risk. A lack of budget to remediate a material risk outside of appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (i.e. Senior Management Team)

# Appendix A – Risk Assessment and Acceptance Criteria

## MEASURES OF CONSEQUENCE

RATING	PEOPLE	INTERRUPTION TO SERVICE	REPUTATION (Social / Community)	COMPLIANCE	PROPERTY (Plant, Equipment, Buildings)	NATURAL ENVIRONMENT	FINANCIAL IMPACT
<b>Insignificant (1)</b>	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community trust, low profile or no media item.	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact managed by on site response	Less than \$10,000
<b>Minor (2)</b>	First Aid Treatment	Short term temporary interruption – backlog cleared < 1 day	Substantiated, localised impact on community trust or low media item	Some temporary non compliances	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response	\$10,000 - \$25,000
<b>Moderate (3)</b>	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Short term non-compliance but with significant regulatory requirements imposed	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies	\$25,001 to \$100,000
<b>Major (4)</b>	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional resources; performance affected < 1 month	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Non-compliance results in termination of services or imposed penalties to Shire/Officers	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies	\$100 000 to \$500,000
<b>Extreme (5)</b>	Fatality, permanent disability	Indeterminate prolonged interruption of services non- performance > 1 month	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire/Officers	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact	>\$500,000

**MEASURES OF LIKELIHOOD**

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

**RISK MATRIX**

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



**RISK ACCEPTANCE**

Risk Rank	Description	Criteria	Responsibility
<b>LOW (1-4)</b>	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
<b>MEDIUM (5-9)</b>	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
<b>HIGH (10-16)</b>	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Senior Management Team / CEO
<b>EXTREME (17-25)</b>	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO & Council

**EXISTING CONTROLS RATINGS**

Rating	Foreseeable	Description
<b>Effective</b>	There is little scope for improvement.	Processes (Controls) operating as intended and / or aligned to Policies & Procedures; are subject to ongoing maintenance and monitoring and are being continuously reviewed and tested.
<b>Adequate</b>	There is some scope for improvement.	Whilst some inadequacies have been identified; Processes (Controls) are in place, are being addressed / complied with and are subject to periodic review and testing.
<b>Inadequate</b>	A need for corrective and / or improvement actions exist.	Processes (Controls) not operating as intended, do not exist, or are not being addressed / complied with, or have not been reviewed or tested for some time.



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## LGIS

ABN 96 085 720 056

Level 3

170 Railway Parade

WEST LEEDERVILLE WA 6007

Tel 08 9483 8888

Fax 08 9483 8898

## CONTACT

### Mark Harris

Senior Risk Consultant

Tel 08 9483 8876

Mob 0439 551 314

[mark.harris@lgiswa.com.au](mailto:mark.harris@lgiswa.com.au)

## Measures of Consequence

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Insignificant (1)	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community trust, low profile or no media item.	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact managed by on site response	Less than \$10,000
Minor (2)	First Aid Treatment	Short term temporary interruption – backlog cleared < 1 day	Substantiated, localised impact on community trust or low media item	Some temporary non-compliances	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response	\$10,000 - \$25,000
Moderate (3)	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption – backlog cleared by additional resources < 1 Week	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Short term non-compliance but with significant regulatory requirements imposed	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies	\$25,001 to \$100,000
Major (4)	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional resources; performance affected < 1 Month	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Non-compliance results in termination of services or imposed penalties to Shire / Officers	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies	\$100,001 to \$500,000
Extreme (5)	Fatality, permanent disability	Indeterminate prolonged interruption of services non-performance > 1 month	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire / Officers	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact	>\$500,000

## Measures of Likelihood

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

## Risk Matrix

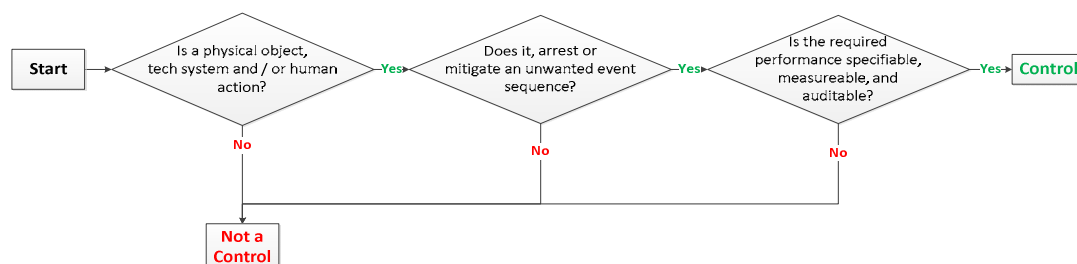
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low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

## Risk Acceptance Criteria

Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	CEO
EXTREME	Unacceptable	Risk only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

## Existing Controls Ratings

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



## Shire of Victoria Plains

## Risk Dashboard Report

17-June-2019

Asset Sustainability practices		Risk	Control
		Moderate	Adequate
Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal.			
Actions	Due Date	Responsibility	
Review inspection and maintenance scheduling and reporting process	Dec-19	CEO / WSM / EHO	
Develop asset management plan for this cycle	Jun-19	CEO / WSM / EHO	

Failure to fulfil Compliance requirements (statutory, regulatory)		Risk	Control
		Moderate	Inadequate
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	
Complete and review CAR outcomes	Mar-19	CEO / GO	
Confirm completion of Councillor refresher training - soon to be mandatory	Dec-19	CEO	

Employment practices		Risk	Control
		Moderate	Adequate
Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).			
Actions	Due Date	Responsibility	
Complete roll out of refreshed PD's for all staff	Dec-19	CEO / WSM / FAM	
Review existing Performance Management	Dec-19	CEO / WSM / FAM	
Review process and implement changes	Dec-19	CEO / WSM / FAM	
Review and finalise the staff exit process	Dec-19	CEO / WSM / FAM	
Review Workforce Plan	Dec-19	CEO / GO	

Environment management		Risk	Control
		High	Inadequate
Inadequate prevention, identification, enforcement and management of environmental issues.			
Actions	Due Date	Responsibility	
Mogumber - transfer station or on-going alternative to be determined	n/s	WSM	
Improve waste facility monitoring	n/s	WSM	
Sewrage Scheme - Reserves for future works/maintenance	Aug-19	EHO	
Sewrage Scheme Asset Management plans and maintenance	Aug-19	EHO	

External theft & fraud (Including Cyber)		Risk	Control
		Moderate	Adequate
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic).			
Actions	Due Date	Responsibility	
Follow up on procedures against identity theft	on-going	CEO / FAM	
Access to bulk tanks by security card/tag, cages, locked		WSM	

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 an IT Disaster Recovery Plan	Dec-19	FAM	

Projects / Change management		Risk	Control
		Moderate	Adequate
Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.			
Actions	Due Date	Responsibility	
Review procurement processes and policies	Aug-19	CEO / WSM / FAM / GO	

Supplier / Contract management		Risk	Control
		Moderate	Inadequate
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	
Implement a centralised register of all contracts and allocate responsibility to monitor (check Synergy?)	Aug-19	CEO / WSM / FAM	
Consider use of WALGA Contract Templates & LGIS Training on Contract Management	on-going	CEO / WSM / FAM	

Business & Community disruption		Risk	Control
		Moderate	Adequate
Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism).			
Actions	Due Date	Responsibility	
Consolidate VBFB Structure	Jun-18	CEO / CESM	
Develop a BCP	Aug-19	CEO / GO	
Review Internal Emergency Management Arrangements	Aug-19	CEO / WSM / CESM	

Document Management processes		Risk	Control
		High	Inadequate
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.			
Actions	Due Date	Responsibility	
Archiving of historical records as per State Records Act	Dec-19	EA	
Roll out training on records management through Shire	Dec-19	EA	
Complete Policy Manual transfer/review, detailed review of Delegations Register	Aug-19	CEO / EA / GO	
Continuing review of statutory registers etc	on-going	CEO / GO	

Engagement practices		Risk	Control
		Moderate	Adequate
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.			
Actions	Due Date	Responsibility	
No actions required at this stage			

Errors, omissions & delays		Risk	Control
		High	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	
Maintain monitoring program and staff training on job functions (Works) - Check Point	Sep-19	WSM	
Develop SOP's aligned with PD's	Dec-19	CEO / FAM	
Review identified issue (aged care facilities), ensure appropriate processes	Sep-19	CEO	

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	

Misconduct		Risk	Control
		Moderate	Adequate
Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.			
Actions	Due Date	Responsibility	
Review process for checking credit card transactions	On-going	CEO / FAM / GO	
Complete Audit (Management Actions) from previous audits	On-going	CEO / FAM / GO	
Investigate potential for autolock on systems after period of non-use	On-going	CEO / FAM / GO	
Review Cash Security Practices (Access to cash)	On-going	CEO / FAM / GO	

Safety and Security practices		Risk	Control
		Moderate	Inadequate
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 and complete actions from the "OSH Action Plan"	Aug-19	CEO / WSM / FAM	

**Asset Sustainability practices****17-Jun-19****Risk Description**

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	Date	Rating
Roads Routine Maintenance Program	Preventative	May-19	<b>Adequate</b>
Plant Routine Maintenance Program	Preventative	May-19	<b>Adequate</b>
Buildings Routine Maintenance Program	Preventative	May-19	<b>Inadequate</b>
Procurement & Disposal Process	Preventative	May-19	<b>Adequate</b>
Asset Management Data Entry (Multiple) & Monitoring	Preventative	May-19	<b>Adequate</b>

**Overall Control Ratings:****Adequate**

Actions	Due Date	Responsibility
Review inspection and maintenance scheduling and reporting process	Dec-19	CEO / WSM / EHO
Develop asset management plan for this cycle	Jun-19	CEO / WSM / EHO

Consequence Category	Risk Ratings	Rating
Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

**Business & Community disruption****17-Jun-19****Risk Description**

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

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	Date	Rating
Business Continuity Framework	Recovery	May-19	<b>Adequate</b>
LEMA	Recovery	May-19	<b>Adequate</b>
Bushfire Risk Management Arrangements	Preventative	May-19	<b>Effective</b>
Volunteer Mgt & Training	Recovery	May-19	<b>Adequate</b>
Internal Emergency Management Plan	Recovery	May-19	<b>Inadequate</b>

**Overall Control Ratings:** **Adequate**

Actions	Due Date	Responsibility
Consolidate VBFB Structure	Jun-18	CEO / CESM
Develop a BCP	Aug-19	CEO / GO
Review Internal Emergency Management Arrangements	Aug-19	CEO / WSM / CESM

Consequence Category	Risk Ratings	Rating
Service Interruption / Reputation	<b>Consequence:</b>	<i>Moderate (3)</i>
	<b>Likelihood:</b>	<i>Possible (3)</i>
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

**Failure to fulfil Compliance requirements (statutory, regulatory)****17-Jun-19****Risk Description**

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation.

It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.

*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	Date	Rating
Compliance framework / calendar	Preventative	May-19	Inadequate
'Advice' monitoring (subscriptions)	Preventative	May-19	Adequate
Annual Compliance Return (CAR)	Detective	May-19	Effective
General Compliance Procedures (Governance)	Preventative	May-19	Inadequate
Integrated Planning Program	Preventative	May-19	Inadequate
Financial compliance - Statutory reporting etc	Preventative	May-19	Effective

**Overall Control Ratings:** **Inadequate**

Actions	Due Date	Responsibility
Complete and review CAR outcomes	Mar-19	CEO / GO
Confirm completion of Councillor refresher training - soon to be mandatory	Dec-19	CEO

Consequence Category	Risk Ratings	Rating
Reputation, Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

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**Document Management processes****17-Jun-19****Risk Description**

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	Date	Rating
Records Management Process	Preventative	May-19	Inadequate
Document/Correspondence receipt & action process	Preventative	May-19	Adequate
Policy & Procedural Review Process	Preventative	May-19	Inadequate

**Overall Control Ratings:** **Inadequate**

Actions	Due Date	Responsibility
Archiving of historical records as per State Records Act	Dec-19	EA
Roll out training on records management through Shire	Dec-19	EA
Complete Policy Manual transfer/review, detailed review of Delegations Register	Aug-19	CEO / EA / GO
Continuing review of statutory registers etc	on-going	CEO / GO

Consequence Category	Risk Ratings	Rating
Compliance / Reputation	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Likely (4)
	<b>Overall Risk Ratings:</b>	High

**Comments**

**Employment practices****17-Jun-19****Risk Description**

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	Date	Rating
Onboarding / Induction process	Preventative	Feb-18	<b>Adequate</b>
Staff training and education program	Preventative	Feb-18	<b>Adequate</b>
Performance Management Process	Preventative	Feb-18	<b>Inadequate</b>
Staff Exit process	Preventative	Feb-18	<b>Adequate</b>
Workforce Planning	Preventative	Feb-18	<b>Adequate</b>

**Overall Control Ratings:** **Adequate**

Actions	Due Date	Responsibility
Complete roll out of refreshed PD's for all staff	Dec-19	CEO / WSM / FAM
Review existing Performance Management Review process and implement changes	Dec-19	CEO / WSM / FAM
Review and finalise the staff exit process	Dec-19	CEO / WSM / FAM
Review Workforce Plan	Dec-19	CEO / GO

Consequence Category	Risk Ratings	Rating
Financial, Compliance, Interruption to service	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

**Engagement practices****17-Jun-19****Risk Description**

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	Date	Rating
Community Engagement framework	Preventative	May-19	<b>Adequate</b>
Complaint Management Process	Preventative	May-19	<b>Adequate</b>
Social media management (Website / FB / Newsletter)	Preventative	May-19	<b>Adequate</b>
Community Group Involvement	Detective	May-19	<b>Adequate</b>

**Overall Control Ratings:** **Adequate**

Actions	Due Date	Responsibility
No actions required at this stage		

Consequence Category	Risk Ratings	Rating
Reputation	<b>Consequence:</b>	Minor (2)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

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**Environment management****17-Jun-19****Risk Description**

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

The scope includes;

- Lack of adequate planning and management of salinity 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	Date	Rating
Waste Facilities Management (Mogumber)	Preventative / Detective	May-19	Inadequate
Waste Facilities Management (Calingiri / Bolgart)	Preventative / Detective	May-19	Adequate
Sewerage Scheme - Calingiri	Preventative / Detective	May-19	Inadequate
Sewerage Scheme - Yerecoin	Preventative / Detective	May-19	Inadequate

**Overall Control Ratings:** **Inadequate**

Actions	Due Date	Responsibility
Mogumber - transfer station or on-going alternative to be determined	n/s	WSM
Improve waste facility monitoring	n/s	WSM
Sewerage Scheme - Reserves for future works/maintenance	Aug-19	EHO
Sewerage Scheme Asset Management plans and maintenance	Aug-19	EHO

Consequence Category	Risk Ratings	Rating
Environment	<b>Consequence:</b>	Major (4)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	High

**Comments**

**Errors, omissions & delays****17-Jun-19****Risk Description**

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

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, or delays in service to customers
- Inaccurate recording, maintenance, testing or reconciliation of data.
- Inaccurate data being used for management decision-making and reporting.

*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
Poor use of check sheets / FAQ's	Lack of understanding

Key Controls	Type	Date	Rating
Planning & building documented procedures / monitoring	Preventative	May-19	Adequate
Works based procedures / monitoring	Preventative	May-19	Inadequate
Financial - internal control	Prevent / Detect	May-19	Adequate
Staff training program (mentoring, formal & on-the-job)	Preventative	May-19	Adequate
Other Administrative procedures / monitoring	Detective	May-19	Adequate

**Overall Control Ratings:** Adequate

Actions	Due Date	Responsibility
Maintain monitoring program and staff training on job functions (Works) - Check Point	Sep-19	WSM
Develop SOP's aligned with PD's	Dec-19	CEO / FAM
Review identified issue (aged care facilities), ensure appropriate processes	Sep-19	CEO

Consequence Category	Risk Ratings	Rating
Reputation / Compliance / Finance	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Likely (4)
	<b>Overall Risk Ratings:</b>	High

**Comments**

External theft & fraud (Including Cyber)		17-Jun-19		
<b>Risk Description</b>				
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				
<b>Potential causes include:</b>				
Inadequate security of equipment / supplies / cash		Inadequate provision for patrons belongings		
Robbery		Lack of Supervision		
Scam Invoices		Collusion with internal staff		
Cyber crime				
<b>Key Controls</b>		<b>Type</b>	<b>Date</b>	<b>Rating</b>
Building Security access controls (alarms, CCTV, keypad access)		Preventative	May-19	Effective
Equipment storage security access controls		Preventative	May-19	Adequate
IT Security Framework		Preventative	May-19	Effective
Cash handling processes		Preventative	May-19	Effective
Creditors - payments, records, validations of details (identity theft)		Preventative	May-19	Adequate
Fuel theft		Preventative	May-19	Inadequate
<b>Overall Control Ratings:</b>				Adequate
<b>Actions</b>		<b>Due Date</b>	<b>Responsibility</b>	
Follow up on procedures against identity theft		on-going	CEO / FAM	
Access to bulk tanks by security card/tag, cages, locked			WSM	
<b>Consequence Category</b>		<b>Risk Ratings</b>		<b>Rating</b>
Financial / Property		<b>Consequence:</b>		Moderate (3)
		<b>Likelihood:</b>		Possible (3)
		<b>Overall Risk Ratings:</b>		Moderate
<b>Comments</b>				

**Management of Facilities / Venues / Events****17-Jun-19****Risk Description**

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.
Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)	Poor service from contractors (such as catering or cleaning)

Key Controls	Type	Date	Rating
Event management procedures and monitoring	Preventative	May-19	<b>Adequate</b>
Inspection, maintenance and cleaning schedules	Preventative	May-19	<b>Inadequate</b>
Facility / Venue booking program	Preventative	May-19	<b>Adequate</b>
Depot security - entry, office, equipment, fuel	Preventative	May-19	<b>Adequate</b>

**Overall Control Ratings:** **Adequate**

Actions	Due Date	Responsibility

Consequence Category	Risk Ratings	Rating
Reputation	<b>Consequence:</b>	Minor (2)
	<b>Likelihood:</b>	Unlikely (2)
	<b>Overall Risk Ratings:</b>	<b>Low</b>

**Comments**

**IT or communication systems and infrastructure****17-Jun-19****Risk Description**

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
Incompatibility between operating systems	Vulnerability to user error

Key Controls	Type	Date	Rating
Formal IT Infrastructure replacement / refresh program	Preventative	May-19	<b>Adequate</b>
IT Vendor Agreement monitoring program (Wallis)	Detective	May-19	<b>Adequate</b>
IT Disaster Recovery Plan	Recovery	May-19	<b>Inadequate</b>
Infrastructure Security	Preventative	May-19	<b>Adequate</b>
UPS / Generator	Preventative	May-19	<b>Adequate</b>
Consistent access to mobile, NBN etc	<b>Recovery</b>	May-19	<b>Adequate</b>

**Overall Control Ratings:****Adequate**

Actions	Due Date	Responsibility
Develop an IT Disaster Recovery Plan	Dec-19	FAM

Consequence Category	Risk Ratings	Rating
Service disruption / Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**



Misconduct		17-Jun-19	
Risk Description			
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 <u>not</u> 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		
Disgruntled employees	Sharing of confidential information		
Key Controls	Type	Date	Rating
Delegated authority framework (IT Procurement Process)	Preventative	May-19	Adequate
IT Security Framework (Profile Use)	Preventative	May-19	Effective
Cash handling procedures	Preventative	May-19	Adequate
Staff - recruitment, engagement, induction program	Preventative	May-19	Inadequate
External Audits	Preventative	May-19	Adequate
Overall Control Ratings:			Adequate
Actions	Due Date	Responsibility	
Review process for checking credit card transactions	On-going	CEO / FAM / GO	
Complete Audit (Management Actions) from previous audits	On-going	CEO / FAM / GO	
Investigate potential for autolock on systems after period of non-use	On-going	CEO / FAM / GO	
Review Cash Security Practices (Access to cash)	On-going	CEO / FAM / GO	
Consequence Category	Risk Ratings		Rating
Reputation / Finance	Consequence:		Major (4)
	Likelihood:		Unlikely (2)
	Overall Risk Ratings:		Moderate
Comments			

**Projects / Change management****17-Jun-19****Risk Description**

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
Ineffective management of expectations (scope creep)	Project risks not managed effectively
Inadequate project planning (resources/budget)	Lack of project methodology knowledge and reporting requirements

Key Controls	Type	Date	Rating
Budgetary Oversight on projects	Detective	May-19	Adequate
Actual Project Works Oversight (Ongoing oversight)	Detective	May-19	Adequate
Policies/processes for variation to contracts/tenders	Preventative	May-19	Inadequate

**Overall Control Ratings:** **Adequate**

Actions	Due Date	Responsibility
Review procurement processes and policies	Aug-19	CEO / WSM / FAM / GO

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

**Comments**

**Safety and Security practices****17-Jun-19****Risk Description**

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

Key Controls	Type	Date	Rating
OSH Management Framework	Preventative	May-19	<b>Inadequate</b>

**Overall Control Ratings:** **Inadequate**

Actions	Due Date	Responsibility
Review and complete actions from the "OSH Action Plan"	Aug-19	CEO / WSM / FAM

Consequence Category	Risk Ratings	Rating
Health	<b>Consequence:</b>	Major (4)
	<b>Likelihood:</b>	Unlikely (2)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

**Supplier / Contract management****17-Jun-19****Risk Description**

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:**

funding	Inadequate contract management practices
Complexity and quantity of work	Ineffective monitoring of deliverables
Inadequate tendering process	Lack of planning and clarity of requirements
Contracts not renewed on time	Historical contracts remaining

Key Controls	Type	Date	Rating
Contract Development	Preventative	May-19	Inadequate
Contract Management Program	Preventative	May-19	Inadequate
Regular supplier / contractor review meetings	Preventative	May-19	Adequate
Procurement - statutory, Council delegation & Policy	Preventative	May-19	Adequate

<b>Overall Control Ratings:</b>	<b>Inadequate</b>
---------------------------------	-------------------

Actions	Due Date	Responsibility
Implement a centralised register of all contracts and allocate responsibility to monitor	Aug-19	CEO / WSM / FAM
Consider use of WALGA Contract Templates & LGIS Training on Contract Management	on-going	CEO / WSM / FAM

Consequence Category	Risk Ratings	Rating
Service interruption, Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Comments**

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# SHIRE OF VICTORIA PLAINS

## Business Continuity Plan

June 2019

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**Distribution List**

Person / Organisation	No. Hard copies	Electronic copy
Councillors (7)	0	Yes
Staff – CEO, WSM, FAM, CESM	0	Yes
LEMC members and deputies	18	Yes
Wongan Hills Police	1	Yes
Toodyay Police	1	Yes
Local Government Insurance Services	0	Yes

**Amendment Record**

No.	Date	Details	By
1	June 2019	Draft	GO
2			
3			
4			
5			

## INTRODUCTION

---

The Shire of Victoria Plains recognises that some events may exceed the capacity of routine management methods and structure. The Business Continuity Management Framework works to produce the Business Continuity Plan in order to provide a mechanism for the development of contingent capacity and plans that will enable management to focus on maintaining and resuming the Shire's most critical functions. The framework underpins and provides all extenuating data for the creation of the Business Continuity Plan and the following document is an integral part of the process prescribed within the framework.

Business Continuity Planning (BCP) is the creation of a strategy through the recognition of threats and risks facing an organisation with a specific aim to ensure that personnel and assets are protected and able to function in the event of a disaster. Business Continuity Planning involves defining potential risks, determining how those risks will affect operations, implementing treatment options designed to mitigate those risks, testing those procedures to ensure that they work, and periodically reviewing the process to make sure that it is up to date.

The purpose of developing a Business Continuity Plan is to ensure the continuation of the business during and following any critical incident that results in disruption to normal operational capability.

This Business Continuity Plan is the outcome of a risk assessment process. It is designed for the Shire's Core Business Areas, each business area designated is affected by various risks and hazards that are unavoidable within the Shire; it is noted that while treatment options are available there is never a 'sure fire' or 'quick fix' for these risks and that contingency and continuity planning will be required at stages defined by an incident.

### **Abbreviations**

BCP	Business Continuity Plan
CEO	Chief Executive Officer
CESM	Community Emergency Services Manager
EHO	Environmental Health Officer (including building functions)
FAM	Finance and Administration Manager
GO	Governance Officer
ICT	Information and communications technology
WALGA	WA Local Government Association
WSM	Works and Service Manager



## EXECUTIVE SUMMARY

---

This plan was designed and produced using a robust business continuity management framework and contains information pertinent to the Shire of Victoria Plains' ability to maintain business continuity. The primary aim of this document is to prepare the Shire in the case of a catastrophic business failure due a variety of reasons. The Plan outlays response and recovery options as well as the responsibilities of the activating parties.

This Business Continuity Plan contains a broad outline of the core areas of business within the Shire and applies trigger points to plans established by the risk assessments conducted within the framework.

This Plan is designed to be read for response and recovery after a failure in terms of business. It has been designed to be used by the staff within the Shire and has been accordingly written.

### **Objectives**

The aim of this Plan is to provide an effective procedure that equips the Shire to –

- ensure services that are critical to our strategic objectives continue despite the occurrence of a potentially disruptive event.
- stabilise the effects of a disruptive event and return to normal operations as quickly as possible.
- minimise financial effects and impacts on service delivery targets in the event of a disruption.
- protect the Shire's assets and reputation through the development of organisational resilience.
- capitalise on opportunities created by the disruptive event.

## Section 1 - Administration and Governance Processes

---

Administration processes can be described as the underpinning authority in the management and production capability of the local government. It consists of processes and items that are intrinsic to the successful management of the Shire. Governance is the ability to both create and maintain a system of laws, policies and procedures directly affecting constituents of the local government in particular the Shire.

### **Maximum Acceptable Outage (MAO) Timeframe**

This service has been assessed using the criteria found in the document 'Shire of Victoria Plains Business Continuity Plan' and designated as **MAO Timeframe – Critical: 1 Business Day or Less.**

### **Trigger Points**

The trigger points for the activation of this plan is based in risk assessment process and is described as 'All Hazard or Worst Case Scenario' these consist of –

- loss of access to building, infrastructure or machinery or part there of
- loss of access to ICT inclusive of hardware or software or part there of
- significant number of staff unavailable
- combination of the above events

### **Response**

The following incident response Plans present detailed plans to address the each of these risk areas as identified in the risk management assessment outlined in the BCP.

The Plans are not exhaustive, as any major incident will require more detailed and potential long term considerations; however the plans below provide a structured response to major incidents that are of the highest threat to service provision and Shire operations.

### **1.1 Loss of access to administration building, infrastructure or machinery or part thereof**

Causes might include natural or man-made disasters, threats or criminal activity. This task provides the necessary steps to assess and recover from a loss of the Shire administration facilities

#### **1.1.1 Task One – Immediate Response**

This task provides the necessary command and control to enable the Shire's Incident Response Team to conduct an initial assessment of the disaster and to co-ordinate the initial response to the disaster.

#### **Incident Response Team**

- Chief Executive Officer
- Works and Services Manager
- Finance and Administration Manager
- Community Emergency Services Manager

#### **Recovery Procedure**

Incident Response Team to undertake the following steps –

- ensure site has been evacuated and all personnel are accounted for
- secure site and prevent access
- contact emergency services and Police
- identify any injuries and render assistance
- undertake an initial assessment of damage and risks
- arrange diversion of phone lines to existing shire mobiles
- determine time frame to switch to the recovery location

**Recovery Time Objective**

Timeframe for this activity is within 3 hours of the incident

**Recovery Location**

- Primary Site – Calingiri Recreation Centre
- Secondary site – Calingiri Sports Pavilion

**Resource requirements**

- ICT

**Other Considerations:**

- liaise with emergency services and Police
- inform Council and employees
- inform local community where possible
- inform Local Government Insurance Services

**1.1.2 Task Two – Commence operations from recovery location**

This task provides the necessary steps to commence core Shire operations from the Recovery Location and commence the planning for restoration of services in the short and longer term.

**Recovery Procedure**

Undertake the following steps –

- establish the recovery location
- layout workspace utilising tables and chairs from the Recreation Centre
- source telephones and establish communications and redirect calls to mobile telephones
- allocate staff as applicable
- liaise with other Incident Response Team members to determine items to be immediately replaced and what is recoverable.
- contact ICT supplier
- recover backups
- recover software where appropriate
- assess damage and undertaken salvage operations
  - o undertake initial assessment of salvageable materials, items and records if applicable
  - o contact staff to remove items to a salvage site
- co-ordinate all communications, media and elected members, local government insurers and general co-ordination of recovery process
  - o liaise with Shire President to issue a media statement

**Recovery Time Objective**

Timeframe to achieve this task within 8 hours of the incident.

**Resource Requirements**

- office furniture and stationery
- administration and works staff
- ICT hardware and software
- communications (land line and internet)

**1.1.3 Task Three – Assess damage and prepare Long Term Recovery Plans**

This task provides the necessary steps to commence planning for long term operations from the disaster recovery location.

**Recovery Procedure**

Undertake the following steps –

- establish the disaster recovery site for full operations use in the long term
- recover data to pre disaster state
- bring all records up to date
- contact all necessary persons to inform of incident, expected delays and seek documentation where necessary including demountable buildings and other office accommodation.
- establish necessary equipment and infrastructure requirements to provide full operations from recovery location
- finalise damage assessment and commence planning for re-establishing services through full or partial rebuild of administration centre
- co-ordinate all communications, media and elected members, local government insurers and general co- ordination of recovery process
- oversee assessment and recovery

**Recovery Time Objective**

Timeframe for this activity is within 24 hours of the incident

**Resource Requirements**

- IT consultants
- additional infrastructure as identified
- contractors to clean up disaster site (if applicable)

**1.2 Loss of access to ICT or part thereof, inclusive of hardware or software**

This task provides the necessary steps to recover the Shire's IT system as a result of complete failure resulting in replacement of the IT system

**Incident Response Team**

- Chief Executive Officer
- Finance and Administration Manager
- IT consultants

**Recovery Procedure**

Undertake the following steps –

- assess severity of outage through the Shire's IT provider and determine likely outage time
- seek quotations and place orders for replacement components
- contact Shire's insurers and Police if necessary
- inform Council, community and business contacts (i.e. banks, creditors and contractors) of potential delays in providing services
- set up and install new hardware. Install all software and restore from backups
- reconcile and rebuild all data.

**Recovery Time Objective**

Timeframe for this activity is within 24 hours of the incident

**Resource requirements**

IT suppliers (hardware/software, Synergy, licensing, etc.)

**1.3 Significant number of staff unavailable**

This task provides necessary steps to recover in the case of a significant number of staff being unavailable to work for a variety of reasons.

### **Incident Response Team**

- Chief Executive Officer
- Works and Services Manager
- Finance and Administration Manager

### **Recovery Procedure**

Undertake the following steps –

- assess the severity of staff shortage
- rearrange existing staff to cover the shortage areas
- inform Council, community and business contacts (i.e. banks, creditors and contractors) of potential delays in providing services
- request trained personnel from surrounding Shires if appropriate
- source staff through recruitment agencies as appropriate

### **Recovery Time Objective**

Timeframe for this activity is within 24 hours of the incident

### **Resource Requirements**

Nil

## Section 2 - Road & Infrastructure related Maintenance & Construction

---

This refers to the maintenance, replacement or construction of designated Shire roads, streets, gardens and recreation areas.

### **MAO Timeframe**

This service has been assessed using the criteria found in the document 'Shire of Victoria Plains Business Continuity Plan' and designated as **MAO Timeframe – Major: 1-3 Business Days**.

### **Trigger Points**

The trigger points for the activation of this plan is based in risk assessment process and is described as 'all hazard or worst case scenario' these consist of –

- loss of access to building, infrastructure or machinery or part thereof
- loss of access to ICT inclusive of hardware or software or part thereof
- significant number of staff unavailable
- combination of the above events

### **Response**

The following incident response Plans present detailed plans to address the each of these risk areas as identified in the risk management assessment outlined in the BCP.

The Plans are not exhaustive, as any major incident will require more detailed and potential long term considerations; however the plans below provide a structured response to major incidents that are of the highest threat to service provision and Shire operations.

## **2.1 Loss of access to buildings, infrastructure or machinery or part thereof**

Causes include natural or man-made disasters, threats or criminal activity. This task provides the necessary steps to assess and recover from a loss of Depot facilities or essential machinery.

### **2.1.1 Task One – Loss of access to Depot**

This task provides a procedure to follow in regards to the loss of the Shire Depot.

#### **Incident Response Team**

- Chief Executive Officer
- Manager Works and Services
- Community Emergency Services Manger

#### **Recovery Procedure**

Incident Response Team to undertake the following steps –

- ensure site has been evacuated and all personnel are accounted for
- secure site and prevent access
- contact emergency services and Police
- identify any injuries and render assistance
- undertake an initial assessment of damage and risks
- arrange diversion of phone lines to existing shire mobiles
- determine time frame to switch to Recovery Location
- prioritise immediate and continuing works services
- liaise with other Incident Response Team members to determine items to be immediately replaced and what is recoverable.
- redirection of works phone numbers from hard line to mobile

**Recovery Time Objective**

Timeframe for this activity is within 24 hours of the incident

**Recovery Location**

- Primary Location – Shire Administration Offices
- Secondary Location – Calingiri Recreation Centre

**Resource requirements**

- Consideration of space for extra staff

**Other Considerations:**

- liaise with emergency services and Police
- inform Council and employees
- inform local community where possible
- inform Local Government Insurance Services

**2.1.2 Task Two – Loss of essential machinery**

This task provides a procedure to follow in regards to the loss of essential machinery for the purposes of road and infrastructure related maintenance and construction.

**Incident Response Team**

- Chief Executive Officer
- Manager Works and Services

**Recovery Procedure**

Incident Response Team to undertake the following steps –

- prioritisation of works services
- hire of appropriate equipment to maintain services
- request machinery from surrounding Shires as appropriate
- contact all necessary persons to inform of incident, expected delays and seek documentation where necessary

**Recovery Time Objective**

Timeframe for this activity is within 72 hours of the incident

**Other Considerations:**

- backlog of works and services
- priority of immediate and continuing works services
- staffing requirements
- wait time on new, hired or borrowed machinery

**2.2 Loss of access to ICT or part thereof, inclusive of hardware or software**

This task provides the necessary steps to recover a loss of all works related IT systems as a result of complete failure resulting in replacement of the IT system.

**Incident Response Team**

- Chief Executive Officer
- Manager of Works and Services
- IT Consultant

**Recovery Procedure**

Undertake the following steps –

- assess severity of outage through the shire's IT provider and determine likely outage time

- seek quotations and place orders for replacement components
- contact Shire's insurers and Police if necessary
- inform Council and community of potential delays in providing services
- set up and install new hardware. install all software and restore from backups
- reconcile and rebuild all data.

#### **Recovery Time Objective**

Timeframe for this activity is within 72 hours of the incident

#### **Resource requirements**

IT suppliers (hardware/software, Synergy, Licensing, etc.)

### **2.3 Significant number of staff unavailable**

This task provides necessary steps to recover in the case of a significant number of staff being unavailable to work due to a variety of reasons.

#### **Incident Response Team**

- Chief Executive Officer
- Works and Services Manager
- Finance and Administration Manager

#### **Recovery Procedure**

Undertake the following steps –

- assess the severity of staff shortage
- rearrange existing staff to cover the shortage areas
- inform Council and community of potential delays in providing services
- request trained personnel from surrounding Shires if appropriate
- source staff through recruitment agencies as appropriate
- prioritise works and services

#### **Recovery Time Objective**

Timeframe for this activity is within 72 hours of the incident

#### **Resource Requirements**

Nil



## Section 3 - Regulatory Services

---

This refers to all regulatory services within the Shire Community including but not limited to –

- health services
- building services
- ranger services – inclusive of animal and reptile control

### **MAO Timeframe**

This service has been assessed using the criteria found in the document 'Shire of Victoria Plains Business Continuity Plan' and designated as **MAO Timeframe – Major: 1-3 Business Days.**

### **Trigger Points**

The trigger points for the activation of this plan is based in the Risk Assessment Process and described in the Framework as 'All Hazard or Worst Case Scenario' these consist of:

- loss of access to building, infrastructure or machinery or part there of
- loss of access to ICT inclusive of hardware or software or part there of
- significant number of staff unavailable
- combination of the above events

### **Response**

As Regulatory Services are based out of the Shire Administration Offices Response plans for this service are noted within Section 1 – Administration and Governance Processes.

## Section 4 - Rehearse, Maintain and Review

---

It is critical that the plan is rehearsed to ensure that it remains relevant and useful. This may be done as part of a training exercise and is a key factor in the successful implementation of the plan during an emergency.

The Shire must also ensure that they regularly review and update the plan to maintain accuracy and reflect any changes inside or outside the business.

This plan is to be reviewed every 5 years, as needed or after an activation.

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## Appendices

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### **Appendix 1 – Event Log**

Event	Time	Date

*(Please note the event log is to include all rehearsals, tests and actual activations of the BCP)*

**Appendix 2 – Immediate Response Checklist**

Incident Response	✓	Actions Taken
Severity of incident assessed?		
Site evacuated? (as applicable)		
All staff accounted for?		
Injuries identified?		
Emergency services contacted?		
Implemented Response Plan?		
Implemented Event Log?		
Activated staff and resources?		
Briefed Incident Response Team?		
Allocated roles and responsibilities?		
Identified damages?		
Identified critical disruptions?		
Staff informed?		
Stakeholders contacted?		
Initiated community information?		

**Appendix 3 – Incident Recovery Checklist**

Incident Response	✓	Actions Taken
Severity of incident assessed?		
Site evacuated? (as applicable)		
All staff accounted for?		
Injuries identified?		
Emergency services contacted?		
Implemented Response Plan?		
Implemented Event Log?		
Activated staff and resources?		
Briefed Incident Response Team?		
Allocated roles and responsibilities?		
Identified damages?		
Identified critical disruptions?		
Staff informed?		
Stakeholders contacted?		
Initiated community information?		

**Appendix 4 – Insurance List**

As at 12 June 2019

<b>Principal Insurance Type</b>	<b>Policy Coverage</b>	<b>Policy Excess</b>	<b>Insurance Company</b>
Bushfire Injury (Various categories)	\$500,000 (sub-limits apply)	Nil	LGIS Bushfire
Crime	\$500,000 (sub-limits apply)	\$1,000	LGIS Liability
Cyber	Up to \$1,000,000 (sub-limits apply)	\$5,000	Chubb Insurance Australia Ltd
Liability	Up to \$600,000,000	Nil (public liability)	LGIS Liability
Motor Vehicle (includes plant and bushfire vehicles) (various categories)	Up to \$35,000,000 (sub-limits apply)	\$300 – basic (subject to category)	Zurich Australia Insurance Ltd
Pollution (various categories)	Up to \$50,000,000 (sub-limits apply)	\$50,000	AIG Australia Ltd
Property (various categories)	Up to \$600,000,000 (sub-limits apply)	\$1,000 – standard (subject to category)	LGIS Property

All insurances are reviewed annually during the period of April-May.

For all insurances, contact - Local Government Insurance Services  
(08) 9483 8888

**Appendix 5 – Contact Lists (Internal)**

As at 14 June 2019

Name	Position	Telephone	Email
David Lovelock	Shire President	0427 548 026 (personal)	crdlovelock@victoriaplains.wa.gov.au
Pauline Bantock	Deputy Shire President	0416 131 837 (personal)	crpbantock@victoriaplains.wa.gov.au
Glenda Teede	Chief Executive Officer	0429 117 758	ceo@victoriaplains.wa.gov.au
Bob Edwards	Works & Services Manager	0429 926 562	works@victoriaplains.wa.gov.au
TBA	Finance & Administration Manager		fm@victoriaplains.wa.gov.au
TBA	Community Emergency Services Manager	0409 137 645	cesm@moora.wa.gov.au
Allan Ramsay	Health / Building Surveyor (Consultant)	0419 952 043 (personal)	ehobs@victoriaplains.wa.gov.au
Shayne Willcocks	Ranger	0428 149 174	ranger@victoriaplains.wa.gov.au

**Appendix 6 – Contact List (External)**

Key Contacts	Contact Number/s
<b>EMERGENCY</b>	<b>000</b>
WA Police, Wongan Hills	08 9691 1333
Dept of Fire and Emergency Services, Northam	08 9690 2300
Wongan Hills Hospital	08 9691 1222
Local Government Insurance Services	08 9483 8888
Software Support – IT Vision	1300 042 669
IT hardware Support – Wallis Computing Solutions	08 966 1803



**Appendix 7 – Emergency Kit**

Emergency Kit is designed to be taken and transported easily the following items should be included –

Item	Amount
Building site plans including location of gas, electricity and water shut off points. (hard copy)	1
Local Emergency Management Arrangements (hard copy)	1
Business Continuity Plan	1
Copy of templates ( including templates of printed forms specific to each unit)	1
Two reams of Shire letterhead	1
Box of envelopes	1
Basic stationery items	1
Spare keys/security codes.	1
Shire maps	1

Located in – Hallway near kitchen

First Aid kit – Office	Located in	1
First Aid kit – Depot	Located in	1

The Emergency Kit also contains a thumb drive with copies of the above documents saved on it, together with staff list, contact details, phone numbers, and updated templates on thumb drives.

Emergency Packs must be collected and updated annually with the plan to ensure contents are current and accurate.

## **Appendix 8 – Evacuation Plans**

*(To be added to hard copy document only)*

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# Review of Legislative Compliance and Internal Controls

**Shire of Victoria Plains**  
**December 2016**

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## 1.0 Background

### 1.1 Scope of Services

The Shire of Victoria Plains engaged Moore Stephens to provide services in relation to the requirements of Regulation 17 of the *Local Government (Audit) Regulations 1996*, as follows:

- Review the appropriateness and where possible the effectiveness of the financial internal control systems and procedures at the Shire;
- Review the appropriateness and where possible the effectiveness of the operational internal control systems and procedures at the Shire;
- Review the appropriateness and where possible the effectiveness systems and processes for maintaining legislative compliance;
- Develop a list of any improvements identified during this assessment; and
- To provide in our report recommendations, identified during our assessment of the systems and procedures, relating to internal audit and legislative compliance to assist the Chief Executive Officer to assess the appropriateness and effectiveness of these systems and procedures.

### 1.2 Review Required by Legislation

*The Local Government (Audit) Regulations 1996, Regulation 17*, requires the following:

1. *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:*
  - a) *risk management; and*
  - b) *internal control; and*
  - c) *legislative compliance.*
2. *The review may relate to any or all of the matters referred to in sub regulation (1) (a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.*
3. *The CEO is to report to the audit committee the results of that review.*

This review was undertaken in response to the above requirements, and this report has been prepared for the Chief Executive Officer (CEO) to assist with the task of achieving legislative compliance.

In accordance with *Regulation 16(c)* of the same Audit Regulations, the Audit and Risks Committee is required to review a report prepared by the CEO, and subsequently report to the Council the results of the Committee's review, while at the same time, attaching a copy of the CEO's report to the Audit Committee.

Operational Guidelines prepared by the Department of Local Government and Communities (Audit in Local Government, number 09 September 2013) provides some background to the intended outcomes from the review. An extract of the relevant content of the operational guidelines has been reproduced at Appendix D.

## 2.0 Introduction

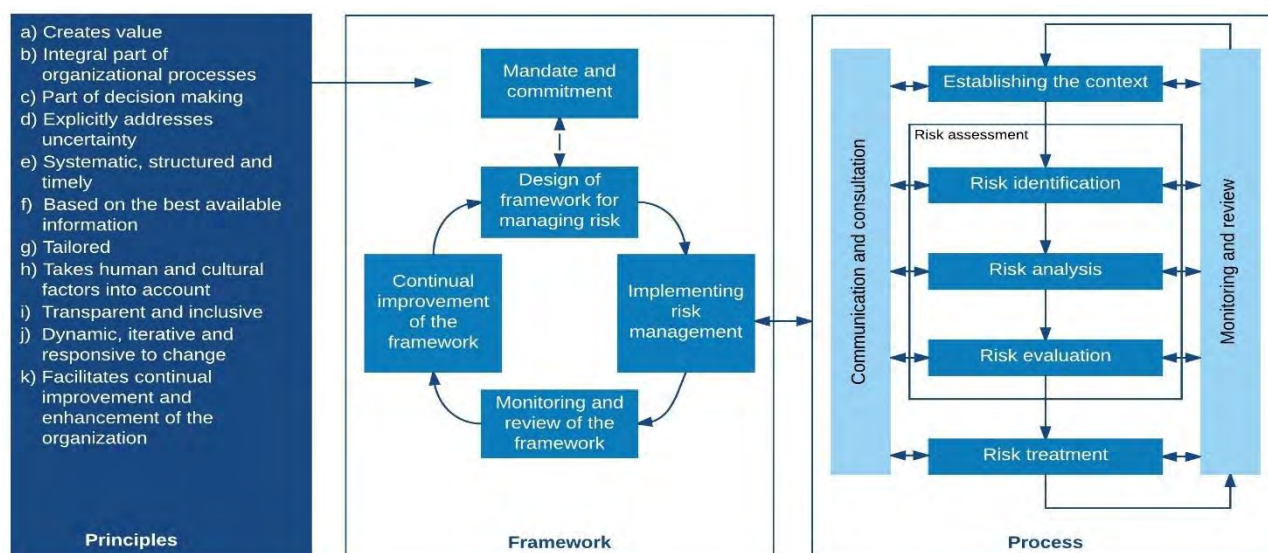
### 2.1 Review Methodology

The primary goal of this review is to assist the CEO of the Shire of Victoria Plains to establish the appropriateness and effectiveness of the Shire of Victoria Plains' systems and procedures in relation to legislative compliance and internal controls.

Internal controls are designed to treat risks and are part of the risk management process. Non-compliance with legislation is one of the risks that would usually be identified as part of applying a risk management process.

The Australian Standard for Risk Management (ISO 31000) identifies three components in the application of risk management being *Principles, Framework and Process* as set out in Diagram 1 below.

Diagram 1. Risk Management Principles, Framework and Process



(Source: Standards Australia/Standards New Zealand, 2009)

In undertaking our review, we have applied the three ISO 31000 framework component, as set out above, to each review topic (internal controls and legislative compliance). This involves a review that incorporates the five framework components, being *mandate and commitment, framework design, implementation, monitoring and continuous improvement* as follows:

- Identify the extent of commitment and mandate to the principles;
- Establish an appropriate framework for each review topic (legislative compliance and internal controls) after considering the overall context in which the review occurs;
- Assess the appropriate framework against the current framework;
- Assess the implementation of the current framework;
- Assess the degree of monitoring of the current framework and its effectiveness;
- Assess the gaps (if any) between the current framework and the identified appropriate framework and document improvements; and
- Report on the appropriateness and effectiveness of current systems and procedures.



## 3.0 Review Context

### 3.1 Review Context - Shire of Victoria Plains

It is important to understand the external and internal context in which the Shire of Victoria Plains operates relevant to the internal control environment and its legislative compliance obligations. That is, to understand the environment in which the Shire seeks to achieve its overall strategic objectives.

The external and internal influences identified during the course of the review are set out below:

External Influences	Internal Influences
Increasing community expectations in relation to service levels and service delivery.	The objectives and strategies contained in the Council's current Strategic Community Plan.
Rapid changes in information technology changing the service delivery environment.	The timing and actions contained in the Council's Corporate Business Plan.
Increased compliance requirements due to Government Policy and Legislation.	The current organisational size, structure, activities and location.
Cost shifting by Federal and State Governments.	The current human resourcing levels and turnover rate.
Reducing external grant funding for infrastructure and operations.	The current financial capacity of the Shire.
Changing level of mining activity in the district.	The maintenance of corporate records.

### 3.2 Risk Appetite - Shire of Victoria Plains

A number of the above influences will be factors in the Shire's appetite for risk; being the level of risk, the organisation is willing to accept or pursue through the setting of risk criteria and policy.

Understanding risk appetite helps determine the level of acceptable/unacceptable risk in relation to breaches of legislation or controls and the extent to which additional controls are required to treat risk.

As a public body, there is an expectation the Shire will maintain an inherent low appetite for the risk of non-compliance with legislation and adopted policy in order to maintain the organisation's reputation and to protect public funds from loss or misappropriation.

The appetite for risk in relation to service delivery, finance, health, safety and the environment is considered to be 'low to medium', requiring treatment with effective controls. Where the level of risk is considered 'high' or 'extreme', additional controls are required to reduce the risk level. In circumstances where the level of risk cannot be reduced below that of 'high', close monitoring of risk controls is required to ensure these internal controls remain effective.

## 4.0 Review Summary

### 4.1 Internal Control

#### 4.1.1 Appropriateness

Considering the size, resources, operations and the internal/external context in which the Shire of Victoria Plains operates, the internal control framework, procedures and systems require implementation of a number of improvements as outlined in this report to be considered appropriate.

#### 4.1.2 Effectiveness

A number of control weaknesses have been noted and detailed within this report. With the exception of the matters noted and considering the results of the monitoring and compliance practices undertaken by the Shire of Victoria Plains, the current internal control framework, procedures and systems though reliant on a small number of key staff are considered generally effective.

#### 4.1.3 Improvements

Recommended improvements to the current internal control framework, procedures and systems are set out in Section 9.0 of this report. The key improvements to internal controls are summarised as follows:

- The development of a documented Internal Control Policy, promoting a risk based approach to the development and maintenance of documented internal controls and procedures. This improvement is intended to encourage the continual assessment of the appropriateness of controls throughout the organisation with the need for new controls being identified and existing outdated controls discontinued;
- We suggest a number of Shire policies be reviewed and amended where appropriate; and
- Where possible engaging suitably qualified temporary staff to replace senior staff who are absent.



## 4.2 Legislative Compliance

### 4.2.1 Appropriateness

Considering local governments generally maintain a low risk appetite for breaches of legislation, a documented legislative compliance policy is considered appropriate to reduce the risk of breaching legislation. The Shire is yet to establish a legislative compliance policy.

### 4.2.2 Effectiveness

Maintaining legislative compliance is heavily reliant on the knowledge, experience and commitment of the CEO and senior staff to identify and prevent breaches of legislation. As a consequence, staff turnover, competing priorities and variations in workloads can have a significant negative impact on legislative compliance. Therefore, one of the most important controls in maintaining legislative compliance is a motivated, stable, experienced and knowledgeable senior management group.

With the exception of the noted breaches of legislation, in the instances where the effectiveness was able to be assessed, the current legislative compliance control procedures and systems, although largely informal, were considered effective.

There were no significant compliance breaches noted in the most recent Annual Compliance Audit Return and no identified breaches of the *Local Government Act 1995*. In respect of effectiveness, it is important to note the Return was not independently prepared or verified.

### 4.2.3 Improvements

Improvements to the current framework, procedures and systems for legislative compliance are set out in Section 9.0 of this report and summarised as follows:

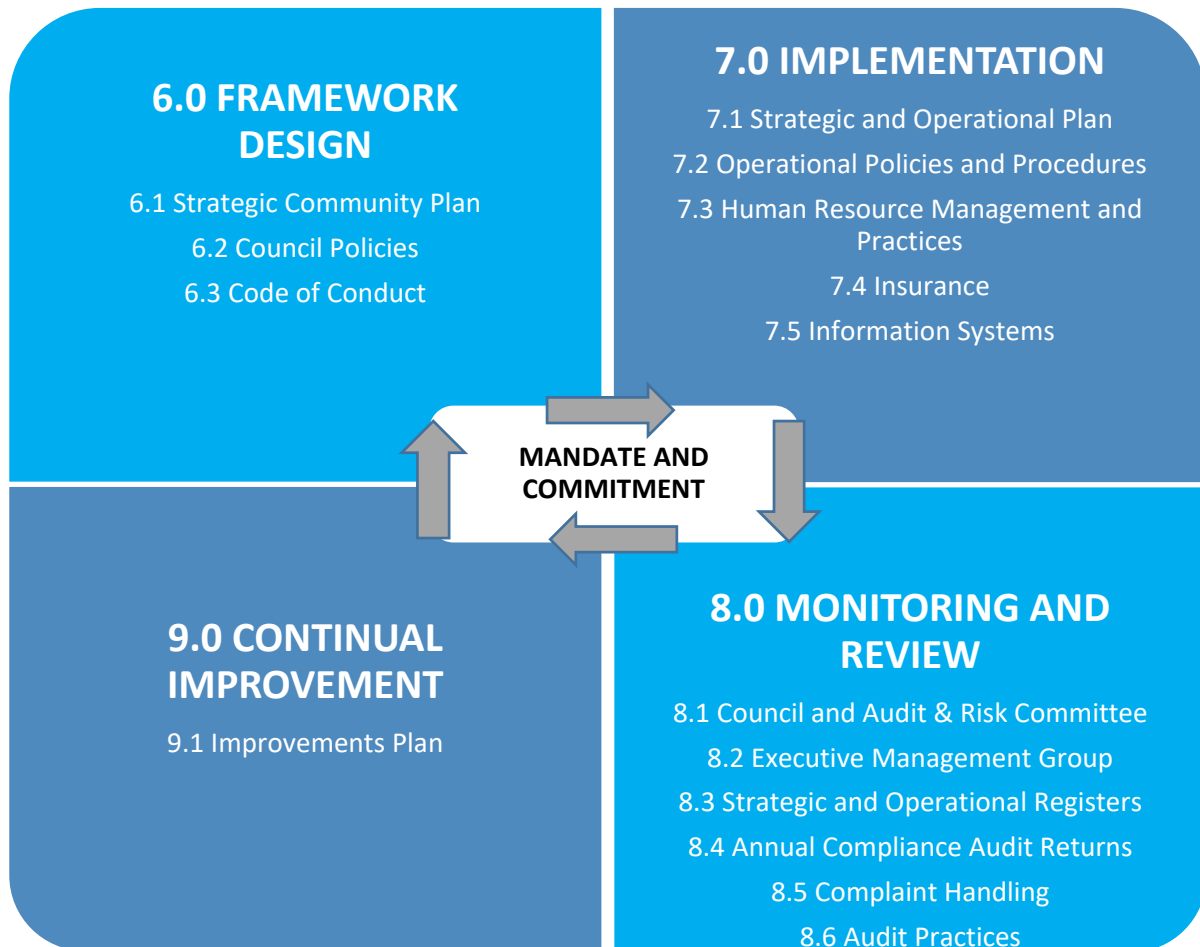
- The development of a risk based training matrix to help ensure staff with the responsibility for preventing, identifying and reporting breaches of legislation are offered relevant training to ensure their knowledge of legislative requirements is maintained;
- We suggest procedures be developed to ensure property is only disposed of in accordance with legislative requirements; and
- Identified policies be reviewed to ensure these policies are compliant with current legislative requirements.

## 5.0 Appropriate Framework

### 5.1 Risk Management, Internal Control and Legislative Compliance

The following framework was identified as being appropriate for risk management, internal control and legislative compliance for the Shire of Victoria Plains, after consideration of the current internal and external influences.

Diagram 2. Risk Management, Internal Control and Legislative Compliance Framework



We undertook a high level review of internal controls and legislative compliance which precluded detailed testing of all internal controls and legislative compliance.

The results of our review against the structure of the above framework are set out in Section 9.0 and summarised on the following pages.

## 6.0 Framework Design

### 6.1 Strategic Community Plan

The Shire of Victoria Plains has adopted two key strategic documents, the Strategic Community Plan (2013/14-2022/23) and the Corporate Business Plan (2013/14-2016/17). These plans identify the Council's organisational objectives and key outcomes as the Shire progresses on its stated vision *'The Shire of Victoria Plains - Many Localities - One Perfect Lifestyle - A Place to Grow.'*

The Strategic Community Plan recognises the community's aspirations and values through the following stated objectives:

- GROWTH: Plan for and facilitate sustainable growth and development;
- COMMUNITY: Increase the suitability of the community;
- SHIRE INFRASTRUCTURE: Responsibly maintain as fit for purpose; and
- GOVERNANCE: Ensure good governance of the Shire.

In striving to achieve its objectives, the Shire of Victoria Plains faces both inherent and business risks. Whilst striving to fulfil expectation, it is also required to maintain compliance with numerous legislative requirements. To manage these risks and comply with legislation, the Shire has established various processes, systems and controls.

This review examines the appropriateness and effectiveness of the organisation's internal controls and legislative compliance in the context of the Shire striving to achieve its stated objectives. The table below details a possible improvement in relation to the Strategic Community Plan.

Ref. No.	Framework Components	Purpose / Goal	Matters Noted / Improvements
6.1.1	Strategic Community Plan	Community based plan to provide the overall Strategic Direction of the Shire.	<p>We noted the Strategic Community Plan is due for a major review in accordance with legislative requirements.</p> <p>Improvement: We suggest community engagement be undertaken, and the Strategic Community Plan be updated.</p>

## 6.2 Council Policies

Whilst the operation of the Shire is the responsibility of the CEO, the Council is responsible for setting the framework for operations through the adoption of Council policies. These policies represent an overarching framework relevant to risk management, internal controls and legislative compliance and have been reviewed for appropriateness and effectiveness.

Policies are reviewed and approved by Council on an ad hoc and irregular basis. A list of policies reviewed for this report is provided in Appendix A - Council Policies Examined. The table below details areas for possible improvement in relation to Council policies.

Ref. No.	Policy	Purpose / Goal	Matters Identified / Improvements
6.2.1	Risk Management Policy	Policy to document the commitment and objectives regarding managing uncertainty.	Currently, no risk management policy has been adopted by Council.  Improvement: We suggest a Risk Management Policy be formulated and adopted to formalise Council's commitment to legislative compliance.
6.2.2	Internal Control Policy	A policy to evidence Council's commitment to Internal Controls and their importance to the organisation.	Currently, no policy on internal controls has been adopted by Council.  Improvement: We suggest an Internal Control Policy be formulated and adopted to formalise Council's commitment to internal controls.
6.2.3	Legislative Compliance Policy	A policy to evidence Council's commitment to legislative compliance and its importance to the organisation.	Currently, no policy on legislative compliance has been adopted by Council.  Improvement: We suggest a Legislative Compliance Policy be formulated and adopted to formalise Council's commitment to legislative compliance.
6.2.4	1.5 Minutes	To provide copies of the minutes to the public.	The Policy appears outdated, and the date of the last review of the Policy is not stated. We note the Policy refers to making draft copies of minutes available.  Improvement: Section 5.94 of <i>the Local Government Act 1995</i> requires Confirmed minutes are required to be open to the public. We suggest the Policy be retracted or reviewed and updated to align with legislative requirements.

Ref. No.	Policy	Purpose / Goal	Matters Identified / Improvements
6.2.5	1.8 Media Releases	To set out who is authorised to provide information to the media.	<p>We note the Policy allows staff to provide information in the local newsletter and Central Midlands Advocate about Shire activities without first obtaining authorisation.</p> <hr/> <p>Improvements: We suggest the Policy be reviewed and amended to require prior authorisation of any information to be provided to the media. Potential exists to merge the Policy with the Social Media Policy.</p>
6.2.6	2.2 Works and Plant	To set out requirements for the use of Shire owned plant	<p>We note the Policy provides for the private use of Shire Plant and Equipment by Employees at no charge and for the disposal of used grader blades at an appropriate cost. Disposal of property is required to be undertaken in accordance with Section 3.58 of the <i>Local Government Act 1995</i>.</p> <p>We also noted there is no requirement for plant and equipment to be operated by suitable qualified and trained staff.</p> <hr/> <p>Improvements: Disposal of property by sale, lease or otherwise should be undertaken in accordance with legislative requirements.</p> <p>We suggest the Policy be reviewed and amended to require persons utilising plant and equipment to be appropriately trained.</p>

Ref. No.	Policy	Purpose / Goal	Matters Identified / Improvements
6.2.7	2.3 Private works	To set out the requirements for undertaking private works.	<p>We note the Policy states private works are to be charged at cost plus 15%.</p> <p>The Policy provides for works to be undertaken on private land with no requirement for a signed agreement detailing the scope of works and responsibilities to be in place or any other controls to be in place.</p> <hr/> <p>Improvements: Fees and charges are required to be imposed when adopting the annual budget, and we suggest the setting of a fee within the policy be removed.</p> <p>To ensure appropriate control and minimise potential liability we suggest private works only be undertaken after an appropriate written agreement has been signed with the landowner.</p>
6.2.8	3.1 Building Control	A policy to provide requirements to maintain a high amenity standards of buildings in the Shire.	<p>The Policy includes a delegation to the Shires Building Surveyor; we note the Shire currently utilises an external contractor for the provision of Building Survey services.</p> <p>No power exists under the <i>Local Government Act 1995</i> for Council to delegate powers and duties to a person other than the CEO.</p> <p>Section 5.44 allows the CEO to delegate powers and duties to employees.</p> <hr/> <p>Improvement: We suggest the delegation of powers be through a separate resolution of Council and be to the CEO.</p> <p>To help ensure compliance delegations from the CEO should only be to an employee and not a consultant.</p>

Ref. No.	Policy	Purpose / Goal	Matters Identified / Improvements
6.2.9	4.1 Health Controls	A policy to provide requirements to maintain a high level of health standards in the Shire.	<p>The Policy includes a delegation to the Shires Environmental Health Officer; we note the Shire currently utilises an external contractor for the provision of Environmental Health services.</p> <p>No power exists under the <i>Local Government Act 1995</i> for Council to delegate powers and duties to a person other than the CEO.</p> <p>Section 5.44 allows the CEO to delegate powers and duties to employees.</p> <hr/> <p>Improvement: We suggest the delegation of powers be through a separate resolution of Council and be to the CEO.</p> <p>To help ensure compliance delegations from the CEO should only be to an employee and not a consultant.</p>
6.2.10	6.4 Financial Reporting	Policy defining a responsible employee	<p>The policy refers to a responsible employee as defined under the <i>Local Government (Financial Management) Regulations 1996</i>, we note the term responsible employee is not defined in the regulations.</p> <hr/> <p>Improvement: We suggest the policy be retracted.</p>
6.2.11	6.5.1 Operation of Bank Account	Policy detailing requirements for the operation of the Shires Bank Account.	<p>The policy provides for Councillors to be signatories of the Shire Bank Account. We note there is no provision within the Act for elected members to be signatories to the Shire bank account.</p> <hr/> <p>Improvement: We recommend the policy is reviewed and amended to require signatories to the bank account to be two employees.</p>
6.2.12	6.5.5 Purchasing and Tendering Policy	Policy to set out requirements to obtain competitive quotes when purchasing works, goods and services on behalf of the Shire.	<p>We note there are no requirements stated for instances where the scope of a contract is amended or extended.</p> <hr/> <p>Improvement: We suggest the Policy be amended to provide requirements for where there is an extension or variation of a contract's scope after a contract is signed.</p>

Ref. No.	Policy	Purpose / Goal	Matters Identified / Improvements
6.2.13	8.2.6 Housing Bonds	A policy defining requirements for the provision of a Housing Bond for staff housing.	<p>We note the policy allows for the deduction of a housing bond from an employee's payroll.</p> <p>Housing bonds are required to be lodged with the Bond administrator.</p> <hr/> <p>Improvement: To help prevent damage to Shire properties we suggest housing bonds be paid in full prior to occupation of the house and lodged with the Bond administrator.</p>



## 7.0 Implementation

### 7.1 Strategic and Operational Plans

Council has a number of strategic and operational plans which form the basis of entity level controls and provide the basis for entity level risk assessments.

A list of plans reviewed is provided in Appendix B - Plans Examined of this report. The table below details areas for possible improvement in relation to plans examined.

Ref. No.	Plan	Purpose / Goal	Matters Identified / Improvements
7.1.1	Asset Management Plan	Plan prepared to assist the Shire to improve the way it delivers services from its infrastructure assets such as roads, drainage, footpaths, public open space and buildings.	<p>We noted the Plan does not include and assessment of risks associated with the delivery of assets to the community.</p> <p>We note the asset management plan was prepared in 2013 based on asset information which is now outdated.</p> <p>Improvement: We suggest a formal assessment of risks in relation to the delivery of asset services to the community be included within a revised Asset Management Plan.</p>
7.1.2	Corporate Business Plan	A plan to guide the internal operations of the Shire in delivering services to the community.	<p>We note the Corporate Business Plan 2013 - 2017 is still available on the Shire website despite a new plan being adopted.</p> <p>Improvement: We suggest the Corporate Business plan 2013-2017 be replaced with the recently adopted plan.</p>
7.1.3	Business Continuity Management Arrangements	Plan to provide a process to facilitate organised decision-making in the event of a major incident that might otherwise be chaotic.	<p>No Business Continuity Management Plan was available for inspection.</p> <p>Improvement: We suggest a Business Continuity Management Plan be developed and approved.</p>

## 7.2 Operational Policies and Procedures

In seeking to achieve its stated vision, the Shire of Ashburton provides a number of services to the community.

Meetings were undertaken with key staff in each of the four areas of responsibility to determine the practices applied to issues of risk management, internal controls and legislative compliance when providing services to the community.

Daily operations are primarily based on staff knowledge and verbal instructions.

Considering the number of services provided and the current staff resourcing, a risk based approach to the prioritisation of the development of new procedures components is recommended.

Ref. No.	Component	Purpose / Goal	Matters Identified / Improvements
7.2.1	Documented Procedures	Use of documented procedures by officers helps establish a standard methodology and identifies key controls for processes undertaken by officers.	Limited documented procedures currently exist.  Improvements: Opportunities exist to improve standard operating procedures and ensure they are documented and key controls clearly identified. Once these procedures are developed and implemented, they require constant monitoring to ensure adherence and to ensure they are effective.
7.2.2	Checklists	Checklists document the completion of multiple steps within an overall process.	Checklists of key functions are maintained for certain key functions but not all.  Improvements: Creation of standard checklists may assist in documenting key points of control.
7.2.3	Workflow Diagrams	Workflow diagrams create a visual representation of a process, clearly identifying key points of control and responsibility.	Workflow diagrams have not been compiled.  Improvements: In conjunction with the development of documented procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes to be followed.
7.2.4	Records Management systems	Systems and procedures to log and appropriately save Shire records	Records are logged within an excel spreadsheet where the records officer is advised of the record.

Ref. No.	Component	Purpose / Goal	Matters Identified / Improvements
			Improvements: We suggest the current system be replaced with a proper electronic records management system and all staff be trained in the appropriate recording of records.
7.2.5	Bank Reconciliations	Reconciliation between the bank statement and the Shire's accounting system, forming a primary control over the use of the Shire Bank Account.	<p>Bank reconciliations are being routinely prepared. We noted the reconciliation is not signed and dated by the preparer or reviewer. To evidence the review of the reconciliation.</p> <p>Improvements: We suggest the preparer of the reconciliation and reviewer sign and date a copy of the reconciliation.</p>
7.2.6	Rates Controls	Procedures and controls for appropriate raising of rates.	<p>A number of issues were identified during a review of the rates system undertaken in January 2016. We acknowledge efforts have been made to address these issues.</p> <p>Improvements: We suggest the current efforts to rectify identified issues with the rates system continue.</p>
7.2.7	Purchasing	Control procedures and systems for the purchasing of goods or services.	<p>We noted no evidence of quotations received are maintained on file. An instance where a purchase in excess of \$20,000 occurred without the quotations being evaluated by at least two persons as required by the Purchasing and tender Policy</p> <p>Improvements: We suggest evidence of quotations be maintained with the purchase order. To help ensure compliance with the procurement policy we suggest appropriate controls be established to ensure the policy has been complied with prior to the release of a purchase order.</p>

Ref. No.	Component	Purpose / Goal	Matters Identified / Improvements
7.2.8	Fuel Controls	Control procedures in relation to fuel used by Shire plant and vehicles.	<p>An 'etag' system is used for the drawing of fuel from the Bowser at the depot. We noted no monitoring of fuel consumptions is taking place.</p> <hr/> <p>Improvements: We suggest routine monitoring of fuel consumptions occur to assist in the identification of vehicles utilising higher than average quantities of fuel.</p>

### 7.3 Human Resource Management and Practices

A number of components constitute the organisations human resource management practices and form an essential element of risk management, internal control and legislative compliance. Each of these elements is examined in the table below.

Ref. No.	Component	Purpose / Goal	Matters Identified / Improvements
7.3.1	Code of Conduct	To provide a documented expectation for the behaviour of elected members, staff, contractors and volunteers when performing their duties.	<p>Volunteers and contractors are not bound by a Code of Conduct when performing functions on behalf of the Shire.</p> <p>Improvement: We suggest an expansion of the scope of the Code of Conduct to include actions by volunteers and contractors. Alternatively, a separate Code of Conduct be developed for volunteers and contractors.</p>
7.3.2	Staff Inductions	To ensure staff are aware of the requirements and expectations of them before commencing duties	<p>We noted instances where evidence of staff inductions was not available on file.</p> <p>Improvement: We suggest procedures are developed to ensure all staff undergo a documented induction and a record of this be maintained on the employee file.</p>
7.3.3	Occupational Safety and Health Manual	Manual to guide elected members, employees, contractors and volunteers on the requirements in relation to occupational health and safety.	<p>No Occupational Safety and Health Manual was available for inspection</p> <p>Improvement: We suggest an Occupational Safety and Health Manual be developed and the requirement for the induction of elected members, employees, volunteers and contractors be included in the Manual.</p>

Ref. No.	Component	Purpose / Goal	Matters Identified / Improvements
7.3.4	Experienced Staff	To ensure staff engaged at a senior level and technical roles have an understanding of the requirements relevant to their role.	<p>Senior staff are experienced. In situations where senior staff are absent, a very high reliance is placed on a very limited number of senior staff. This has a high potential for a breakdown of internal controls and legislative compliance</p> <hr/> <p>Improvement: Key positions should be staffed only by people with a relevant qualification, where senior staff are absent for a short period of time efforts should be made to engage suitably qualified temporary staff</p>
7.3.5	Staff Training	To ensure the staff have access to ongoing and appropriate training.	<p>Training needs analysis and register have not been updated. A number of licences/skills accreditations have expired.</p> <hr/> <p>Improvement: We suggest the Training Needs Analysis and Register be updated. We suggest licences/skills accreditations be updated and procedures are put in place to ensure they remain current.</p>

## 7.4 Insurance

The CEO and senior staff annually review the completeness of the insurance schedule with their Broker and adjust the insurance policy as considered appropriate.

## 7.5 Information Systems

Information systems are maintained internally.

Ref. No.	Framework Components	Purpose / Goal	Matters Noted / Improvements
7.5.1	Information Systems Plans	Plans to ensure the secure provision of information systems even in the event of a disaster.	<p>We noted no IT Disaster Recovery Plan or IT Security Plan are in place.</p> <p>Improvement: We suggest the IT Disaster Recovery Plan and IT Security Plan be developed and tested.</p>
7.5.2	IT Resources	Daily provision and maintenance of IT systems to assist staff in the provision of services.	<p>No policy in place for the use of Shire IT equipment for private use.</p> <p>Improvement: A policy to be created and put into force for the use of Shire IT equipment for private use.</p>

## 8.0 Monitoring and Compliance

Developing and implementing systems and procedures for legislative compliance and internal controls into an organisation can be a time consuming and expensive exercise with the potential to divert resources away from direct services. Considering the level of investment necessary to establish these systems, monitoring their effectiveness is an essential practice.

After implementing these systems, it is important to put in place practices that regularly monitor and assess their effectiveness to ensure they continue to meet their intended purpose.

Over time, the relevancy of established controls may change, their purpose may be forgotten, or technology may offer a more efficient or effective way to achieve the initial goal. For all these reasons, formal review procedures are required to ensure the resources applied to maintaining these systems, practices and controls are used in the most efficient way.

Currently, evidence of the monitoring of internal controls and legislative compliance is available from Minutes of Meetings, Registers of Disclosures and Reports received.

### 8.1 Council and Audit and Risk Committee

The minutes of the Council Meetings and the Audit and Risk Committee meetings contain within each item a topic for legislative matters. This is considered appropriate and an effective means of formally communicating legislative compliance requirements to the elected members.

Regular monthly financial statements and lists of payments made in the intervening period between each meeting have been presented to the Council for review, as required by legislation. This provides the basis for high level oversight of the financial position and expenditure of the organisation.

### 8.2 Executive Management Group

Ref. No.	Framework Components	Purpose / Goal	Matters Noted / Improvements
8.2.1	Minutes of Executive Management Group Meetings	To formally document identified risks, internal control and legislative compliance weaknesses raised by the Executive Management Group.	<p>No minutes of the Executive Management Group meetings were available for inspection.</p> <p>Improvement: We suggest minutes of the Executive Management Group meetings be maintained with risks, internal control and legislative compliance weaknesses identified in the minutes.</p>



### 8.3 Strategic and Operational Registers

A number of registers are maintained by the Shire of Victoria Plains, these registers were reviewed and are listed at Appendix C – Strategic and Operational Registers Examined.

Ref. No.	Register	Purpose / Goal	Matters Identified / Improvements
8.3.1	Complaints Register	Provides a record of Complaints received.	<p>A Complaints Register was not available for review.</p> <p>Improvement: A Complaints Register to be established and maintained.</p>
8.3.2	Common Seal Register	Provides a record of Seal usage detail.	<p>A Common Seal Register was not available for review.</p> <p>Improvement: Common Seal Register to be established and maintained.</p>
8.3.3	Freedom of Information Register	Provides a record of requests for access to information under the Freedom of Information legislation.	<p>A Freedom of Information Register was not available for review.</p> <p>Improvement: Freedom of Information Register to be established and maintained.</p>
8.3.4	Incident Register	Provide a record of OSH incidents.	<p>An Incident Register was not available for review.</p> <p>Improvement: We suggest Incident Register be maintained to record actions to be taken to prevent re-occurrence of incidents.</p>

### 8.4 Annual Compliance Audit Returns

Returns have been completed on a self-assessment basis and approved by Council each year with no significant matters identified. It is important to note the Returns were not independently prepared or verified.

## 8.5 Complaint Handling

The Code of Conduct requires any suspected breaches of legislation or the Code of Conduct to be reported to the CEO and to be dealt with in accordance with the principles of procedural fairness.

Community complaints are referred to the relevant officer to be responded to.

The table below details areas for possible improvement in relation to complaint handling.

Ref. No.	Framework Components	Purpose / Goal	Matters Noted / Improvements
8.5.1	Employee Complaints/Grievance Handling	Procedures for the handling of employee complaints and grievances.	<p>A Complaints Register was not available for review.</p> <p>Improvement: Complaints Register to be established and maintained.</p>
8.5.2	Community Complaints Handling	Procedures for the handling of community complaints.	<p>We note there are no procedures to ensure community complaints are recorded and responded to appropriately within a defined timeframe.</p> <p>Improvement: We suggest a documented procedure be developed to ensure all community complaints are logged and forwarded to the appropriate officer then followed up to ensure they are resolved.</p>

## 8.6 Audit

Council has appointed external financial auditors to the Shire of Victoria Plains. External audits of items such as the waste facility are undertaken by the appropriate regulatory body. No significant items have been identified during the last two years by the external auditors.

Ref. No.	Framework Components	Purpose / Goal	Matters Noted / Improvements
8.6.1	Internal Audit	Internal audit monitors the level of compliance with internal procedures and process along with assessing the appropriateness of these procedures.	<p>Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken.</p> <hr/> <p>Improvements: We suggest as the level of documented procedures improves a higher level of internal audit function to confirm adherence to documented policies and procedures may be required.</p>

## 9.0 Improvements

Suggested improvements opportunities are provided below to form an Improvement Plan.

### 9.1 Summary of Improvements

Ref. No.	Matter Noted	Improvements
6.1.1	We noted the Strategic Community Plan is due for a major review in accordance with legislative requirements.	We suggest community engagement be undertaken, and the Strategic Community Plan be updated.
6.2.1	Currently, no risk management policy has been adopted by Council.	We suggest a Risk Management Policy be formulated and adopted to formalise Council's commitment to legislative compliance.
6.2.2	Currently, no policy on internal controls has been adopted by Council.	We suggest an Internal Control Policy be formulated and adopted to formalise Council's commitment to internal controls.
6.2.3	Currently, no policy on legislative compliance has been adopted by Council.	We suggest a Legislative Compliance Policy be formulated and adopted to formalise Council's commitment to legislative compliance.
6.2.4	The Policy appears outdated, and the date of the last review of the Policy is not stated. We note the Policy refers to making draft copies of minutes available.	Section 5.94 of the <i>Local Government Act 1995</i> requires Confirmed minutes are required to be open to the public. We suggest the Policy be retracted or reviewed and updated to align with legislative requirements.
6.2.5	We note the Policy allows staff to provide information in the local newsletter and Central Midlands Advocate about Shire activities without first obtaining authorisation.	We suggest the Policy be reviewed and amended to require prior authorisation of any information to be provided to the media. Potential exists to merge the Policy with the Social Media Policy.
6.2.6	We note the Policy provides for the private use of Shire Plant and Equipment by Employees at no charge and for the disposal of used grader blades at an appropriate cost. Disposal of property is required to be undertaken in accordance with Section 3.58 of the <i>Local Government Act 1995</i> .	Disposal of property by sale, lease or otherwise should be undertaken in accordance with legislative requirements.
6.2.6	We also noted there is no requirement for plant and equipment to be operated by suitable qualified and trained staff.	We suggest the Policy be reviewed and amended to require persons utilising plant and equipment to be appropriately trained.
6.2.7(a)	We note the Policy states private works are to be charged at cost plus 15%.	Fees and charges are required to be imposed when adopting the annual budget, and we suggest the setting of a fee within the policy be removed.

Ref. No.	Matter Noted	Improvements
6.2.7(b)	The Policy provides for works to be undertaken on private land with no requirement for a signed agreement detailing the scope of works and responsibilities to be in place or any other controls to be in place.	To ensure appropriate control and minimise potential liability we suggest private works only be undertaken after an appropriate written agreement has been signed with the landowner.
6.2.8(a)	The Policy includes a delegation to the Shires Building Surveyor; we note the Shire currently utilises an external contractor for the provision of Building Survey services.	We suggest the delegation of powers be through a separate resolution of Council and be to the CEO.
6.2.8(b)	No power exists under the <i>Local Government Act 1995</i> for Council to delegate powers and duties to a person other than the CEO.  Section 5.44 allows the CEO to delegate powers and duties to employees.	To help ensure compliance delegations from the CEO should only be to an employee and not a consultant.
6.2.9(a)	The Policy includes a delegation to the Shires Environmental Health Officer; we note the Shire currently utilises an external contractor for the provision of Environmental Health services.	We suggest the delegation of powers be through a separate resolution of Council and be to the CEO.
6.2.9(b)	Section 5.44 allows the CEO to delegate powers and duties to employees.	To help ensure compliance delegations from the CEO should only be to an employee and not a consultant.
6.2.10	The policy refers to a responsible employee as defined under the <i>Local Government (Financial Management) Regulations 1996</i> , we note the term responsible employee is not defined in the regulations.	We suggest the policy be retracted.
6.2.11	The policy provides for Councillors to be signatories of the Shire Bank Account. We note there is no provision within the Act for elected members to be signatories to the Shire bank account.	We recommend the policy is reviewed and amended to require signatories to the bank account to be two employees.
6.2.12	We note there are no requirements stated for instances where the scope of a contract is amended or extended.	We suggest the Policy be amended to provide requirements for where there is an extension or variation of a contract's scope after a contract is signed.
6.2.13	We note the policy allows for the deduction of a housing bond from an employee's payroll. Housing bonds are required to be lodged with the Bond administrator.	To help prevent damage to Shire properties we suggest housing bonds be paid in full prior to occupation of the house and lodged with the Bond administrator.

Ref. No.	Matter Noted	Improvements
7.1.1	We noted the Plan does not include and assessment of risks associated with the delivery of assets to the community.  We note the asset management plan was prepared in 2013 based on asset information which is now outdated.	We suggest a formal assessment of risks in relation to the delivery of asset services to the community be included within a revised Asset Management Plan.
7.1.2	We note the Corporate Business Plan 2013 - 2017 is still available on the Shire website despite a new plan being adopted.	We suggest the Corporate Business plan 2013-2017 be replaced with the recently adopted plan.
7.1.3	No Business Continuity Management Plan was available for inspection.	We suggest a Business Continuity Management Plan be developed and approved.
7.2.1	Limited documented procedures currently exist.	Opportunities exist to improve standard operating procedures and ensure they are documented and key controls clearly identified. Once these procedures are developed and implemented, they require constant monitoring to ensure adherence and to ensure they are effective.
7.2.2	Checklists of key functions are maintained for certain key functions but not all.	Creation of standard checklists may assist in documenting key points of control.
7.2.3	Workflow diagrams have not been compiled.	In conjunction with the development of documented procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes to be followed.
7.2.4	Records are logged within an excel spreadsheet where the records officer is advised of the record.	We suggest the current system be replaced with a proper electronic records management system and all staff be trained in the appropriate recording of records.
7.2.5	Bank reconciliations are being routinely prepared. We noted the reconciliation is not signed and dated by the preparer or reviewer. To evidence the review of the reconciliation.	We suggest the preparer of the reconciliation and reviewer sign and date a copy of the reconciliation.
7.2.6	A number of issues were identified during a review of the rates system undertaken in January 2016. We acknowledge efforts have been made to address these issues.	We suggest the current efforts to rectify identified issues with the rates system continue.
7.2.7(a)	We noted no evidence of quotations received are maintained on file.	We suggest evidence of quotations be maintained with the purchase order.

Ref. No.	Matter Noted	Improvements
7.2.7(b)	An instance where a purchase in excess of \$20,000 occurred without the quotations being evaluated by at least two persons as required by the Purchasing and tender Policy	To help ensure compliance with the procurement policy we suggest appropriate controls be established to ensure the policy has been complied with prior to the release of a purchase order.
7.2.8	An 'etag' system is used for the drawing of fuel from the Bowser at the depot. We noted no monitoring of fuel consumptions is taking place.	We suggest routine monitoring of fuel consumptions occur to assist in the identification of vehicles utilising higher than average quantities of fuel.
7.3.1	Volunteers and contractors are not bound by a Code of Conduct when performing functions on behalf of the Shire.	We suggest an expansion of the scope of the Code of Conduct to include actions by volunteers and contractors. Alternatively, a separate Code of Conduct be developed for volunteers and contractors.
7.3.2	We noted instances where evidence of staff inductions was not available on file.	We suggest procedures are developed to ensure all staff undergo a documented induction and a record of this be maintained on the employee file.
7.3.3	No Occupational Safety and Health Manual was available for inspection	We suggest an Occupational Safety and Health Manual be developed and the requirement for the induction of elected members, employees, volunteers and contractors be included in the Manual.
7.3.4	Senior staff are experienced. In situations where senior staff are absent, a very high reliance is placed on a very limited number of senior staff. This has a high potential for a breakdown of internal controls and legislative compliance	Key positions should be staffed only by people with a relevant qualification, where senior staff are absent for a short period of time efforts should be made to engage suitably qualified temporary staff
7.3.5(a)	Training needs analysis and register have not been updated.	We suggest the Training Needs Analysis and Register be updated.
7.3.5(b)	A number of licences/skills accreditations have expired.	We suggest licences/skills accreditations be updated and procedures are put in place to ensure they remain current.
7.5.1	We noted no IT Disaster Recovery Plan or IT Security Plan are in place.	We suggest the IT Disaster Recovery Plan and IT Security Plan be developed and tested.
7.5.2	No policy in place for the use of Shire IT equipment for private use.	A policy to be created and put into force for the use of Shire IT equipment for private use.

Ref. No.	Matter Noted	Improvements
8.2.1	No minutes of the Executive Management Group meetings were available for inspection.	We suggest minutes of the Executive Management Group meetings be maintained with risks, internal control and legislative compliance weaknesses identified in the minutes.
8.3.1	A Complaints Register was not available for review.	A Complaints Register to be established and maintained.
8.3.2	A Common Seal Register was not available for review.	Common Seal Register to be established and maintained.
8.3.3	A Freedom of Information Register was not available for review.	Freedom of Information Register to be established and maintained.
8.3.4	An Incident Register was not available for review.	We suggest Incident Register be maintained to record actions to be taken to prevent re-occurrence of incidents.
8.5.1	A Complaints Register was not available for review.	Complaints Register to be established and maintained.
8.5.2	We note there are no procedures to ensure community complaints are recorded and responded to appropriately within a defined timeframe.	We suggest a documented procedure be developed to ensure all community complaints are logged and forwarded to the appropriate officer then followed up to ensure they are resolved.
8.6.1	Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken.	We suggest as the level of documented procedures improves a higher level of internal audit function to confirm adherence to documented policies and procedures may be required.



## 10.0 Other Matters

### Disclaimer

The services provided in terms of this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board and, consequently no opinions or conclusions are intended to convey assurance either expressed or implied.

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### Conflicts of Interest

The firm currently provides extensive audit and advisory service to Shire of Victoria Plains and Local Government. However, we do not believe the provision of the services covered in this report under the responsibility of a different engagement partner would compromise our objectivity in the conduct of the Audit.

Should the possibility of a perceived or actual conflict arise, the matter would be raised with the CEO immediately and activities suspended until the issue is resolved to the satisfaction of the CEO.

### Moore Stephens

Level 15 Exchange Tower  
2 The Esplanade  
PERTH WA 6000  
Phone +61 (0)8 9225 5355  
Email [rjbarnes@moorestephens.com.au](mailto:rjbarnes@moorestephens.com.au)  
ABN 99 433 544 961

### Document Date

13 December 2016  
Status: Final

## Appendix A - Council Policies Examined

The Council Policies examined as part of the review are as follows:

Policy Topic	Policy Topic
DIVISION 1 – ADMINISTRATION	DIVISION 8 – STAFF
1.1 Council Meetings	8.1 Staff Matters
1.2 Committees	8.2 Staff Housing
1.3 Committee Functions	8.3 Shire Motor Vehicles
1.4 Agendas	8.4 Calingiri Community Gym
1.5 Minutes	DIVISION 9 – MEMBERS
1.6 Freeman of the Shire	9.1 Councillors Expenses
1.7 Local Preference Policy	9.2 Meetings of Council
1.8 Media Releases	9.3 Members - Other
1.9 Use of Social Media for Publicity	DIVISION 10 – FIRE CONTROL
DIVISION 2 – WORKS AND PLANT	10.1 Fire Organisations
2.1 Roads and Reserves for Roads	10.2 Fire fighting Vehicles and Equipment
2.2 Works and Plant	10.3 Training of Fire fighters
2.3 Private Works	10.4 Safety and Health for Volunteer Fire fighters
2.4 Works General	DIVISION 11 – GENERAL
DIVISION 3 – BUILDING CONTROLS	11.1 Elections
3.1 Building Control	11.2 Australian Citizenship Receptions
DIVISION 4 – HEALTH	11.3 Permits and Licenses
4.1 Health Controls	11.4 The Shire Crest
DIVISION 5 – PLANNING	11.5 Shire Property
5.1 Subdivision – Conditional Applicable	11.6 Shire Reserves
DIVISION 6 – FINANCE	11.7 Regional Natural Resources Identification Kit
6.1 Budgets and Rating	11.8 Property
6.2 Investments and Borrowing	11.9 Water Ex Standpipes
6.3 Reserve Accounts	11.10 Calingiri and Bolgart Cemeteries
6.4 Financial Reporting	11.11 Town Beautification
6.5 General	11.12 Calingiri Ambulance
DIVISION 7 – LEGAL	11.13 Victoria Plains Small Community Grants Program
7.1 Legal Advice	11.14 Street Lighting
7.2 Legal Proceedings and Prosecutions	11.15 Street Appeals
7.3 Valuation of Property	
7.4 Legal Representation Costs Indemnification	Financial Hardship Policy for Water Services

## Appendix B - Plans Examined

The Plans examined as part of the review are as follows:

Plan	Currency
Strategic Community Plan.	Strategic Community Plan 2013/14-22/23 adopted by Council 24 June 2015.
Corporate Business Plan	Corporate Business Plan 2016/17 – 2019/20 adopted by Council 15 June 2016.
Asset Management Plan	Asset Management Plan 2013-33
Long Term Financial Plan	Long Term Financial Plan 2016-31 adopted by Council on 15 June 2016
Annual Budget	2016-17 Budget adopted by Council 20 July 2016
Record Keeping Plan	Updated September 2014
Disability Access and Inclusion Plan	Disability Access and Inclusion Plan 2015-2020
Local Emergency Management Arrangements	Endorsed by Council 16 April 2013
Workforce Plan	2013/14 – 2022/23
Age Friendly Community Plan	

## Appendix C – Strategic and Operational Registers Examined

The registers examined as part of the review are as follows:

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### Register

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Financial Interest Register

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Tender Register

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Register of Gifts and Contributions to Travel

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Register of Delegations

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## Appendix D – Operational Guidelines

### Risk Management

*The internal control and risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:*

- *Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered;*
- *Reviewing whether the local government has a current and effective Business Continuity Plan (including disaster recovery) which is tested from time to time;*
- *Assessing 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:*
  - *potential non-compliance with legislation, regulations and standards and local government's policies*
  - *important accounting judgements or estimates that prove to be wrong*
  - *litigation and claims*
  - *misconduct, fraud and theft*
  - *significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the local government*
- *Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;*
- *Assessing the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance;*
- *Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors;*
- *Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;*
- *Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;*
- *Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment; and*
- *Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks.*

## Legislative Compliance

*'The compliance programs of a local government are a strong indication of attitude towards meeting legislative requirements. Audit committee practices in regard to monitoring compliance programs typically include:*

- a) Monitoring compliance with legislation and regulations*
- b) Reviewing the annual Compliance Audit Return and reporting to Council the results of that review*
- c) Staying informed about how management is monitoring the effectiveness of its compliance and making recommendations for change as necessary*
- d) Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints*
- e) Obtaining assurance that adverse trends are identified and review management's Plans to deal with these*
- f) Reviewing management disclosures in financial reports of the effect of significant compliance issues*
- g) Reviewing whether the internal and / or external auditors have regard to compliance and ethics risks in the development of their Audit Plan and in the conduct of audit projects, and report compliance and ethics issues to the audit committee*
- h) Considering the internal auditor's role in assessing compliance and ethics risks in their Plan;*
- i) Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements*
- j) Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest*

## Internal Controls

*Internal controls are systems of policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations.*

*These systems not only relate to accounting and reporting but also include communication processes both internally and externally, staff management and error handling.*

*Operational Guidelines prepared by the Department of Local Government and Communities (Audit in Local Government number 09 September 2013) provide the background to Internal Controls in the context of this review as follows:*

*'Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Strategies to maintain sound internal controls are based on risk analysis of the internal operations of a local government.*

## Internal Controls (continued)

*An effective and transparent internal control environment is built on the following key areas:*

- k) integrity and ethics;*
- l) policies and delegated authority;*
- m) levels of responsibilities and authorities;*
- n) audit practices;*
- o) information system access and security;*
- p) management operating style; and*
- q) human resource management and practices.*

*Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation 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:*

- a) delegation of authority;*
- b) documented policies and procedures;*
- c) trained and qualified employees;*
- d) system controls;*
- e) effective Policy and process review;*
- f) regular internal audits;*
- g) documentation of risk identification and assessment; and*
- h) regular liaison with auditor and legal advisors.*

*The following are examples of controls that are typically reviewed:*

- a) separation of roles and functions, processing and authorisation;*
- b) control of approval of documents, letters and financial records;*
- c) comparison of internal data with other or external sources of information;*
- d) limit of direct physical access to assets and records;*
- e) control of computer applications and information system standards;*
- f) limit access to make changes in data files and systems;*
- g) regular maintenance and review of financial control accounts and trial balances;*
- h) comparison and analysis of financial results with budgeted amounts;*
- i) the arithmetical accuracy and content of records;*
- j) report, review and approval of financial payments and reconciliations; and*
- k) comparison of the result of physical cash and inventory counts with accounting records.*

## **MOORE STEPHENS**

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Level 15, 2 The Esplanade  
Perth WA 6000

T +61 (0)8 9225 5355

F +61 (0)8 9225 6181

[rjbarnes@moorestephens.com.au](mailto:rjbarnes@moorestephens.com.au)



Ordinary Council Meeting  
Agenda 31 July 2019

Shire of Victoria Plains

Shire of Victoria Plains

Moore Stephens - Compliance and Controls Review - Dec 2016

As at -

17-June-2019

Item	Ref No	Framework Components	Purpose/Goal	Matters Noted	Improvements suggested	Responsible position	Target date	Status	Date - Comment
<b>6.1 Strategic Community Plan</b>									
1	6.1.1	Strategic Community Plan	Community based plan to provide the overall Strategic Direction of the Shire	We noted the SCP is due for a major review in accordance with Legislative requirements	We suggest community engagement be undertaken and the Plan updated	CEO		Complete	28/3/2018 - Revised SCP adopted by Council
<b>6.2 Council Policies</b>									
2	6.2.1	Risk Management Policy	Policy to document the commitment and objectives regarding managing uncertainty	Currently no risk management policy has been adopted by Council	A risk management policy be formulated and adopted to formalise the Shires commitment to legislative compliance	CEO GO	31-Aug-18	Complete	24/4/2019 - Enterprise Risk Management Policy adopted by Council
3	6.2.2	Internal Control Policy	A Policy to evidence Councils commitment to internal controls and their importance to the organisation	Currently no policy on internal controls has been adopted by Council	An internal control policy be formulated and adopted to formalise Councils commitment to internal controls	CEO GO		Refer to Council	
4	6.2.3	Legislative Compliance Policy	A policy to evidence Councils commitment to legislative compliance and its importance to the organisation	Currently no policy on legislative compliance has been adopted by Council	A legislative compliance policy be formulated and adopted to formalise Councils commitment to legislative compliance	CEO GO		Refer to Council	Actual value? Legislative compliance in mandatory
5	6.2.4	1.5 Minutes	To provide copies of the minutes to the public	The policy appears outdated, and the date of the last review of the policy is not stated. We note the Policy refers to making draft copies of minutes available	Section 5.94 of the LGA 1995 requires confirmed minutes are required to be open to the public. We suggest the policy be retracted or reviewed and updated to align with legislative requirements	EA	On-going	Complete	Policy deleted. Minutes appear on website within statutory period
6	6.2.5	1.8 Media Releases	To set out who is authorised to provide information to the media	We note the policy allows staff to provide information in the local newsletter and Central Midlands Advocate about Shire activities without first obtaining authorisation	We suggest the Policy be reviewed and amended to require prior authorisation of any information to be provided to the media. Potential exists to merge the Policy with the Social Media Policy	CEO CDO GO		Not commenced	
7	6.2.6	2.2 Works and Plant	To set out requirements for the use of Shire owned plant	We note the Policy provides for the private use of Shire Plant and Equipment by Employees at no charge and for the disposal of used grader blades at an appropriate cost. Disposal of property is required to be undertaken in accordance with Section 3.58 of the Local Government. We also noted there is no requirement for plant and equipment to be operated by suitable qualified and trained staff.	Disposal of property by sale, lease or otherwise should be undertaken in accordance with legislative requirements. We suggest the Policy be reviewed and amended to require persons utilising plant and equipment be appropriately trained	CEO WSM GO		Not commenced	Policy 2.2.2 (2017) revoked March 2017 Policy 8.3.1 (2017) only covers cars etc, not plant or equipment  Policy to be developed
8	6.2.7	2.3 Private Works	To set out the requirements for undertaking private works	We note the policy states private works are to be charged at cost plus 15%. The policy provides for works to be undertaken on private land with no requirement for a signed agreement detailing the scope of works and responsibilities to be in place or any other controls to be in place.	Fees and charges are required to be imposed when adopting the annual budget, and we suggest the setting of a fee within the policy be removed. To ensure appropriate control and minimise potential liability we suggest private works only be undertaken after an appropriate written agreement has been signed with the landowner.	CEO WSM GO		Complete	Policy 13.6 (2018) to be revised further
9	6.2.8	3.1 Building Control	A policy to provide requirements to maintain a high amenity standards of buildings in the Shire.	The Policy includes a delegation to the Shires Building Surveyor; we note the Shire currently utilises an external contractor for the provision of Building Survey services. No power exists under the Local Government Act 1995 for Council to delegate powers and duties to a person other than the CEO. Section 5.44 allows the CEO to delegate powers and duties to employees.	We suggest the delegation of powers be through a separate resolution of Council and be to the CEO. To ensure compliance delegations from the CEO should only be to an employee and not a consultant.	CEO EHO GO		Complete	Policy 3.1.1 and 3.1.2 (2017) revoked July 2018 Refer Delegations Register
10	6.2.9	4.1 Health Controls	A policy to provide requirements to maintain a high level of health standards in the Shire.	The Policy includes a delegation to the Shire Environmental Health Officer; we note that the Shire currently utilises an external contractor for the provision of Health services. No power exists under the LGA 1995 for Council to delegate powers and duties to a person other than the CEO. Section 5.44 allows the CEO to delegate powers and duties to employees.	We suggest the delegation of powers be through a separate resolution of Council and be to the CEO. To ensure compliance delegations from the CEO should only be to an employee and not a consultant.	CEO EHO GO		Complete	Policy 4.1.1 (2017) revoked April 2019 Refer Delegations Register

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Shire of Victoria Plains

Shire of Victoria Plains

Moore Stephens - Compliance and Controls Review - Dec 2016

As at - 17-June-2019

Item	Ref No	Framework Components	Purpose/Goal	Matters Noted	Improvements suggested	Responsible position	Target date	Status	Date - Comment
11	6.2.10	6.4 Financial Reporting	Policy defining a responsible employee	The Policy refers to a responsible employee as defined under the Local Government (Financial Management) Regulations 1996, we note the term 'responsible employee' is not defined in the regulations.	We suggest this Policy is retracted.	CEO GO		Complete	Policy 6.4.1 (2017) revoked July 2018
12	6.2.11	6.5.1 Operation of Bank Account	Policy detailing requirements for the operation of the Shires Bank Account	Policy provides for Councillors to be signatories on account. There is no provision in the Act for elected members to be signatories.	We recommend the policy is reviewed and amended to require signatories to the bank account to be two employees.	CEO GO		Complete	Policy 6.5.1 (2017) revoked July 2018 Refer Delegation 3.2
13	6.2.12	6.5.5 Purchasing and Tendering Policy	Policy to set out requirements to obtain competitive quotes when purchasing works, goods and services	There are no requirements stated for instances where the scope of a contract is amended or extended	Policy be amended to provide requirements for where there is an extension or variation of a contracts scope after a contract is signed	CEO GO		Complete	Policy 6.5.6 (2017) revoke June 2018 Refer Policy 3.1 and 3.2 (2018)
14	6.2.13	8.2.6 Housing Bonds	A policy defining requirements for the provision of a housing bond for staff housing.	This policy allows for the deduction of a housing bond from an employees payroll. Housing bonds are required to be lodged with the bond administrator	To help prevent damage to Shire properties we suggest housing bonds be paid in full prior to occupation of the house and lodged with the bond administrator	CEO GO		Not commenced	Policy 8.2.6 - still current Likely to be affected by the Residential Tenancies Act
<b>7.1 Strategic and Operational Plans</b>									
15	7.1.1	Asset Management Plan	Plan prepared to assist the Shire to improve the way it delivers services from its infrastructure assets such as roads, drainage, footpaths, public open space and buildings	The plan does not include an assessment of risks associated with the delivery of assets to the community. The plan was prepared in 2013 based on asset information which is now outdated.	We suggest a formal assessment of risks in relation to the delivery of asset services to the community be included with a revised asset management plan	CEO GO		In progress	Moore Stephens currently finalising
16	7.1.2	Corporate Business Plan	A Plan to guide the internal operations of the Shire in delivering services to the community	The Corporate business plan 2013-2017 is still available on the website despite a new plan being adopted	Replace outdated plan on website	CEO GO		In progress	Moore Stephens currently finalising
17	7.1.3	Business Continuity Management Arrangements	Plan to provide a process to facilitate organised decision making in the event of a major incident that might otherwise be chaotic	no plan was available for inspection	Business continuity plan to be developed and approved by Council	CEO GO		In progress	Dreft to go to Audit and OCM in June 2019
<b>7.2 Operational Policies and Procedures</b>									
18	7.2.1	Documented Procedures	Use of documented procedures by officers helps establish a standard methodology and identifies key controls for processes undertaken by officers	Limited documented procedures currently exist	Opportunities exist to improve standard operating procedures and ensure they are documented and key controls clearly identified, Procedures to be developed, implemented and monitored to ensure compliance	All relevant staff	On-going	In progress	
19	7.2.2	Checklists	Checklists document the completion of multiple steps within an overall process	Checklists of key functions are maintained for certain functions but not all	Creation of standard checklists may assist in documenting key points of control	All relevant staff	On-going	In progress	
20	7.2.3	Workflow Diagrams	Workflow diagrams create a visual representation of a process, clearly identifying key points of control and responsibility	Workflow diagrams have not been compiled	In conjunction with development of procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes	All relevant staff	On-going	Not commenced	
21	7.2.4	Records Management Systems	Systems and procedures to log and appropriately save Shire records	Records are logged within an excel spreadsheet where the records officer is advised of the record	We suggest the current system be replaced with a proper electronic records management system and all staff be trained in the recording of records	CEO EA	On-going	Not commenced	Synergy Records module has been held by the Shire for many years - use has only been sporadic and very ineffective. It is more of a records tracking than records management Full records management program would be well in excess of requirements, expensive and resource hungry
22	7.2.5	Bank Reconciliations	Reconciliation between the bank statement and the Shire's accounting system, forming a primary control over the use of the Shire bank account	Reconciliations are being routinely prepared however it was noted that the reconciliation is not signed and dated by the preparer or reviewer to evidence the review of the reconciliation	We suggest the preparer of the reconciliation and reviewer sign and date a copy of the reconciliation	FAM	Immediate	Complete	

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Shire of Victoria Plains

Moore Stephens - Compliance and Controls Review - Dec 2016

As at - 17-June-2019

Item	Ref No	Framework Components	Purpose/Goal	Matters Noted	Improvements suggested	Responsible position	Target date	Status	Date - Comment
23	7.2.6	Rates controls	Procedures and controls for appropriate raising of rates	A number of issues were identified during a review of the rates system undertaken in Jan 2016. We acknowledge efforts have been made to address these issues.	We suggest the current efforts to rectify identified issues with the rates system continue	FAM Rates	Immediate	In progress	
24	7.2.7	Purchasing	Control procedures and systems for the purchasing of goods and services	We noted no evidence of quotations received being maintained on file.	We suggest evidence of quotations be maintained with the PO. To help ensure compliance with the procurement policy we suggest appropriate controls be established to ensure the policy has been complied with prior to the release of a PO.	CEO	Immediate	In progress	Requirement of adopted Policy. Implementation appears patchy
25	7.2.8	Fuel Controls	Control procedures in relation to fuel used by Shire plant and vehicles	An etag system is used for the drawing of fuel from the bowser at the depot. We note dno monitoring of fuel consumptions is taking place.	Routine monitoring of fuel consumptions to occur to assist in the identification of vehicles utilising higher than average quantities of fuel.	WSM FAM	Immediate		
<b>7.3 Human Resource Management and Practices</b>									
26	7.3.1	Code of Conduct	To provide a documented expectation for the behaviour of elected members, staff, contractors and volunteers when performing their duties.	Volunteers and contractors are not bound by a Code of Conduct when performing functions on behalf of the Shire.	Expansion of the scope of the Code of Conduct is required to include volunteers and contractors (or a separate CoC established).	CEO WSM GO		Not commenced	Current Policy 1.1 (2018) does apply to councillors, employees, volunteers and consultants, but has not been widely circulated. Legislative in 2019 are expected to implement a m=statutory Code of Conduct.
27	7.3.2	Staff inductions	To ensure staff are aware of the requirements and expectations of them before commencing duties.	We noted instances where evidence of staff inductions was not available on file.	Procedures to be developed to ensure all staff undergo a documented induction and a record of this be maintained on the employee file.	CEO WSM FAM		In progress	Not yet formalised
28	7.3.3	OHS Manual	Manual to guide elected members, employees, contractors and volunteers on the requirements in relation to OHS.	No OSH manual was available for inspection.	An OSH manual is to be developed and the requirement for the induction of elected members, employees, volunteers and contractors be included in the manual.	HRA		Not commenced	
29	7.3.4	Experienced Staff	To ensure staff engaged at a senior level and technical roles have an understanding of the requirements relevant to their role.	Senior staff are experienced. In situations where senior staff are absent, a very high reliance is placed on a very limited number of senior staff. This has a high potential for a breakdown of internal controls and legislative compliance.	Key positions should be staffed only by people with a relevant qualification, where senior staff are absent for a short period of time, efforts should be made to engage suitably qualified temporary staff.	CEO GO		Complete	Irrelevant Ability to attract experienced & qualified staff is extremely limited Would also remove some capacity for internal promotion Recommend against
30	7.3.5	Staff Training	To ensure staff have access to ongoing and appropriate training	Training needs analysis and register have not been updated. A number of licences/skills accreditations have expired.	We suggest the Training Needs Analysis Register be updated and licence/skills accreditations be updated and procedures put in place to ensure they remain current.	CEO WSM FAM		Not commenced	Value questionable
<b>7.5 Information Systems</b>									
31	7.5.1	Information Systems Plans	Plans to ensure the secure provision of information systems even in the event of a disaster.	We noted no IT Disaster Recovery or IT Security plans are in place.	We suggest the IT Disaster and IT Security plans be developed and tested.	CEO FAM IT		Not commenced	Should also be a component of the Records Keeping Plan (Disaster Mgmt section)
32	7.5.2	IT Resources	Daily provision and maintenance of IT systems to assist staff in the provision of services.	No policy is in place for the use of Shire IT equipment for private use.	A policy should be created and put into force for the use of Shire IT equipment for private use.	CEO FAM IT		Not commenced	
<b>8.2 Executive Management Group</b>									
33	8.2.1	Minutes of Executive Management Group Meetings	To formally document identified risks, internal control and legislative compliance weaknesses raised by the Executive Management Group.	No minutes of the Executive Management Group meetings were available for inspection.	We suggest minutes of the Executive Management Group meetings be maintained with risks, internal control and legislative compliance weaknesses identified in the minutes.	CEO		Complete	Discontinued
<b>8.3 Strategic and Operational Registers</b>									
34	8.3.1	Complaints Register	Provides a record of complaints received.	A complaints register was not available for review.	A complaints register to be established and maintained.	CEO GO		Complete	Presumed to mean statutory complaints in accordance with LG Act s.5.121 Compliant
35	8.3.2	Common Seal Register	Provides a record of seal usage details.	A common seal register was not available for review.	Common seal register to be established and maintained.	CEO EA		Complete	

Ordinary Council Meeting  
Agenda 31 July 2019

Shire of Victoria Plains

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As at -

17-June-2019

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36	8.3.3	Freedom of Information Register	Provides a record of requests for access to information under the FOI legislation.	A freedom of information register was not available for review.	Freedom of information register to be established and maintained.	CEO GO		Not commenced	Reallocated from FAM to GO 12/6/2019
37	8.3.4	Incident register	Provides a record of OSH incidents.	An incident register was not available for review.	An incident register is to be maintained to records actions to be taken to prevent re-occurrence of incidents.	CEO WSM FAM			
<b>8.5 Complaint Handling</b>									
38	8.5.1	Employee complaints/ Grievance Handling	Procedures for handling of employee complaints and grievances.	A complaints register was not available for review.	A complaints register to be established and maintained.	CEO		Not commenced	Procedures to be established Recommend against a Register - not of any real value given small staff numbers
39	8.5.2	Community Complaints Handling	Procedures for the handling of community complaints.	We note there are no procedures to ensure community complaints are recorded and responded to appropriately within a defined timeframe.	We suggest a documented procedure be developed to ensure all community complaints are logged and forwarded to the appropriate officer then followed up to ensure they are resolved.	CEO WSM FAM		In progress	Current procedures should be reviewed. Note Policy 2.5 (2018) Managing Unreasonable Conduct by Members of the Public
<b>8.6 Audit</b>									
40	8.6.1	Internal Audit	Internal audit monitors the level of compliance with internal procedures and process along with assessing the appropriateness of these procedures.	Currently no internal auditors have been appointed, and limited internal audit functions have been undertaken.	As the level of documented procedures improves, a higher level of internal audit function to confirm adherence to documented policies and procedures may be required.	CEO		Refer to Council	Appointment of internal auditors wh are employees or current consultants is inappropriate. The Shire does not have sufficient nuber of staff to gain separation of operational and audit functions



# Better Practice Review

## Shire of Victoria Plains

2017

Department of Local Government and Communities

Gordon Stephenson House

140 William Street

PERTH WA 6000

Telephone: (08) 6551 8700 Facsimile: (08) 6552 1555

Website: [www.dlqc.wa.gov.au](http://www.dlqc.wa.gov.au)

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## **PART I – BETTER PRACTICE REVIEW**

The Local Government Better Practice Review (BPR) Program is an initiative undertaken by the Department of Local Government and Communities (Department) to recognise and promote good practice in Western Australian country local governments. The BPR Program is part of the State Government's Country Local Government Fund (CLGF) Capacity Building Program.

The BPR Program involves a review team assigned to work closely with local governments to review key areas of that local government's activities and operations.

### **Program Objectives**

The BPR Program has been designed to acknowledge areas of better practice whilst encouraging improvement in the way local governments conduct their activities to ensure good governance and build the capacity of the local government sector.

The objectives of the program are to:

- Generate momentum for a culture of continuous improvement and greater compliance across the local government sector.
- Promote good governance and ethical regulation.
- Identify and share innovation and best practice in the local government sector.
- Act as a 'health check' by providing departmental advice and support to local governments that may be experiencing operational problems.

### **Reporting of a BPR**

Through the local government completed self-assessment checklist and the collection and collation of additional relevant information prior to an onsite review, the review team will summarise key findings in the areas of:

- Governance
- Planning and Regulatory functions
- Plan for the Future (strategic and corporate planning)
- Assets and Finance
- Workforce planning and Human Resource (HR) management
- Community and Consultation

The onsite visit can take anywhere between one to five days, depending on the size and location of the local government and the scope of the findings. The onsite review is a key component of a BPR as it presents the review team with an opportunity to further expand upon the knowledge gained from reviewing the local government's documents, which in turn assists in analysing and reporting on the above mentioned areas.

The report aims to highlight areas where a local government is demonstrating better practice, as well as providing constructive feedback on addressing any areas for further development. Where



appropriate, the areas recognised as requiring further development will feature suggested recommendations that the local government can aim to address through a documented action plan.

Although the report will address some legislative requirements, it's important to note that this is not solely a compliance exercise, and feedback focuses on building the capacity of the organisation to achieve sector standard across a range of functions and operations.

### **Implementation**

The local government has the opportunity to provide commentary and feedback on any findings of the review and/or a response to each area of the report, ensuring the report captures an accurate reflection of the local government. In particular it is requested that the local government review and complete the draft action plan in this report which identifies recommendations for the areas for further development.

## **PART II – EXECUTIVE SUMMARY**

A BPR took place at the Shire of Victoria Plains (Shire) during September 2016. The review team wishes to thank elected members and staff for their cooperation and participation during the BPR process and for providing valuable information on the Shire's practices and procedures.

This report identifies areas of better practice, strengths and areas of further development under the headings of Governance, Planning and Regulatory Functions, Plan for the Future, Asset and Finance, Workforce Planning and Human Resources Management and Community and Consultation.

The review found that whilst there are ongoing relationship challenges between elected members and between elected members and staff, staff and some elected members are working to promote an appropriate organisational culture and team-oriented environment across the organisation.

Discussions with the BPR team revealed that the Shire is keen to build better communication processes and procedures to facilitate improved relationships; identified by the Shire as a necessary area of improvement if the Shire is to provide good government into the future for the various communities within its district.

Overall, the Shire is an organisation that functions adequately, displaying strengths in the areas of customer service, financial management, human resources management and community development.

In addition, the Shire is continuing to work towards improving its asset management data. The Shire is encouraged in its efforts towards establishing a complete asset data set and continuing existing financial management practices.

Accordingly, areas for further development as identified in this report are mainly related to the documentation of policies and/or procedures, the review of key documents and plans, including Integrated Planning and Reporting and the improvement of its asset management framework.

## PART III – ABOUT THE SHIRE OF VICTORIA PLAINS

The Shire of Victoria Plains (Shire) covers 2,569.73 square kilometres (km) of land, 140 km north of Perth. The Shire is made up of seven town sites; Bolgart, Calingiri, Gillingarra, Mogumber, New Norcia, Piawaning and Yerecoin.

The Shire is known mainly for its agricultural activities specifically sheep and grain based farming. A growing tourism industry also exists in the Shire with tourists drawn to the area for reasons including an abundance of wildflowers and yellow canola fields during spring; events such as the Mogumber Rodeo, and the Shire's heritage significance, in particular, the Benedictine Community of New Norcia which is a major tourist drawcard in the area.



Currently, the Shire has eight elected members (including the Shire President) and a workforce of 25 (including part and full-time staff). The Shire faces an issue of an ageing workforce seeking to retain mature age employees whilst employing young workers moving forward. The Shire's 2016/17 annual budget projects a positive net result of \$78,840 for the financial year with a rates income of \$2.33 million.

The Australian Bureau of Statistics most recent Estimated Resident Population (ERP) figures (ABS catalogue 3218.0) put the Shire's population at 914 persons as of 30 June 2015. Reflecting an overall trend in rural WA, the Shire has experienced a small population decline over the last few years. According to ERP figures, between June 2010 and June 2015 the Shire's population decreased by 3.08% (equivalent to 29 persons).

The Shire's population had an average (median) age of 39.5 years as of 30 June 2015 (ABS catalogue 3235.0). As with many other smaller rural communities, the Shire is faced with the challenges of an ageing population. An ageing population can have a significant impact on a local government's community, its social fabric and the services and facilities available and required,

including health care (generally more likely to be required) and education facilities (generally more difficult to sustain). These, and other consequences of an ageing population, such as resourcing limitations (both financial and workforce) are key issues facing the Shire now and into the future.

## **PART IV – REVIEW AND ASSESSMENT**

### **1. Governance**

#### **Introduction**

Corporate governance is important because it enhances organisational performance; manages and minimises risks; increases the confidence of the community and the local government sector; ensures that the organisation is meeting its legal and ethical obligations; and assists in the prevention and detection of dishonest or unethical behaviour.

A local government, having various obligations put upon it by an Act of Parliament to 'provide for the good government of persons in its district', must have at its core sound governance, good decision making and accountability principles.

#### **Legislative and policy framework**

- *Local Government Act 1995 (the Act)*
- *Local Government (Administration) Regulations 1996*
- *Local Government (Audit) Regulations 1996*
- *Local Government (Functions and General) Regulations 1996*
- *Local Government (Rules of Conduct) Regulations 2007*
- *State Records Act 2000*
- *Freedom of Information Act 1992*
- *Public Interest Disclosure Act 2003*

#### **Strengths found as a result of the assessment process**

- The Shire displays a commitment to providing a high level of customer service to all stakeholders; a commitment it has documented through a comprehensive Customer Service Charter, available via its website. The charter links to the Shire's corporate values; provides information on what community members should come to expect when dealing with the Shire; outlines its customer service standards and provides information on how customer requests, feedback and complaints are dealt with. Overall, the charter is a good document and meets all areas of recommended good practice. Should the Shire seek to further enhance its customer service charter it may wish to consider documenting/formalising a complaints handling policy and/or procedure. For further information on this, the Ombudsman Western Australia website provides comprehensive information and guidelines on effective complaint handling processes for public authorities on its 'Guidelines and Information Sheets' and 'Effective handling of complaints' pages ([www.ombudsman.wa.gov.au](http://www.ombudsman.wa.gov.au)).
- The Shire's policy manual includes a wide range of policies, across various functions. In line with recommended practice, the Shire's policy manual is made available to the public via its

website; ensuring transparency and openness around the way it conducts business. While the Shire's policies are generally of a good standard, some could be improved and/or require review. Where applicable, such examples have been identified throughout this report (in various areas for further development sections). To address issues regarding currency and relevancy the Shire may wish to consider implementing a formal, scheduled cycle for the review of its policies; every two years following Council elections, for example. That being said, overall the Shire's policies are well-written, easy to understand and of the standard appropriate for the Shire to meet its legislative obligations and ultimately, achieve good governance.

- As required by the State Records Act 2000, local governments are to keep full and accurate records of their activities. The Shire is fully compliant with its legislative record keeping requirements with a good recordkeeping plan in place. Supporting its record keeping plan, the Shire has developed a policy for elected member's record keeping. The policy is a comprehensive, yet easy to understand document which clearly outlines and articulates the record keeping obligations of elected members and accordingly should be referred to by elected members to assist them in understanding, and meeting, their recordkeeping obligations.
- Recognising the importance of elected member training and development the Shire has developed a good elected member induction and training program. Upon commencement, all elected members are provided with a councillor's handbook and documentation relevant to their roles and attend a formal induction session with the CEO and Deputy CEO. Topics covered through the induction include the role of elected members and CEO, legislative requirements of local government (i.e. the Act and associated regulations), meetings and finances.
- Enhancing and supporting the elected member induction program, the Shire has also developed a policy for elected member training, 'Councillor Training'. The policy which was endorsed by Council in 2014 mandates that all elected members will complete three units of WALGA elected member training within 12-months of election (according to the policy these are Understanding Local Government, Serving on Council and Decision Making at Board Level) and notes that all costs for the training will be met through the Shire's budget. During discussions with the Shire it was noted that all current serving elected members had undertaken the training required by the policy. Through its policy, the Shire demonstrates an active commitment to elected member training and development with the aim of achieving good governance — this is good practice.

## **Areas for Further Development**

As a result of the assessment process the following areas were identified for further development:

- Risk management involves the systematic identification, analysis, evaluation, control and monitoring of risks. Although risk cannot be entirely eliminated, local governments are encouraged to establish risk-aware cultures and put in place structures, processes and controls that can effectively reduce and manage risk. One way local governments can

achieve this is through the development of appropriate risk management documentation such as a risk management policy, risk management plan, risk management procedures and so on. While various Shire policies currently identify risk management issues (such as those policies in relation to Occupational Safety and Health, procurement and social media use), it does not have any overarching, whole of organisation approach to risk management and/or a risk management framework. To achieve good practice in risk management, the Shire should develop appropriate risk management documentation as part of an overall risk management framework.

- Business continuity planning forms part of risk management processes. It enables a local government's internal and external services to quickly recover from a range of disasters and to document how it will prevent, prepare for, respond to, manage, and recover from the impacts of unforeseen events. During the onsite visit the Shire advised it was intending to develop a business continuity plan in the 2016/17 financial year. The Shire should continue working on this, ensuring that any business continuity plan it develops is linked with its current emergency management documents and any future risk management documentation it may develop (as per above).
- As required by section 5.103 of the Act, the Shire has a Code of Conduct (Code) for elected members, employees and committee members. The Shire has put various measures in place to ensure that all parties are aware of the code and their rights and obligations in regards to it. For example, the code is made available in hard-copy at all council and committee meetings with the Shire president referring to it at the beginning of all meetings; it is covered during inductions, and elected members have electronic copies uploaded to their iPads. While these are good practices to have in place, to achieve better practice (and align with general practice across the sector) the Shire should consider introducing formal, written acknowledgment of the code requiring all elected members, employees and committee members to sign off/acknowledge that they have read, understand and agree to abide by the code. Further it is recommended that the Shire's code be made available in hard-copy at the administration centre and uploaded to its website, making it accessible to the general public.
- Although there is generally a positive organisational culture at the Shire, the Department is aware that some tensions currently exist between some elected members, and some elected members and staff. Elected member/staff interactions and relationships are documented within the Shire's code and in a recently endorsed council policy on formal communications. While having these types of matters formally documented is good practice, following discussions with the Shire it appears that the protocols and guidelines outlined within the documents are not being followed and/or understood by elected members. Elected members (and employees where relevant) are reminded that in addition to the Shire's own policies; relationships and conduct between elected members and staff are governed by various legislation, including ss2.7 to 2.10, 5.2, 5.41 and Division 9 of the Act and the *Local Government (Rules of Conduct) Regulations 2007*. As such it is important that appropriate processes for communication and interaction are established, and followed, to ensure adherence with legislation and good governance.

- During the onsite visit, the Shire stated it did not have any formalised structures in place for monitoring legislative compliance but had considered introducing a more formalised, whole-of-organisation approach to its legislative compliance activities such as a governance calendar and/or checklist. The review team agrees that this would benefit the Shire, noting that a checklist/calendar will not only assist it in meeting its legislative compliance requirements throughout the year, but will also promote accountability and legislative awareness amongst all staff; minimising risks to the organisation. Accordingly, the Shire is encouraged to develop, and implement a legislative compliance calendar.
- In January 2016, the Shire's Audit Committee recommended that Anderson Munro & Wyllie be appointed as the Shire's auditors for a three year period to 2019. Following this, at its January 2016 ordinary meeting the Shire of Victoria Plains Council set out to appoint Anderson Munro & Wyllie as the Shire's auditors through the resolution: "That resolutions 01/2016 to 05/2016 inclusive be endorsed from the minutes of the Audit Committee Meeting held at 10.15am on Wednesday 20 January 2016". While it is apparent the Shire's intent through this resolution was to appoint an auditor on the recommendation of the Audit Committee — it does not comply with s7.3 of the Act for the appointment of an auditor, for two reasons. Firstly, the Act states that a local government is to appoint a named person/s to be its auditor; whereas the Shire appointed a company rather than a registered auditor from that company. Secondly, the Act states that the appointment of a registered auditor is to be made through an absolute majority decision of Council. While the Council resolution of January 2016 technically achieved an absolute majority vote (9-0); the minutes do not state this voting requirement.
- During the onsite visit, the review team attended the September 2016 Ordinary Council meeting which was in session for close to three hours. Since the visit, the BPR team has reviewed additional minutes and notes that meetings are generally in session for between three to five hours; considerably longer than for most similar sized local governments. Unnecessarily long meetings are inefficient and put an extra burden on both elected members and staff who have to attend. Longer than "normal" meetings can indicate a variety of issues within a local government including elected members' involvement in operational matters, discussions at Council meetings that are unnecessary or should be asked through a different format and/or an ineffective or dysfunctional Council. While it is not the intent of a BPR to focus on more complex issues such as a council's functionality, the review team does have some concerns in regard to the conduct of the Shire's meetings. It is the review team's opinion that various factors are contributing to the meetings' effectiveness, including:
  - Some elected members take an extra interest in operational matters (rather than the appropriate strategic ones) and are asking questions/making statements/requesting information of this nature at council meetings, for e.g. querying operational details of payments made under delegated authority and the status of day-to-day correspondence, and questioning and requesting, actions of the administration. Such items should not be discussed by elected members at council meetings (and in some cases not at all) as they slow down the business of the meeting, and take away from

the decision making process in addition to confusing the role of council and administration.

- Good decision making is enhanced when a council meeting is effectively chaired and meeting procedures and statutory requirements adhered to. During the September 2016 Ordinary meeting, the Shire President controlled the meeting relatively well with the exception being some debate in which standing orders and acceptable standards of meeting practice were not met. Some elected members were given more latitude than recommended particularly in regards to the types of questions they asked, statements being made and some behaviours exhibited. While it is the responsibility of individual elected members to be aware of their role and behaviours when participating in meetings, it is also the role of the presiding member to effectively control meetings, preserve their order and ensure they are conducted in an appropriate manner. In addition to Council undertaking training in meeting procedures, roles and responsibilities; closer adherence to standing orders and relevant legislation (guided by the presiding member) will assist with meetings being conducted in a proper and timely manner.
- In addition to the role that Council and the administration play in regards to the conduct of meetings, the agenda and structure of meetings can also be a factor contributing to their effectiveness. A well-structured meeting is one that is directed towards decision making, considers high level strategic matters and does not include unnecessary items that take away from the decision making role of Council. In line with this, various items currently tabled at the Shire's Council meetings are not consistent with contemporary, recommended meeting practice and should be reconsidered. These include 'Correspondence', the 'Administration Status Report' and 'Business Arising from the minutes (from committee meetings)' for example. As the Shire undertakes a review of its standing orders it should also critically review the business conducted at council meetings to assess the relevance, and appropriateness of items being covered.
- In summary, to the public council meetings are one of the most visible (and important) examples of the local government's decision making processes. Inappropriate and unprofessional meeting conduct can negatively affect the public perception of the Shire, its elected members and staff. For this reason, it is important that council meetings are conducted appropriately in line with relevant legislation, internal policies and best practice expectations. The Department has produced various resources relating to council meetings that include information on elected member roles and responsibilities; the role of the presiding member; the content and structure of agendas and minutes and the decision making process. The Shire should refer to these documents; in addition to applicable legislation (such as the *Rules of Conduct* and *Administration* regulations) and its own policies and documents relating to meetings (e.g. code of conduct, standing orders and policy 9.2 'Meetings of Council'); to support it in achieving good meeting practice.



## The Shire's response

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## 2. Planning and Regulatory Functions

### Introduction

Local governments carry out a number of land-use planning and regulatory functions, the majority of which are enacted by State Government legislation. A number of these functions are also exercised through relevant local laws, planning schemes and policies. The way in which these functions are carried out by a local government, in line with appropriate legislation and in an efficient and effective manner, is important for achieving a wide range of social, economic and environmental outcomes.

### Legislative and policy framework

- *Local Government Act 1995*
- *Planning and Development Act 2005*
- *Planning and Development (Local Planning Schemes) Regulations 2015*
- *Health Act 1911*
- *Dog Act 1976*
- *Dog Regulations 1976*
- *Cat Act 2011*
- *Cat Regulations 2012*
- *Heritage of Western Australia Act 1990*
- *Building Regulations 2012*
- *State Emergency Management Act 2005*

### Strengths found as a result of the assessment process

As a result of the assessment process a number of strengths were found:

- Due to the relatively small size of the Shire, the number of development applications (DAs) received on an annual basis is minimal. Although the Shire only receives a small number of DAs, the system it has in place around the development application process is considered appropriate for a local government of its size and requirements.
- As the employment of a permanent/on-staff planner could not be justified, the Shire engages the services of planning officers at the Shire of Chittering on an as-required, fee for service basis. During the onsite visit, the Shire noted this arrangement had been in place for a number of years and was working well, effectively serving the needs of the community. It is good practice to utilise the resources of a neighbouring local government in this way, when the arrangements meet community needs and expectations.
- The Shire has developed a process for the determination of appropriate DAs under delegated authority. Authority to approve certain DAs has been delegated by Council to the CEO and sub-delegated to the senior planning officer role, currently through a fee-for-service arrangement with the Shire of Chittering. While the current requirement for DA approvals is low, it is good practice to have a delegations system in place for simple approvals, as it enables the Council to focus on strategic matters and sets an appropriate process in place in anticipation of an increased level of DAs in the future.

- Under the *Emergency Management Act 2005*, local governments have various obligations placed upon them. These obligations include ensuring that appropriate Local Emergency Management Arrangements (LEMA) are prepared and maintained for the local government district; managing recovery following an emergency and the establishment of Local Emergency Management Committee/s (LEMC). The Shire has prepared a set of LEMA and established a LEMC, meeting its statutory requirements. Further to this, the Shire demonstrates good practice as recommended by the Office of Emergency Management (formerly SEMC secretariat) by publishing its LEMA on its website. The LEMA are published on the website under a 'Fire and Emergency' heading along with other useful information for the community regarding emergencies — mainly fire — but including local emergency contacts and links to relevant agency websites. These include the new emergency.wa.gov.au; Main Roads and the Bureau of Meteorology sites.
- Complying with relevant legislation, the Shire keeps registers for dogs and cats. Further to simply meeting legislative requirements, the Shire actively seeks to keep the local community aware of its obligations regarding the keeping, and registration of companion animals. The Shire provides this information through various methods including its newsletter and on the Shire website, including electronic versions of dog and cat registration forms. Reminders about pet registrations are also included in an information brochure which accompanies the annual rates notice.

### Areas for Further Development

As a result of the assessment process the following areas were identified for further development:

- The *Planning and Development (Local Planning Schemes) Regulations 2015* state that local governments must review local planning schemes five years after the date of the year in which they were gazetted (Regulation 65). The Regulations include additional detail regarding a scheme review, including that it should take into account the local planning strategy for that scheme (and whether the strategy is also required to be reviewed); that a report is to be prepared (no later than 6 months after the requirement to carry out the review) and what information the report should include (Regulation 66). During discussions with the Shire, it was discussed that the Local Planning Scheme No 5, gazetted in 2012, would be due for review during 2017. The Shire, in collaboration with relevant stakeholders, should look to undertake this process.
- Section 3.16 of the Act requires a local government to review each of its local laws, no later than eight years after the date of adoption, or date of review. Currently the Shire has a number of local laws, all of which are well overdue for review, some more so than others. During the onsite visit, the Shire advised it was commencing a process to undertake a full review of its local laws to be completed in the 2016/17 financial year, with the assistance of a consultant. Since the visit, it is noted that an initial report has been submitted to Council recommending a number of changes to the current suite of local laws including amendments, repeals and/or the adoption of new local laws. The Shire is encouraged to continue and complete the local law review process.

- In accordance with s.5.94 of the Act, a member of the public should be able to inspect copies of a local government's local laws at its office. While not a legislative requirement, it is also common practice for local laws to be made available on a local government's website in complement to policies and other strategic documents. Given the fact that many of the Shire's local laws are considerably out of date and not reflective of current practice, it is understandable that they are not currently on the website. However, once the new or reviewed local laws are developed and finalised, it is recommended these be made available on the Shire's website, in addition to ensuring that copies are made available for public inspection at the administration centre, in line with legislative requirements.

### **The Shire's response**

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### 3. Plan for the Future

#### Introduction

The 'Plan for the Future' (Integrated Planning and Reporting (IPR)) requirements for local governments in Western Australia came into effect on 1 July 2013. As a result, all local governments are required to have in place a Strategic Community Plan and Corporate Business Plan, which together, form the 'Plan for the Future'.

#### Policy and legislative framework

- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- Integrated Planning and Reporting Advisory Standard (IPR Advisory Standard)
- Integrated Planning and Reporting Framework and Guidelines (IPR Guidelines)

#### Review of the Shire's Plan for the Future framework

- The Shire's Strategic Community Plan and Corporate Business Plan were adopted by Council at its June 2013 meeting. As outlined in the IPR Advisory Standard, the Shire undertook a two-yearly desktop review of its Strategic Community Plan in 2015 with Council adopting, by absolute majority, the revised plan in June 2015. Since this time, the Shire has also reviewed its Corporate Business Plan twice; once in June 2015 and most recently in June 2016.
- The Act states that a strategic community plan should undergo a full review every four years and due to the "integrated" nature of IPR, a full corporate business plan review should also occur. In line with this requirement, the Shire will begin to undertake the major review of its plans during 2017. Accordingly, the following section will outline the Shire's strengths in regards to its current Plan for the Future framework (both its Strategic Community Plan and Corporate Business Plan) and areas for the Shire to consider when undertaking the development of a revised Strategic Community Plan and subsequent Corporate Business Plan revision.

#### Strengths found as a result of the assessment process

- The IPR Guidelines and Advisory Standard require local governments to express their vision, outcomes and priorities in the plan. Additionally, local governments can also provide their values and mission statement. The Shire's Strategic Community Plan clearly states its vision, mission, values and goals. The Shire is commended for meeting these requirements and including its mission and values apart from its vision and goals as it demonstrates the Shire's commitment and approach towards achieving community aspirations.
- The Shire's Strategic Community Plan includes commentary on key challenges faced by the Shire, developed from the results of community consultation. These key challenges have been used to identify the areas of improvement for the Shire and develop community aspirations (goals). The Shire is commended for this as the community is aware of the reasons for the strategic goals in the plan and the strategies derived towards achieving

them. This is also in line with the new Integrated Planning and Reporting Framework and Guidelines which require a local government to be very clear on its focus. The challenges demonstrated in the plan clearly articulate the Shire's focus and where it intends to be.

- The Shire's Corporate Business Plan aligns well with the Strategic Community Plan by setting strategies and actions for each outcome developed in the Strategic Community Plan. The Corporate Business Plan provides detailed information on the costs budgeted to accomplish each action, and summarises these costs against each business unit — showing total costs required over the four year period to deliver the plan. This is good practice as the inclusion of costs demonstrates that the plan is based on realistic and accurate resourcing considerations.
- Through reviewing its plan on a rolling basis, the Shire clearly identifies its current position in relation to the delivery of projects and Council priorities for the period and accordingly, communicates its direction for the year ahead to the local community.

### **Areas of Further Development**

As a result of the assessment process the following areas were identified for further development:

- At the core of good strategic community planning is effective and meaningful community engagement. Community engagement is crucial to determine local aspirations and needs and as such is a key component in developing/modifying a strategic community plan. As stated in the IPR Guidelines, 'achieving standard' is met when community engagement involves at least 500 or 10% of community members, whichever is fewer, and is conducted by at least two mechanisms. Moreover, Regulation 19C (10) states that a Strategic Community Plan must contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of the modifications of the plan. The Shire's Strategic Community Plan states that the community was engaged via a survey and through providing written feedback. During the onsite visit, the Shire advised that it also undertook community engagement (through a series of community meetings) for the desktop review of the Strategic Community Plan — this is good practice. While this may be the case, the Shire's Strategic Community Plan doesn't state the number of responses received from the community or provide additional detail on the community engagement processes it undertook — to do so would achieve better practice. Therefore, for the full review of the plan, it is recommended that the Shire provide more broad commentary around community engagement, including the number of participants involved and the methods used.
- Regulation 19C requires that a Strategic Community Plan includes key success factors to measure its success in achieving community outcomes (i.e. success measures or KPIs). The Shire's Strategic Community Plan contains a number of success measures, some with desired trends; which is good practice. Further the plan states that success measures are included to provide an indication of how the Shire can be judged on the progress it is making towards meeting the goals of the Strategic Community Plan which is also good practice, and the intended purpose of the inclusion of success measures. While this may be the case, it is

not clear how the Shire currently monitors and/or reports on its success measure to advise the community and council on its progress towards achieving outcomes. In order for the community and Council to have an indication of how a strategic community plan is succeeding (or otherwise) reporting progress against these indicators is essential. Therefore, it is recommended that the Shire develop appropriate monitoring and reporting mechanisms. One suggested method is through the Annual Report, whereby rather than just providing an overview of IPR, the Annual Report may also be used to report on the Shire's progress towards achieving outcomes, as articulated by the success measures. While this is not a legislative requirement, it would demonstrate better practice in IPR.

- If not through its Annual Report, the Shire may wish to consider including this information in the development of its new, revised Strategic Community Plan. For example, the development of a new/revised Strategic Community Plan provides an ideal opportunity for the Shire to provide an update to the community on its progress towards achieving strategic outcomes and the community's overall vision, as articulated by the success measures. Additionally, once a new plan is in place, the Shire should also consider developing a system for more regular monitoring and reporting on its progress towards achieving outcomes. For example, many local governments provide regular (monthly, quarterly or biannual) reports to Council on progress against the Corporate Business Plan, which in turn reports achievements against identified success measures of the Strategic Community Plan. While this represents a highly sophisticated level of IPR, at a minimum the Shire is encouraged to consider the role and purpose of its success measures and how these can effectively be utilised to monitor and track its progress and achievements, and how and where these can be reported. The IPR Guidelines include information about monitoring and reporting.
- Legislation also requires Strategic Community Plans to have regard to, and be shaped by, a local government's current and likely future resourcing capabilities (Regulation 19C). Currently, the Shire's Strategic Community Plan mentions limited financial and other key resources as a future challenge (under 'The Challenges ahead' section) but doesn't include any further detail on the Shire's resource position. Accordingly, it is recommended that broad commentary and more detailed information on the Shire's resources be provided in the next version of the plan. For example, commentary and information on the Shire's resource capacity (both financial and other resources such as assets, infrastructure and workforce) and what this means for progressing the community's aspirations as identified in the plan.
- Specifically, the Strategic Community Plan should include detail on the Shire's current and future anticipated resources as identified in its informing strategies (workforce, asset management and long term financial plans) and a long-term (10 year) financial profile, including information such as anticipated rates requirements. Including more detail in respect to resources will see the Shire's Strategic Community Plan priorities based on realistic resourcing considerations and allow for a more open conversation with the community on what is achievable and what is not; ensuring it remains an effective planning document into the future. The recently updated IPR Guidelines include further detail on this including the types of resourcing considerations to include in a strategic community plan.

- Although the Strategic Community Plan is available on the Shire's website, the online version is not the most current and instead is the original version of the plan from June 2013. Given the Shire has reviewed its plan since that time, and is looking forward to a major strategic review in 2017, it would be prudent to update the website with the most current version of the Strategic Community Plan. In addition, the Shire's Corporate Business Plan is available online but is not accessible (i.e. there is a 'dead' link). The Shire should update its website to ensure that both its Strategic Community Plan and Corporate Business Plan are accessible as together, both documents form the Shire's 'Plan for the Future'.

### **The Shire's response**



## 4. Asset and Finance

### Introduction

Local governments deliver important community services. Effective financial management is crucial to the sustainable delivery of these services to meet community needs and aspirations. Further to this, fully costed asset management and long term financial planning is an essential component of integrated planning and reporting, and is required to support and inform a local government's strategic planning and corporate business planning processes.

### Legislative and policy framework

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Local Government (Administration) Regulations 1996*
- *Local Government (Functions and General) Regulations 1996*
- *Rates and Charges (Rebates and Deferments) Act 1992*
- Asset Management Framework and Guidelines
- Long Term Financial Planning Framework and Guidelines
- Model Long Term Financial Plan
- IPR Advisory Standard

### Assessment of the Shire's asset and financial management

- The Shire has sound financial management and has received unqualified audit reports for the past three years. Yet, certain compliance/governance issues have been identified in the most recent 2015/2016 financial year. In terms of financial reporting, the Shire's most recent annual budget, budget review and 2015/16 annual financial report meet all statutory requirements as do its monthly financial statements.
- As prescribed in the *Local Government (Financial Management) Regulations 1996*, financial sustainability for local governments in WA is measured by four ratios; the Current Ratio, Debt Service Cover Ratio, Own Source Revenue Coverage Ratio and Operating Surplus Ratio. Asset management sustainability is measured by three ratios; the Asset Sustainability Ratio, Asset Consumption Ratio and Asset Renewal Funding Ratio. In analysing ratios, trends over time provide a more accurate assessment than a single year. Through its annual financial reports, the Shire has reported the following ratios, compared with industry benchmarks:

Statutory Ratio	Benchmark	2015/16	2014/15	2013/14
Current Ratio	> 1.0	1.85	3.14	1.26
Debt Service Cover Ratio	> 2.0	4.48	16.53	5.14
Own Source Revenue Coverage Ratio	> 0.4	0.46	0.57	0.49
Operating Surplus Ratio	> 0.00	-0.86	-0.11	-0.80
Asset Sustainability Ratio	> 0.9	0.80	1.49	1.74
Asset Consumption Ratio	> 0.5	0.98	1.00	0.38

Asset Renewal Funding Ratio	> 0.75	1.03	0.90	1.09
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- As indicated in the table, two of the Shire's financial ratios are below the benchmark for 2015/2016. This will be included in the 'Areas for Development' section. The ratios trending above the benchmark have been included in the 'Areas of Better Practice' section. Overall, the ratios have declined as compared to the previous financial year but the Shire is still in sound position five out of seven ratios are above the benchmark, indicating good financial health.

## Areas of Better Practice

As a result of the assessment process, the following examples represent better practice in respect to the Shire's asset and financial management practices:

Area of Better Practice	Why the initiative is considered Better Practice
Ratio Performance	<p>As indicated by its statutory ratios, the Shire was in a good financial position at the end of the 2015/16 financial year; with six of its ratios, as mentioned earlier are above the Department's recommended benchmarks. An analysis of the Shire's financial sustainability ratios indicates:</p> <ul style="list-style-type: none"> <li>The current ratio has declined in 2015/2016 as compared to the previous year, 2014/2015. However, it has remained above the benchmark for the past three years. This indicates that the Shire continues to have good liquidity at the end of 2015/2016.</li> <li>The debt service ratio has fallen significantly in 2015/2016 as compared to the previous year (2014/2015) mainly due to the decrease in operating grants, subsidies and contributions by \$899,234, increase in depreciation by \$972,276 and increase in non - operating grants, subsidies and contributions by \$1,062,184. However, the ratio is still above the recommended benchmark and indicates that the Shire is able to cover its repay its debt.</li> <li>Own source revenue coverage ratio has slightly declined over the previous year and has met the benchmark for the past three years. This shows that the Shire is able to meet all of its operating expenses through its own revenue efforts.</li> </ul> <p>In respect to asset management, the Shire's asset ratios were also above benchmark:</p> <ul style="list-style-type: none"> <li>The Asset Consumption ratio measures the extent to which depreciable assets have been consumed by comparing an assets written-down value to its replacement costs. Basic standard is met if this ratio is above 0.5 and the standard is improving if the ratio is between 0.6 and 0.75. The Shire's ratio is reported at 0.98 and is at a healthy level.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Asset Renewal Funding ratio measures the ability of a local government to fund its projected asset renewals and replacements into the future. The Shire's ratio is reported at 1.03 which exceeds the benchmark of 0.75 and is doing extremely well.</li> </ul>
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As a result of the assessment process a number of additional strengths were found:

- The Shire manages/records its asset data in the Roman software for roads, drainage and other infrastructure; Buildings Plus for buildings and Synergy for parks and reserves. During the onsite visit, the Shire acknowledged that its asset data is complete for the upcoming five year period and noted it has done extensive work in recent times to improve the condition of its roads. The Shire also intended to complete its asset data for the next 10 years in the near future and the assessment of service levels. The Shire is commended for its efforts in improving the condition of its assets, in particular roads, and is encouraged to continue working towards completing its asset data for the next 10 years.
- Further, the Shire mentioned that in the past, its roads had been maintained on an ad-hoc basis. To address this, the Shire is looking at developing a hierarchy of roads to utilise in carrying out programmed maintenance across all roads. The Shire is commended for identifying its issues with maintenance and coming up with the hierarchy of roads to help assist with this situation.
- The Shire's Long Term Financial Plan meets recommended practice by including all areas identified in the Departments 'Long Term Financial Planning Framework and Guidelines' and 'Model Long Term Financial Plan'. The financial plan covers a 15 year period from 2016 to 2031 and the figures in the plan align with the corresponding years of the Corporate Business Plan — this is good IPR practice.

### Areas for Further Development

As a result of the assessment process the following areas were identified for further development:

- The asset sustainability ratio is calculated as capital renewal and replacement expenditure over depreciation expense and is an approximation of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful lives. Measuring assets at fair value is essential to the calculation of a valid depreciation expense value. As outlined in the Annual Financial Report 2015/2016, the Shire's asset sustainability ratio declined, trending downwards for the first time in three years. The change in the valuation method from historical cost to fair value has likely caused the increase in depreciation expense in 2015/16 by \$972,276, thus affecting the ratio in 2015/2016 and causing it to be below the benchmark as compared to the previous years (2014/2015 and 2013/2014) where the ratio exceeded the benchmark. This ratio may improve in the future as the Shire continues to use fair value method to value its assets. The Shire should continue to monitor its asset sustainability ratio and work towards the replacement/renewal of its assets at an appropriate and manageable rate.

- The operating surplus ratio indicates a local government's ability to cover operational costs and have revenues available for capital funding or other purposes. The Shire's ratio has been declining and below benchmark for the past three years. This ratio is also affected by the increase in depreciation expense just like the asset sustainability ratio above. Additionally, it is affected by an increase in non-operating grants, subsidies and contributions which totalled \$1,062,184 more as compared to the 2014/2015 financial year. This ratio should also be monitored to prevent further deterioration.
- The Shire is working towards establishing an asset management framework to guide its asset management processes and practices. Staff advised that an Asset Management Policy had been developed and was awaiting council adoption. It was also developing an Asset Management Strategy and had in place Asset Management Plans for each asset class. Review of the documents found that the draft Asset Management Policy did not mention the Shire's vision and the commentary provided around the links to the Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan required updating. In summary, all policy and plan documents related to the Shire's assets should be updated and adopted by Council as soon as possible; ensuring that the final documents are also fully integrated with the Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan.
- During onsite discussions, the Shire noted it was intending to develop an asset disposal strategy to complement and support its current and future asset management framework. However, it should be noted the Shire does currently have a process for monitoring and auditing its disposal of assets to ensure compliance. While this is the case, an overarching document (policy or strategy) on asset disposal is good practice as it articulates a local government's position in regards to the disposal of assets, enhances transparency and openness, and ensures good governance around asset disposal. The Shire is encouraged to develop its asset disposal strategy/policy and as it does, consideration should be given to including the following:
  - The statutory requirements for the disposal of assets;
  - An outline of the process for determining if goods are suitable for disposal;
  - An outline of factors to consider prior to any disposal, such as consideration of other uses for assets, items that have historical or cultural significance, dangerous materials and/or conflict of interest;
  - Parameters to reduce the risk of misconduct. For example, outlining that the sale of assets to staff is not to occur outside of a public process.
  - The setting of a disposal threshold (i.e. higher or lower than \$5000) and recommended acceptable means of disposal. For example, assets with an apparent value of less than \$5000, may include disposal by publicly invited quotation, public auction or other means such as donation to charity.

- The Shire's Long Term Financial Plan 2016-2031 states that it will be reviewed in conjunction with the review of the Strategic Community Plan; which is every two years and a full review every four years. During the onsite visit, the Shire advised that it intends to review the plan every year. As per the Departments 'Long Term Financial Planning Framework and Guidelines', the Long Term Financial Plan should be a rolling document that is subject to annual review to retain alignment with the Corporate Business Plan. Hence, the Shire is reminded that a review of the Long Term Financial Plan should be done in conjunction with the annual review of its Corporate Business Plan and development of the Annual Budget — the data/figures in the Long Term Financial Plan should be updated and align with the corresponding years in the Corporate Business Plan and the Annual Budget.

### **The Shire's response**

## 5. Workforce planning and Human Resources management

### Introduction

Workforce planning can be defined as a continuous process of shaping the workforce to ensure that it is capable of delivering organisational objectives now and in the future. Human resources (HR) management assists in providing a framework that aims to have the right people in the right place at the right time to facilitate the delivery of organisational goals.

### Legislative and policy framework

- *Local Government Act 1995*
- *Equal Opportunity Act 1984*
- *Occupational Safety and Health Act 1984*
- Workforce Planning Toolkit

### Areas of Better Practice

The Shire's workforce planning and HR practices were considered during the review and the following identified as an example of better practice

Area of Better Practice	Why the initiative is considered Better Practice
Performance reviews	<p>As required by section 5.38 of the Act, the Shire carries out performance reviews for all staff on an annual basis. The performance review process follows a procedure whereby an employee self-assessment is undertaken, followed by a meeting/discussion and the completion of a written report. The Shire has also developed a policy, 'Conditions of Employment', to support the performance review process.</p> <p>The policy notes that all performance reviews will be carried out annually during the month of April and states that further to a performance review, a review of conditions of employment will also occur, to include a review of salary level, over-award payments, housing rental/concessions and private use of vehicles, as applicable. The policy also states that any applicable changes to conditions of employment will apply from 1 July of that year, assisting in budget preparation. It is good practice to have such items formally documented as it ensures an open, transparent and fair process for all.</p> <p>The Shire also demonstrates other examples of recommended good and best practice through its annual staff performance review process; including that position descriptions are reviewed to ensure they remain relevant and reflective of the actual roles being undertaken by staff, and that staff training needs are identified as part of the performance review. Overall, for a small local government with a limited workforce, the Shire is commended for its quality performance review processes and documentation.</p>

As a result of the assessment process a number of additional strengths were found:

- The Shire has a good number of well-written and easily understood policies/procedures relating to HR and workforce matters. The policies cover all areas of recommended practice as outlined in the BPR self-assessment checklist. These include but are not limited to policies/procedures regarding staff appointment (senior and other staff), staff training, secondary employment, harassment and equal employment opportunity. While the general content of the Shire's policies/procedures is of a good standard, they could be further enhanced and accordingly, the review team has identified some areas for further development which the Shire may wish to consider as it looks to achieve better practice (note, these are identified in the following areas for further development section).
- The Shire's Workforce Plan was prepared in June 2013 for the period 2013/14 to 2022/23. The plan includes a good level of information on the internal and external operating environment of the Shire and the impact of these factors on the current and future workforce. Workforce issues for the Shire as identified in the plan include an ageing workforce; competition for skilled and qualified workers; fewer, or the same level of financial resources to deliver increased services and/or cover increasing staff costs. The plan also outlines various strategies and actions that the Shire will implement to address these issues and shape its future workforce. These include strategies around recruitment and retention, performance management and professional development/training. Although the Workforce Plan is a good document, the review team notes it could benefit from a review/update to ensure it continues to remain current and relevant as well as integrated with the Shire's Corporate Business Plan, Long Term Financial Plan and other informing strategies.
- For many small rural local governments, the ability to attract, recruit and retain skilled staff can be difficult. One way that local governments can look to address such issues is through the employment and up-skilling of young, local people through the use of traineeships/cadetships. Demonstrating a positive and proactive approach to meeting its future workforce needs, the Shire actively encourages the use of traineeships and outlines this in its Workforce Plan. Demonstrating its commitment, at the time of the onsite visit, the Shire had a cadet employed at the works depot.
- The Shire has a good induction program for new employees which incorporates a one-on-one induction, a tour of Shire facilities and an introduction to equipment. Notably, the induction program is supported by a manual and checklist to ensure that new employees are provided with all relevant information required for them to commence employment with the Shire. The induction manual includes content on the Shire's policies and procedures, its Code of Conduct and 'general principles' of employment with the Shire — which articulate the expectations and commitments of employees above and beyond the Code of Conduct. Although the Shire's induction manual includes very relevant information, the review team identified that some of its content may no longer be current. Where appropriate, this should be rectified (note, this has also been identified in areas for further development).

- A key objective for the Shire as identified in its Workforce Plan is the provision of a safe and healthy workplace. The Shire's commitment to this is articulated through its safety and health policy, various employee health and wellness initiatives and its induction program. For example:
  - The Shire's 'Staff Safety and Health' policy notes the importance of occupational safety and health (OSH) and clearly outlines that OSH should be a common objective, and the responsibility, of all employees. Notably, in addition to direct employees of the Shire, the policy also specifically identifies contractors and volunteers which is good practice.
  - In complement to a general induction, the Shire also provides an OSH induction to new employees and contractors. While the Shire's current practice is sufficient, during the onsite visit the Shire and review team discussed the possibility of further enhancing the OSH induction for contractors. For example, providing contractors with a formalised induction 'package' which includes copies of the Shire's health and safety documents and requesting that they sign off on these, is something the Shire may wish to consider to complement its current practices.
  - The Shire has put in place various wellness initiatives to support, and encourage its staff to lead healthy lifestyles such as the provision of free gym membership, free annual vaccinations and free skin cancer checks.

### **Areas for Further Development**

As a result of the assessment process, the following areas were identified for further development:

- Employee surveys are a good way for local governments to collect information on the workforce, its satisfaction (or dissatisfaction) levels and other relevant information. During the onsite visit, the review team and Shire discussed the various benefits of employee surveys, with the Shire noting it had previously carried out a staff survey in 2012. In light of its relatively small workforce, the fact the Shire has previously implemented a staff survey is a good initiative and to be commended. However, in order to measure any change in workplace satisfaction levels, more benefit would be gained from carrying out such surveys on a regular basis. During onsite discussions, the Shire identified the fact that it may be time to revisit conducting a staff survey; primarily as a tool to measure any change in the workplace as a result of various policies and procedures it had put in place over recent years. The review team agrees given that the Workforce Plan indicates that staff surveys will be used to measure the success of various workforce strategies within it (for example, those strategies in the plan relating to reward and recognition; organisational development and performance management).
- As previously mentioned, the Shire's Workforce Plan identifies that it has an ageing workforce. When the plan was developed in June 2013 the majority of employees at the Shire were aged between 50-60 years of age. According to the Shire's current workforce age structure, the majority of employees are aged over 45 years (79% total workforce), with a



substantial number aged 55 years and over (38% of total Shire workforce). In response to this, the Shire should look to develop succession planning strategies as a means to capture the existing level of skills and expertise in the organisation, minimising any risks should there be a loss of key staff and corporate knowledge.

- As already identified, the Shire has a good number of policies/procedures in place regarding workforce and HR matters. While this is the case, the review team has noted some areas for the Shire to consider implementing as it looks to achieve better practice. These include:
  - The Shire's policy manual contains the majority of its HR policies. While these are overall good policies, the Shire should critically review these at a time it sees appropriate. Specifically, it should consider whether such policies should be located within the Council policy manual or whether some would be better located within a separate HR policy and/or procedure manual. Some HR policies in the policy manual (or parts of these policies) don't necessarily require the formal endorsement of Council and are largely 'operational', administrative or procedural. The inclusion of some HR policies in an internal/operational policy or procedure manual will assist in differentiating the role of Council from the administration, and support the separation of powers as defined by the Act and various regulations.
  - In addition to the policy manual, HR policies are included in the Shire's induction manual, which is provided to all new staff upon commencement. The review team has noted some inconsistencies between the policies in the induction and policy manual with discrepancies around the currency and content of some policies. It is recommended that the induction manual is reviewed and updated where required, to ensure that the content within it is reflective of current policy and practice.

## The Shire's response

Ordinary Council Meeting  
Agenda 31 July 2019

Shire of Victoria Plains

Shire of Victoria Plains		Dept of Local Government - Better Practice Review - Feb 2017					As at -		17-June-2019			
Item	Ref No	Area for development	Recommendation / Action	Responsible position	Initial Target date	Amended Target date	Status	Date - Comment		Resource Requirement		QUERIES
Governance												
1	p.17	Risk Management	Work towards developing and finalising appropriate risk management documentation as part of an overall risk management framework.	CSM	01-Jun-18		In progress	Refer to 6.2.1 Moore Stephens Review Dec 16. 13/4/2018 - Info requested/received from LGIS 17/6/2019 - Revision of RM Procedures and Profile to June 2019 Audit and OCM mtgs		Medium	Project	
2	p.18	Business Continuity Plan	Work towards finalisation and completion of a Business Continuity Plan.	HRA (EA) Tfr- GO	01-Aug-18	30-Jun-19	In progress	Refer to 7.1.3 Moore Stephens Review Dec 16 11/1/2019 - Part of Record Keeping Plan requirements - to be reviewed in 2019 24/1/2019 - GO to assume responsibility 17/5/2019 - Draft to go to June 2019 Audit and Council mtgs		Medium	Once	Actual value? Actual level of risk?
3	p.18	Code of Conduct	Introduce formal, written acknowledgement of the Code of Conduct for elected members, employees and committee members.	EA HRA	01-Nov-17	N/A	In progress	11/1/2018 16/5/2018 - Code of Conduct adopted as Policy		Light	Occasional	Actual value of written acknowledgment? Refer OAG - likely need to have to show evidence of implemtation and compliance
4	p.18	Elected member and staff communication	Ensure that elected members and staff are aware of, and follow, appropriate protocols in regards to communications, interactions and relationships.	President CEO	01-Feb-18		In progress	Training for Councillors arranged for Feb 2018 Refer Rules of Conduct Regulations		Light	Occasional	
5	p.19	Legislative compliance	Consider developing a legislative compliance and/or organisational calendar.	CSM	01-Apr-18	On-going	In progress			Significantt	On-going	
6	p.19	Appointment of auditor	To comply with s 7.3 of the Act, Council should confirm the appointment of a person or persons employed by Anderson Munro & Wyllie as the Shire's auditors for a three year period to 2019.	DCEO	01-Jun-17	N/A	Complete	11/1/2018		N/A	N/A	Auditor now under contract to OAG
7	p.20-21	Council meetings	Undertake a review of the processes, procedures and conduct of the Shire's Council meetings to ensure the efficient and effective use of elected member and administrative time.	President CEO	Immediate	N/A	Complete	Refined over 2018, new arrangments and admin processes etc in place. Meeting Procedures Local Law adopted		Medium	On-going	Fully dependent on elected members
Planning and Regulatory												
8	p.23	Local Planning Schemes	Prepare for/commence review of Local Planning Scheme as required by regulations.	CEO	01-Jun-18	30-Jun-19	In progress	11/1/18 - Engage Peter Stewart form Shire of Chittering Chittering withdrawn from arrangement 6/12/2018 - Exurban Rural and Regional Planning appointed Priority tasks identified are an internal review of the Scheme prior to consideration of amendments, and review/development of Local Planning Policies 29/5/2019 - Refer Report of contract Planner to May 2019 COuncil meeting		Heavy	2-3 years	
9	p.23	Local Laws	Continue reviewing all local laws in line with the requirements of the Local Government Act 1995 and once this review is complete, ensure a copy of the local laws are made available for public inspection at the administration centre	CEO GO	Ongoing	30-Apr-19	In progress	11/1/2018 - Many have been done, more to be presented to Council on 31/1/18 17/12/2018 - All completed, other than proposed Amenity Local Law (animals, environment and nuisance) which requires further review		Light	On-going	1 stil o/s 2 amendments required
10	p.24	Local Laws	Consider inclusion of local laws on the Shire website.	GO	on-going	On-going	In progress	Ensure current local laws on website. Consolidation after publication to be checked		Light	Once	

Ordinary Council Meeting  
Agenda 31 July 2019

Shire of Victoria Plains

Shire of Victoria Plains		Dept of Local Government - Better Practice Review - Feb 2017					As at -		17-June-2019			
Item	Ref No	Area for development	Recommendation / Action	Responsible position	Initial Target date	Amended Target date	Status	Date - Comment		Resource Requirement		QUERIES
Plan for the Future												
11	p.26	Community Engagement	As required by legislation, for the Plan for the Future review process, ensure that broad commentary and detail around community engagement is incorporated, including the number of participants involved and the methods used.	CEO CDO	01-Feb-18	30-Apr-19	Complete	Strategic Community Plan to be presented to Council on 31/1/18 Mar 2018 - AMP etc deferred to new Budget. Dec 2018 - disoussion with Moore Stephens and Talis re: requirings for Asset Mgmt Plan 17/12/2018 - AMP and other plans to have RFQs prepared withthe aim of appointment by end of January 2019, for plans to be completed prior to Budget 2019/2020 preparation. 11/1/2019 - RFQs issued for building condition survey, WFP, AMPs, LTFFP, CBP.		Medium	Occasional	
12	p.27	Monitoring and reporting	Introduce appropriate mechanisms for reporting against achievements and progress made towards achieving outcomes within the Strategic Community Plan.	CSM	Immediate		In progress	Quarterly reports to Council commenced Dec 16. Required in Annual Report		Medium	Quarterly	Actual value?
13	p.27	Strategic Community Plan review	Continue working towards the full review of the SCP in line with all legislative requirements and best practice recommendations as outlined in the Act, associated regulations, IPR Guidelines and IPR Advisory Standard; working towards achieving an advanced standard of IPR.	CEO CDO	01-Feb-18	N/A	Complete	To be presented to Council on 31/1/18 28/3/2018 - Revised SCP adopted by Council  Next desktop review - 2022 Next detailed review - 2028		Medium	Project	
14	p.27	Strategic Community Plan review	Continue working towards the full review of the CBP in line with legislative requirements and best practice recommendations as outlined in the Act, associated regulations, IPR Guidelines and IPR Advisory Standard; working towards achieving an advanced standard of IPR.	CSM Tfr -GO	01-Jun-18	30-Apr-19	In progress	Not yet commenced To be done concurrent with Asset Mgmt Plan, Long Term Financial Plan and Workforce Plan See Item 13  Next desktop review - annual (2020) Next detailed review - 2022		Medium	Annual	
15	p.28	Website content	Make available online up-to-date, current copies, of both the Strategic Community Plan and Corporate Business Plan.	EA CDO Tfr - GO	Immediate	N/A	Complete	In progress. CEO to confirm overall responsibility SCP and current CBP are on website New website, and new arrangments in place with the aim of keeping website more up to date		Light	On-going	
Assets and Finances												
16	p.31	Financial Ratios	Monitor asset sustainability and operating surplus ratios.	CSM	Council	Annual	In progress	11/1/2018. Spreadsheet created 15/5/2018 - Spreadsheet to be located and updated		Light	Annual	Ratios required in Annual Financial Report Fully dependent on income & expenditure during the year
17	p.32	Asset Management Framework	Continue to develop the Asset Management Framework – finalise draft Asset Management Policy and Asset Improvement Strategy, and review asset management plan/s.	CEO CSM	March 18 desktop review. 18/19 for new plan		In progress	Desktop review to be presented by Niel Mitchell on 31/1/18 31/1/2018 - Review presented. Budget allocation needed to progress  AMP (part of Strategic Resources Plan) - due from Moore Stephens 31 May 2019		Heavy	Project	
18	p.32.	Asset disposal	Continue working towards developing asset disposal strategy/policy.	CSM	01-Jun-18	30-Apr-19	Not commenced	In part, to be considered in AMPs		Light	Annual review	
19	p.33	Long Term Financial Plan	Review the Long Term Financial Plan in conjunction with the annual review of the Corporate Business Plan and development of the Annual Budget.	CSM	Ongoing	30-Apr-19	In progress	In progress In part, to be considered in AMPs  SRP and LTFFP - due from Moore Stephens 31 May 2019		Heavy	Project	Should also have annual interim review

Ordinary Council Meeting  
Agenda 31 July 2019

Shire of Victoria Plains

Shire of Victoria Plains		Dept of Local Government - Better Practice Review - Feb 2017					As at -		17-June-2019			
Item	Ref No	Area for development	Recommendation / Action	Responsible position	Initial Target date	Amended Target date	Status	Date - Comment		Resource Requirement		QUERIES
Workforce and HR Management												
20	p.36	Employee surveys	To complement previous employee surveys, consider implementing an updated survey in a format appropriate for the Shire and roll out on a regular basis.	HRA	01-Feb-18	30-Apr-19	To be determined	To commence from Sep 17 In part, to be considered in WFP 13/6/2019 - Moore Stephens advised that only 6, all from the 1 area submitted in response to WFP invitation. Not included due to potential difficulty to preserve anonymity.		Light	occ	Actual value very limited. Recommend don't pursue
21	p.36	Ageing workforce and succession planning	As a result of the Shire's ageing workforce, ensure succession planning is considered as a means of capturing the existing level of skills and expertise in the organisation should there be a loss of key staff, and subsequent corporate knowledge.	HRA	01-Jun-18	30-Apr-19	In progress	To commence from Sep 17 In part, to be considered in WFP WFP - due from Moore Stephens 31 May 2019		Medium	Occasional	
22	p.37	Policies and procedures	Consider a review of the Shire's human resources policies and procedures to identify any gaps or inconsistencies and ensure the right policies are in place into the future.	HRA	01-Feb-18		Not commenced	To commence from Sep 17 On-going		Medium	On-going	
23	p.37	Policies and procedures	Consider the development of a human resources policy/procedure manual	HRA	01-Feb-18		Not commenced	To commence from Sep 17 On-going		Medium	On-going	
Community and Consultation												
21	?	Community engagement	Develop a community engagement strategy and/or policy to guide community engagement activities and meet Strategic Community Plan outcomes.	CDO	01-Jun-18		To be determined	Note changeover of staff		Light	Occasional	Actual value?
22	?	Youth	Revise and update the website with current information on youth activities and initiatives, including the VP Youth Open Doors youth report.	CDO	Immediate	On-going	Complete	11/1/2018 - On going		Light	On-going	
23	?	Volunteers	Consider developing policies/procedures/guidelines (and/or general documentation) for volunteers of the Shire.	CDO HRA	01-Jun-18		To be determined	To commence from Sep 17 Would apply to Community car drivers, ANZAC memorial caretaker, fire control officers, community committee members etc		Light / Medium	Project / On-going	Policies etc - relatively easy On-going info - needs resources





**Anderson Munro & Wyllie**

CHARTERED ACCOUNTANTS, REGISTERED COMPANY  
AUDITORS AND REGISTERED SMSF AUDITORS

**Postal Address:**

PO Box 229, JOONDALUP DC WA 6919

P: 1300 284 330

E: reception@amwaudit.com.au

ABN 59 125 425 274

Liability limited by a scheme approved under Professional Standards Legislation

**INDEPENDENT AUDITOR'S REPORT  
To the Electors of the Shire of Victoria Plains**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the annual financial report of the **Shire of Victoria Plains** which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the **Shire of Victoria Plains**:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the **Shire** for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the **Shire** in accordance with the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter – Basis of Accounting**

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the **Shire's** financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter.

**Responsibilities of the Chief Executive Officer and Council for the Financial Report**

The Chief Executive Officer (CEO) of the **Shire** is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the **Shire's** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the **Shire**.





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

### **Auditor's Responsibility for the Audit of the Financial Report**

The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **Shire's** internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the **Shire's** ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the *Local Government (Audit) Regulations 1996* I report that:

- (i) In my opinion, the following matters indicate significant adverse trends in the financial position of the **Shire**:
  - a. The Operating Surplus ratio has been below the DLGSCI standard for the past three years.



- (ii) No instances of material non-compliance with Part 6 of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* or applicable financial controls of any other written law were identified during the course of my audit;
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

**Matters Relating to the Electronic Publication of the Audited Financial Report**

This auditor's report relates to the annual financial report of the **Shire of Victoria Plains** for the year ended 30 June 2018 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

**BILLY-JOE THOMAS**  
**DIRECTOR**

Joondalup, Western Australia  
25<sup>th</sup> February 2019

**ANDERSON MUNRO & WYLLIE**  
**CHARTERED ACCOUNTANTS**





Department of  
**Local Government, Sport  
and Cultural Industries**

Our ref      VP3-4#03 E1916609  
Enquiries    Stuart Fraser  
Phone        65521586  
Email        [stuart.fraser@dlgsc.wa.gov.au](mailto:stuart.fraser@dlgsc.wa.gov.au)



Ms Glenda Teede  
Chief Executive Officer  
Shire of Victoria Plains  
PO Box 21  
CALINGIRI WA 6569

Dear Ms Teede

The Department of Local Government, Sport and Cultural Industries (the Department) has received the Shire's 2017-18 Audit Report from Anderson Munro & Wyllie dated 25 February 2019.

The Audit Report identifies matters as significant in regard to adverse trends, qualified audits and other matters. The following matter is identified as significant by the auditor:

- Significant adverse trend in the financial position of the Shire: Operating Surplus Ratio below the Department standard the last three years.

Section 7.12A(4) of the *Local Government Act 1995* states that a local government must:  
*prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*  
*(b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*  
*Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.*

To date it appears that a report has not been received and has not been published on the Shire's official website in accordance with Section 7.12A.

As a matter of priority the Shire must prepare a report for its Audit Committee and seek council's endorsement before forwarding a copy to the Department at [audits@dlgsc.wa.gov.au](mailto:audits@dlgsc.wa.gov.au)

As this report is now overdue, the Department requires the local government to remedy this non-compliance within the next 60 days from the date of this letter.

Gordon Stephenson House, 140 William Street  
PO Box 8349 Perth Business Centre, WA 6849  
Telephone (08) 6552 7300  
Email [info@dlgsc.wa.gov.au](mailto:info@dlgsc.wa.gov.au)  
Web [www.dlgsc.wa.gov.au](http://www.dlgsc.wa.gov.au)



For further information please review the Department's Circulars 05-2019 Local Government Auditing and 02-2018 Guide to Local Government Auditing Reforms (page 8) which are published on the Department's website.

Should you have any queries please contact the Department on the above email address or phone 65527300.

Yours sincerely



Narrell Lethorn  
Director Industry and Sector Regulation

28 June 2019

cc Cr David Lovelock, President, Shire of Victoria Plains

**Bushfires Act 1954****FIREBREAK AND FUEL HAZARD REDUCTION NOTICE****SHIRE OF VICTORIA PLAINS**

Pursuant to the powers contained in Section 33 of the *Bush Fires Act 1954*, you are hereby required to install firebreaks clear of all flammable material or take alternative approved measures, and to undertake fuel hazard reduction measures before 1 October and thereafter maintain the firebreaks and measures up to and including 31 March the following year, in accordance with the following –

**1. DEFINITIONS**

**ban on the movement of all vehicles** includes machinery and the operation of internal combustion engines within the Shire and during a time as specified in a Notice or broadcast with the exception of the movement of vehicles and machinery on constructed gazetted roads, internal vehicle access and yards;

**firebreak** means a strip of land cleared to the specified width by ploughing, cultivating, scarifying, burning or otherwise clearing;

**flammable material** includes bush (as defined in the *Bushfires Act 1954*), timber, boxes, cartons, paper and like flammable materials, rubbish and also any combustible matter, but does not include green standing trees, or growing bushes and plants in gardens, or lawns;

**harvest ban** applies on the operation of all grain harvesting machines including swathing, baling or slashing machines within the Shire and during a time, as specified in a Notice or broadcast;

**harvesting** includes grain harvesting, swathing, baling or slashing of stubble or hay in any crop;

**internal vehicle access** is defined as a trafficable surface, free of all flammable material, a minimum of width of four metres, and with overhanging vegetation pruned back so as not to come into contact with any part of a vehicle;

**mobile fire fighting unit** is defined as having a minimum water carrying capacity of 450 litres, fitted with a hose and pump capable of delivering water through an adjustable nozzle in the spray and jet configurations;

**plantation** means any area of planted tree used for timber production;

**rural land** means all land outside a townsite, and which is farmed as a single contiguous unit;

**townsite** means all land within the townsites of Bolgart, Calingiri, ~~Mogumber~~, Piawaning and Yerecoin, as defined under the *Land Administration Act 1997* or *Local Government Act 1995*, [and Mogumber settlement](#); and

**yard** is defined as an area, greater than four metres wide, with a constructed, trafficable surface, free of all flammable material save live standing trees.

**2. RURAL LAND GREATER THAN 10 HECTARES****2.1 Firebreaks, cleared of all flammable material –**

- (a) at least 3 metres wide shall be maintained inside and within 20 metres of the boundary of all land; and surrounding such other positions as is necessary to divide land in excess of 400 hectares into area not exceeding 400 hectares, each completely surrounded by a firebreak;
- (b) at least 3 metres wide and within 20 metres of all buildings and haystacks shall completely encircle the buildings and haystacks;
- (c) at least 6 metres wide immediately surrounding each fuel storage location, whether containing fuel or not; and
- (d) shall have a vertical clearance of not less than 4 metres.

**2.2 Fuel storage, whether containing fuel or not, shall not be located closer than 15 metres to any building or public thoroughfare.****2.3 Harvesting operations –**

A person shall not undertake or allow harvesting during the Restricted or Prohibited Burning period unless –

- (a) one hand held water filled fire extinguisher with a minimum capacity of 7.5 litres is filled in a readily accessible position on the machine, and
- (b) a readily mobile fire fighting unit is in attendance in or adjacent to the entrance of the paddock being harvested.

**2.4 Harvest bans and other bans – permitted activities –**

- (a) Loading and offloading of grain, fertiliser and feed on sites which –
  - (i) are clear of all flammable material to a radius of at least 50 metres with an internal vehicle access, and
  - (ii) have a mobile fire fighting unit in attendance at all times.
- (b) Water carting for stock and domestic purposes provided it is accompanied by a mobile fire fighting unit, or alternatively, the water carting vehicle acts as the mobile fire fighting unit and meets minimum specifications.
- (c) All necessary travel to and from and within piggeries, sheep or cattle feed lots, provided this is undertaken with a mobile fire fighting unit in attendance.
- (d) All necessary carting of livestock, provided that such a vehicle is accompanied by a mobile fire fighting unit.
- (e) Activities which received specific exemptions from the local government or the Chief Bush Fire Control Officer –
  - (i) approval is to be sought on an individual basis,
  - (ii) may be subject to specified conditions, and
  - (iii) it should be noted that approval may not be granted.

**2.5 Public Holidays**

A harvest ban and a ban on the movement of all vehicles and machinery and the operation of internal combustion engines is imposed on Christmas Day, Boxing Day and New Year's Day each year.

**3. RURAL LAND LESS THAN 10 HECTARES**

- (a) Rural land less than 1 hectare shall comply with the requirements for townsite land.
- (b) Rural land more than 1 hectare but less than 10 hectares, shall comply with –
  - (i) the requirements of rural land greater than 10 hectares, and
  - (ii) all flammable material on the land shall be reduced to a height of less than 5 centimeters for a distance at least 10 metres from any firebreak.

**4. ALL TOWNSITE LAND**

- (a) Where the area of land is 1 hectare in area or less – all flammable material on the land shall be reduced to a height of less than 5 centimeters.
- (b) Where the area of land exceeds 1 hectare in area –
  - (i) firebreaks at least 3 metres wide immediately inside all external boundaries of the land and surrounding all buildings situated on the land, and
  - (ii) flammable material on the remainder of the land shall be reduced to a height of less than 5 centimeters.
- (c) A special control zone or other land not elsewhere specified in this Notice, shall comply with the higher level measures required by adjoining land unless varied under clause 7.2.

**5. OPEN AIR FIRES**

- (a) Open air fires are permitted during the Restricted Burning period, subject to compliance with the provisions relating to Restricted Burning periods and Shire of Victoria Plains Local Laws.
- (b) Open air fires are not permitted at all during the Prohibited Burning period (including camping and garden refuse).
- (c) No open air fires in the open air are permitted on any day when the fire danger rating is "Very High" or above.

**6. PROPERTIES WITH FIRE MANAGEMENT PLANS**

Properties with an approved fire management plan shall comply with the approved plan and or the requirements of this this Notice, whichever is the greater.

**7. PLANTATIONS**

**7.1 Tree plantations of less than three hectares (3ha)**

Construct a ten metre (10m) wide bare earth cleared firebreak immediately surrounding the plantation (adjacent areas of the same property subject to provisions as for Rural Land).

**7.2 Plantations larger than three hectares (3ha)**

(a) Construct a fifteen metre (15m) wide bare earth cleared firebreak immediately surrounding the plantation (adjacent areas of the same property subject to provisions as for Rural Land).

(b) Internal firebreaks are required to be six metre (6m) bare earth cleared surrounding compartments of no larger than thirty hectares (30ha).

(c) Trees must be trimmed back to provide a vertical clearance of a minimum four metres (4m) to allow fire appliances to drive along all firebreaks.

(d) A minimum water supply of 25,000 litres for every fifty hectares (50ha) of plantation must be maintained, with a hardstand area provided for fire appliances to park when drawing water.

(e) Water sources must be located to allow for a maximum refill turnaround of 20 minutes from any area in the plantation.

**7.8. GENERAL**

~~7.1.~~8.1. If the requirements of this Notice are carried out by burning, such burning must be in accordance with the relevant provisions of the Bush Fires Act. A permit to burn is required during the Restricted Burning periods from an authorised officer.

~~7.2.~~8.2. If it is considered to be impracticable for any reason to clear firebreaks or to remove flammable material from the land or any other provisions required by this Notice you may apply to the Council or its duly authorised person not later than 1 September, for permission to provide firebreaks in alternative positions or to take alternative action to manage fire hazards on the land. If permission is not granted by the Council or a duly authorised person, you shall comply with the requirements of this Notice.

~~7.3.~~8.3. Penalties apply to persons who fail to comply with the requirements of this Notice.

~~7.4.~~8.4. A person who fails to comply with the Notice is also liable, whether prosecuted or not to pay the cost of performing the work directed in this Notice if it is not carried out by the owner or occupier by the date required by this Notice.

**BY ORDER OF THE COUNCIL****Glenda Teede****Chief Executive Officer**