

Shire of Quairading

Unconfirmed Audit and Risk Committee Meeting Minutes

11th June 2019

DISCLAIMER

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any member or officer of the Shire of Quairading during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire of Quairading. No action should be taken on any item discussed at a Council meeting prior to written advice on the resolution of the Council being received.

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SHIRE OF QUAIRADING

The Quairading Audit and Risk Committee Minutes of the Meeting held on 11th June 2019 commencing at 5.00 pm.

ITEM 1 OPENING & ANNOUNCEMENTS

The Chairperson opened the Meeting at 5.00 pm.

“Before we start our Meeting, I would like to acknowledge that we are meeting on Noongar land and we pay respect to the original custodians...past, present and future and welcome you all here today for this Meeting”.

ITEM 2 ATTENDANCE AND APOLOGIES

Councillors

Cr JN Haythornthwaite	Chairperson
Cr WMF Davies	Shire President
Cr B McGuinness	Deputy Shire President
Cr LR Brown	
Cr J McRae	
Cr TJ Stacey	

Council Officers

Mr GA Fardon	Chief Executive Officer
Mr NL Gilfellon	Executive Manager of Corporate Services
Mr A Rourke	Executive Manager of Works & Services
Mr RM Bleakley	IPR/ Strategic Projects Officer

Observers/Visitors

Nil.

Apologies

Nil.

Approved Leave of Absence

Cr PD Smith

ITEM 3 DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

Nil.

ITEM 4 DECLARATIONS OF INTEREST

Councillors to use pro forma declaration of interest handed to Chief Executive Officer prior to meeting or verbal declaration of interest.

- Declarations of Financial Interest – Local Government Act 1995 Section 5.60a
- Declarations of Proximity Interest – Local Government Act 1995 Section 5.60b
- Declarations of Impartiality Interest – Administration Regulations 1996 Section 34c

Cr LR Brown – Declaration of Impartiality Interest – Item 11.1 Community Grants – Quairading Football Club.

ITEM 5 CONFIRMATION OF MINUTES AND BUSINESS ARISING

5.1 Confirmation of Minutes – 12th March 2019

RECOMMENDATION: AR21-18/19

MOVED Cr Davies SECONDED Cr Stacey

That the Minutes of the Audit & Risk Committee Meeting held on the 12th March 2019 be confirmed as a true and accurate record of the meeting.

CARRIED 6/0

5.2 Business Arising

The Meeting referred to Item 6.2 in the Minutes - Responses to Audit Management Letter and it was considered important that the Strategies identified by Management and supported by Council in March 2019 be incorporated into Officer's Reports to Council and Committees. The Meeting noted that it is not proposed that the reporting requirement be too onerous on the reporting officers, but as a reminder to assess any Strategies to improve Council's Operating Surplus Ratio.

RECOMMENDATION: AR22-18/19

MOVED Cr McRae SECONDED Cr Brown

That the Audit & Risk Committee recommend to Council:

That the Operating Surplus Financial Ratio Strategies (11 points, but not limited to) be included in each Officer's Reports to include under "Financial Implications" reporting on which Strategies were assessed and used in preparing the Officer's Report.

CARRIED 6/0

The Meeting referred to Item 6.2 in regard to having an IT Disaster Recovery Plan prepared. The CEO confirmed that the cost of preparing an IT Disaster Recovery Plan is included in the 2019/20 Draft Budget.

6.1 Interim Management Letter

Meeting Date	11 th June 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	EMCS Nathan Giffellon
Attachments	Moore Stephens – Interim Management Report
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

RECOMMENDATION: AR 23-18/19

MOVED Cr Davies SECONDED Cr Stacey

That the Audit & Risk Committee recommend to Council:

That Council receive the Interim Management Letter from Council’s Auditor Mr Greg Godwin of Moore Stephens for the audit year ended 30th June 2019.

CARRIED 6/0

IN BRIEF

- Council has undertaken the Interim Audit with Council Auditors onsite between the 8th to 10th of May.
- Council Auditor Greg Godwin has presented their Interim Management Report showing matters raised with Management to the Chair of the Audit and Risk Committee. This report is attached.
- Comments from Management to matters raised have been included in the attached.
- In addition to the comments in the Management Letter, Management is also planning to implement the SynergySoft Bank Reconciliation module to replace the current manual system and will also implement daily transfers of trust receipts to replace the current monthly transfer process.

MATTER FOR CONSIDERATION

Receipt of the Interim Audit Management Letter for the Year Ended 30th June 2019.

BACKGROUND

The Annual Interim Audit of Council’s Financials for the audit year ending 30th June 2019 was conducted with an Onsite Audit Visit from the 8th to the 10th May 2019.

Council’s Auditor, Mr Godwin, has now completed the Interim Audit and has provided the Interim Management Report Letter.

STATUTORY ENVIRONMENT

Local Government Act 1995

Part 7 refers to Audits of Council and the Conduct of the Audit.

Section 5.53 of the *Local Government Act 1995* states as follows: -

- 5.53. (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain –
- (a) a report from the Mayor or President;
 - (b) a report from the CEO;
 - (c) a report of the principal activities commenced or continued during the financial year;
 - (d) an assessment of the local government's performance in relation to each principal activity;
 - (e) an overview of the principal activities that are proposed to commence or to continue in the next financial year;
 - (f) the financial report for the financial year;
 - (g) such information as may be prescribed in relation to the payments made to employees;
 - (h) the auditor's report for the financial year; and
 - (i) such other information as may be prescribed.

POLICY IMPLICATIONS

Audit and Risk Committee Terms of Reference

- (e) The Committee is to review the findings of the External Audit. This may include, but not be limited to, the following: -
- Discussion of any major issues which arose during the audit;
 - Any accounting and audit judgments; and
 - Levels of errors identified during the audit.
- (f) The Committee will also support the Auditor as required and has Function to oversee the following: -
- The implementation of Audit Recommendations made by the Auditor, which have been accepted by Council, and
 - The implementation of accepted Recommendations from reviews of Council's systems and procedures.
- (h) The Committee is to review the report to the Chief Executive Officer and Management's response to the External Auditor's findings and recommendations.

FINANCIAL IMPLICATIONS

The Interim Audit is a part of the Annual Audit and costs are as per the Audit Contract. These costs are budgeted for each year. The current budget provision for auditing is \$20,700.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G1.1	Continual improvement in IPR, transparency and accountability

COMMUNITY CONSULTATION

Nil

RISK ASSESSMENT – Risk Management Policy and Risk Management Governance Framework Applicable.

Financial - Risk Matrix Rating is considered Low. Cost of the Annual Audit is included in the Budget. The Audit's purpose is not to uncover any financial fraud, however having strong financial processes, as raised in the Management report can reduce the risk of this occurring. The cost of the Annual Audit is included in the Budget.

Health – Risk Matrix Rating is considered Low

Reputation – Risk Matrix Rating is considered Low

Operation – Risk Matrix Rating is considered Low

Natural Environment – Risk Matrix Rating is considered Low

COMMENT

Management comments to the matters raised are including in the Management Letter. In addition to these comments, Management is planning to move to a SynergySoft Bank Reconciliation Module rather than the current manual process. This will help simplify the process for new staff and allow for an appropriate level of support and surety.

In regards to the Trust deposits, an alternative approach has been recommended by the Council's Auditor of a daily transfer of all trust receipts (excluding Licensing) received by credit card. This will replace the current monthly transfer process and has been implemented by Management starting in June 2019 and should satisfy the requirement for the Separation of Council's Municipal and Trust funds.

Statutory Requirements

Local Government Act 1995

7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to: -
 - (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and
 - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (3) A local government must: -
 - (a) examine an audit report received by the local government; and

- (b) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (c) ensure that appropriate action is taken in respect of those matters.
- (4) A local government must: -
- (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

Council Delegated of Authority

Delegation F.1 – Audit Committee: Meeting with Auditor

Council delegates authority and power to the Audit & Risk Committee to meet with the Local Government's Auditor at least once per year.

ITEM 7 STANDING ITEMS – INTERNAL AUDIT

Audit & Risk Committee - Terms of Reference 7.5

The Meeting was briefed by the Executive Manager of Corporate Services on recent information from the Financial Management Workshop on the following topics: -

- Internal Control –
 - A Checklist can be used in the Organisation
 - Council has an adopted Internal Audit Toolkit (Checklist)
- Internal Audit –
 - Management commented that it was considered that the CEO and EMCS are too close to day to day financial processes and transactions to be able to conduct a formal independent audit function.
 - Further investigation required into a Collaborative Approach with adjoining Councils versus a Consulting Internal Auditor.
 - Role of an Internal Auditor.
 - OAG will be focussing more on the Internal Audit Function.
 - Await further information or guidance from the OAG.

The Meeting supported the Internal Audit Checklists (previously adopted by Council) being presented to each Audit and Risk Committee Meeting as a Report to enable monitoring of the implementation and management of Processes.

The Meeting requested that Management Team review the Recommendations in the Auditor General's Report to Parliament, to ensure that all areas raised are being considered or being addressed at this time.

ITEM 8 STANDING ITEMS – FINANCIAL REPORTING

8.1 WANDRRA

The Report on the Outstanding WANDRRA Claims as at the 31st May 2019 was noted.

ITEM 9 STANDING ITEMS – CONTROLS, SYSTEMS AND PROCEDURES

Audit & Risk Committee - Terms of Reference 7.2

The CEO provided detail on the requirements of Regulation 17 of the Local Government (Audit) Regulations 1996

No Report or Recommendation but noted by the Committee.

The Chairperson recommended that the CEO forward details of the Regulations and the Departmental Guidelines Appendix No.3 and Reg 17 Report examples to all Councillors.

ITEM 10 STANDING ITEMS – RISK MANAGEMENT REPORTS AND ISSUES

Audit & Risk Committee - Terms of Reference 7.1, 7.3

10.1 Report on Excess Annual Leave and Long Service Leave

Meeting Date	11 th June 2019
Responsible Officer	EMCS Nathan Giffellon
Reporting Officer	SFO Jodie Yardley
Attachments	Nil
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

RESOLUTION: AR24-18/19

MOVED Cr McGuinness SECONDED Cr McRae

That the Audit and Risk Committee recommend to Council that: -

Council receive the report on the Shire's Annual Leave and Long Service Leave Liabilities as at the 31st May 2019.

CARRIED 6/0

IN BRIEF

- Information shows the current Annual and Long Service Leave for the 2018/19 Financial Year by Month
- There are no Employees with Excess Leave entitlements.

MATTER FOR CONSIDERATION

Report on Excess Annual Leave and Long Service Leave Entitlements and Leave Liabilities.

BACKGROUND

Since 2017, Council has requested that excess Annual Leave and Long Service Leave be reported to the Audit and Risk Committee.

The current policy defines excess leave is when the employee has accrued more than 8 week's paid annual leave.

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Long Service Leave Regulations)

Local Government Industry Award 2010

Excess Leave is defined as per the Industry Award: -

*"An Employee has an **excess leave accrual** if the employee has accrued more than 8 week's paid annual leave"*

POLICY IMPLICATIONS

Current Policy: Leave Management Policy (ORG.2)

FINANCIAL IMPLICATIONS

Annual and Long Service Leave Reserve Fund Cash Balance as at 31st May 2019 is \$201,990 and a Projected Closing Balance as at the 30th June 2019 of \$162,894

Current Leave is treated as Accruals in the Annual Budget.

Any prior year Leave entitlements taken by Staff or paid out can be funded from the Annual and Long Service Leave Reserve Fund.

The current Liability for both types of Leave (if all Claimed on 31/05/2019) is calculated at \$251,004.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G1.1	Continual improvement in IPR, transparency and accountability

COMMUNITY CONSULTATION

N/A

RISK ASSESSMENT – Risk Management Policy and Risk Management Governance Framework Applicable.

Financial – Risk Matrix Rating is considered as Medium Risk. Financial exposure and therefor Risk escalation, if Leave accruals are not monitored and managed.

Health – Risk Matrix Rating is considered as Low Risk.

Reputation – Risk Matrix Rating is considered as Low Risk.

Operation – Risk Matrix Rating considered Low Risk.

Natural Environment – Risk Matrix Rating is considered as Low Risk.

COMMENT

This report has been prepared to inform the Audit and Risk Committee of the current leave liabilities and of any employees who have excess leave and the steps taken to reduce these liabilities.

As at the 31st May 2019, there are no employees with excess annual leave.

The CEO has approved of one Employee's Plan to take their Long Service Leave in three instalments.

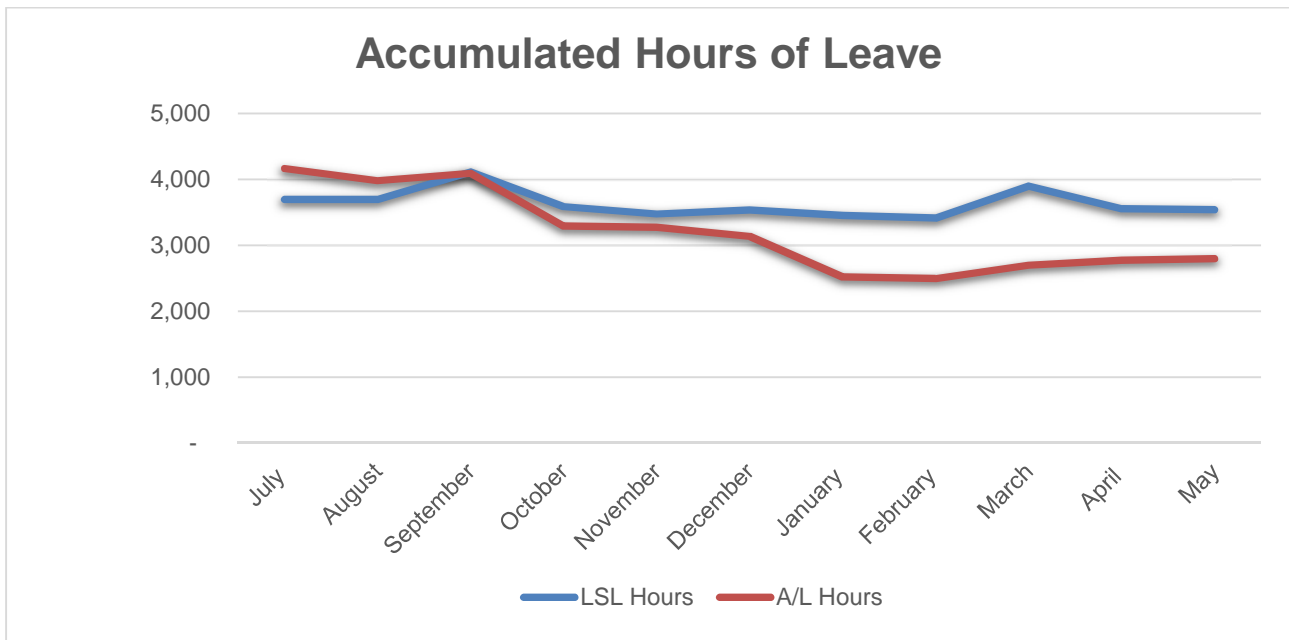
There are no further Employees that have reached excess Long Service Leave Liabilities

During the 2018/19 financial year, there has been a significant reduction of 25% (in Dollar Value) in the Annual Leave Liability through a combination of Retirements and current staff taking accrued Annual Leave.

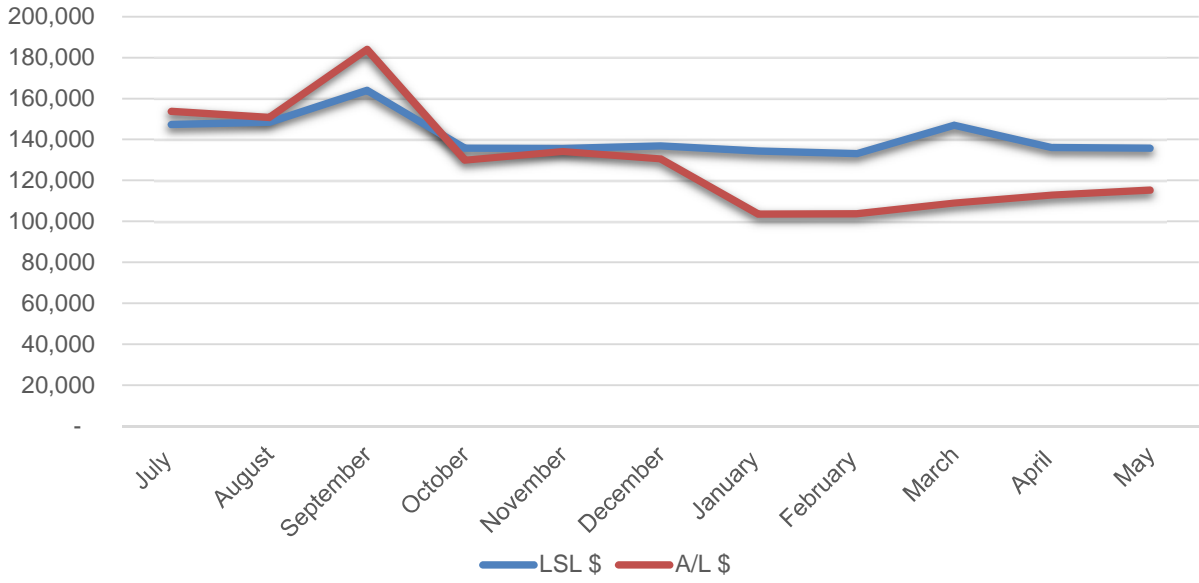
The Long Service Leave Liability has been reduced by 17.3% (in Dollar Value) from the high in September 2018.

Increase in March is due to an employee being newly entitled to long service leave after 7 years of service. The decrease in April is due to payouts following the resignation of an employee with leave entitlements.

	LSL Hours	LSL \$	AL Hours	AL \$
July	3,696	147,281	4,165	153,719
August	3,696	148,420	3,984	150,760
September	4,113	164,099	4,093	184,068
October	3,588	135,714	3,294	129,947
November	3,478	135,647	3,273	134,268
December	3,538	136,792	3139	130,596
January	3,454	134,336	2,521	103,514
February	3,413	133,155	2,498	103,756
March	3,901	146,965	2,699	109,050
April	3,555	136,157	2,773	112,865
May	3,539	135,724	2,798	115,280



Accumulated Dollar Value of Leave



ITEM 11 STANDING ITEMS – OTHER

Audit & Risk Committee - Terms of Reference 9.2

11.1 Community Grants Scheme – 2019/2020

Meeting Date	11 th June 2019
Responsible Officer	Graeme Fardon CEO
Reporting Officer	Sarah Caporn GPO
Attachments	11.1 a Community Grants Assessment Matrix
Owner/Applicant	N/A
Disclosure of Interest	NIL

OFFICER RECOMMENDATION

That the Audit & Risk Committee Recommend to Council:

That the Shire through the Community Grant Process:

- 1. Allocates funds and resources to the value of \$32,124.50 in the 2019/20 Budget to the clubs and organisation listed; and**
- 2. Allocates additional funds and resources to the value of \$7,680 for the ongoing Grant 1 applications, and the second round of Grant 2 applications**

VOTING REQUIREMENTS – Simple Majority

RECOMMENDATION: AR25-18/19

MOVED Cr McGuinness SECONDED Cr Brown

1. That the Audit & Risk Committee recommend to Council:

That the Shire through the Community Grant Process:

1. Allocates funds and resources to the value of \$29,154.50 in the 2019/20 Budget to the Clubs and Organisation listed; and

GRANT TYPE	NAME	\$ REQUESTED	\$ AWARDED	COMMENTS
Grant 1	Quairading Netball Club	\$179.50	\$179.50	Event – Junior Netball Camp
Grant 1	Quairading Photo Club	\$200.00	\$0	Operational expenses not to be funded
Grant 1	Quairading Badminton Club	\$570.00	\$0	Operational expenses not to be funded
	SUB-TOTAL (GRANT 1)	\$949.50	\$179.50	

GRANT TYPE	NAME	\$ REQUESTED	\$ AWARDED	COMMENTS
Grant 2	Quairading Football Club	\$2,500.00	\$2,500.00	
Grant 2	Quairading CRC	\$1,900.00	\$1,900.00	
Grant 2	Quairading Swimming Club	\$1,000.00	\$800.00	Shire to provide equal funding
	SUB-TOTAL (GRANT 2)	\$5,400.00	\$5,200.00	

GRANT TYPE	NAME	\$ REQUESTED	\$ AWARDED	COMMENTS
Grant 3	Quairading Agricultural Society	\$3,000.00	\$1,000.00	Grant towards youth activities and attractions.
	SUB-TOTAL (GRANT 3)	\$3,000.00	\$1,000.00	

GRANT TYPE	NAME	\$ REQUESTED	\$ AWARDED	COMMENTS
Grant 4	Quairading Golf Club	\$3,500.00	\$3,500.00	
Grant 4	Wamenusking Sports Club	\$1,500.00	\$1,500.00	
Grant 4	South Carolling Social Club	\$1,500.00	\$1,500.00	
Grant 4	QARRAS	\$675.00	\$675.00	750 kms free use of the Community Bus.
Grant 4	Quairading Bowling Club	\$10,000.00	\$10,000.00	
Grant 4	Pantapin Progress Assn	\$1,000.00	\$1,000.00	
Grant 4	Tourism and Tidy Towns Committee	\$3,000.00	\$3,000.00	
Grant 4	Doodenanning Sports Club	\$1,600.00	\$1,600.00	
	SUB-TOTAL (GRANT 4)	\$22,775.00	\$22,775.00	

2. Allocates additional funds and resources to the value of \$5,000 for the ongoing Grant 1 applications, and the second round of Grant 2 applications in the Draft Budget 2019/2020.

RECOMMENDATION CARRIED 6/0

Reason for Variation to Officer's Recommendation

Following the Committee's assessment of the applications, it was determined that the grants should not be for normal operational expenses and amounts Allocated within Council's Budget Parameters.

IN BRIEF

- Community Grant Process was reviewed and updated in late 2018.
- A second iteration of the Community Grant Process was held in March 2019.
- Fifteen applications were received to the value of \$32,124.50
- Details of each Application have been provided for Committee Consideration and Recommendation to Council.
- All applications were evaluated by the Grant Team based on criteria in the Grant Guidelines.
- Grant 1 (max value \$500) – applications are open to the end of 2019/20 Financial Year.
- Grant 2 (max value \$2,500) – a second round of applications will be open in September 2019.
- Process will be reviewed in November 2019.

MATTER FOR CONSIDERATION

Evaluation of Community Grant Applications received by Grants Project Officer on 7th June 2018.

Further Details on the Applications and Weighted Scores have been provided below in this Report

BACKGROUND

At the December 2018 Council Meeting the Council adopted a revised Community Grants Policy and supporting documentation.

The policy document provides the framework for the Shire to request applications from Sporting and Recreation Clubs for grant funding in the following financial year. The revised policy allowed for four distinct grant categories.

Grant 1 - up to \$500 per annum - This is a quick turnaround grant that is approved by the CEO for in-kind contributions up to the value of \$500 per annum. Grant 1 applications can be made at any time of the year. In-kind contributions can be for the costs associated with hiring shire facilities or services.

Grant 2 – Minor Projects \$500 to \$2500 - This is for slightly larger events or projects. Grant 2 applications are open in two rounds – Round One closes on 31st March and Round 2 on 30th September. Organisations can apply one per round (max. of two applications per year).

Grant 3 – Major Projects over \$2500 - This grant is offered once per year and is for amounts over \$2500 in value. It is Council's policy that the Shire will fund up to one third of total project costs with the other two thirds coming from the organisation or an external funding body.

Grant 4 – Annual / Recurrent Funding - This grant is designed for organisations who operate or maintain clubrooms within the Shire. Funding is extended to groups to maintain or improve their facilities.

The window of opportunity for submitting Community Grant Applications was from 27th February to 30th March 2019.

A total of fifteen (15) submissions were received requesting funding for projects or events with a total value of \$32,124.50. This includes \$1,624.50 of in-kind support.

This was the second iteration of the process and seems to have worked well so far.

Evaluation of Grant applications has been revisited and re-presented to the Council providing addition information on the contents and the evaluation of the individual grants.

Feedback will be provided to all applicants on their grant submissions.

STATUTORY ENVIRONMENT

Local Government Act 1995.

POLICY IMPLICATIONS

Community Grant Policy

FINANCIAL IMPLICATIONS

2019/2020 Budget – Subject to Applications received and supported.

No Maximum Funding Pool (as a % of Rates) is proposed in the Policy.

A second round of funding will open in September 2019 for summer sports to apply. These applications will be recognised as part of the usual Budget Review process.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Social Objective: Active, healthy, safe and inclusive community

ITEM	OUTCOMES AND STRATEGIES
S1	Active community
S1.1	Provide facilities and support participation in sport and recreational activities, facilities and clubs
S1.2	Promote increased participation in the social and cultural life of the community

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES	WORKING WITH
ITEM	OUTCOMES AND STRATEGIES	
G1	Robust Integrated Planning and Reporting (IPR)	
G1.1	Continual improvement in IPR, transparency and accountability	
G3	Community Engagement	
G3.2	Collaborate with the community to achieve desired outcomes	

COMMUNITY CONSULTATION

The 2019/20 Process was officially launched on Wednesday 27th February. Community members were invited to attend as officers from LotteryWest and Healthway were also visiting Quairading at that time.

Policy and Grant Application forms were forwarded via Mail Chimp to all Sporting and Recreation Clubs

Links to the Policy and Grant Application Forms were provided on social media, the Shire website and were available as hardcopies at the CRC and the Shire Office.

RISK ASSESSMENT – Risk Management Policy and Risk Management Governance Framework Applicable.

Financial - Risk Matrix Rating is considered Low

Will reduce risk to Council and the Clubs / Organisations through better planning and delivery of Projects supported by the Shire.

Health – Risk Matrix Rating is considered Low

Reputation – Risk Matrix Rating is considered Low

With the introduction of Policy and Scheme, this will increase transparency and accountability of both the Shire, the clubs and organisations.

Operation – Risk Matrix Rating is considered Low

Natural Environment – Risk Matrix Rating is considered Low.

COMMENT

- Fifteen grant applications were received.
- Assistance was provided to a number of clubs to ensure the applications were completed correctly.
- All grant applications met the selection criteria outlined in the Grant Guidelines.
- Grants Project Officer will provide feedback to all Clubs and Organisations on applications submitted.
- Grant 1:
 - Open to further applications for the duration of 2019/20 Financial Year.
- Grant 2:
 - A second round to be opened in September 2019.
- To deliver the ongoing Grant 1 & 2 applications will need to allocate additional resources above sum requested in March 2019 round of the Community Grant Process.
- Grant Team to follow up on recipients of the 2018/19 Program for reports and acquittals.
- Grant Team will review the Community Grant Process in November 2019.

COMMUNITY GRANT APPLICATION EVALUATION WEIGHTING

GRANT TYPE	NAME	PROJECT DETAILS	\$ REQUESTED	WEIGHTED SCORE
Grant 1	Quairading Netball Club	Junior Netball Camp	\$179.50	4.6
Grant 1	Quairading Photo Club	Hire of CRC Meeting Room	\$200.00	4.4
Grant 1	Quairading Badminton Club	Hire of Town Hall for games and kitchen for Open Day	\$570.00	4.0
SUB-TOTAL (GRANT 1)			\$949.50	
GRANT TYPE	NAME	PROJECT DETAILS	\$ REQUESTED	WEIGHTED SCORE
Grant 2	Quairading Football Club	Associated costs towards building a Storeroom	\$2,500.00	4.6
Grant 2	Quairading CRC	Contribution towards a public art mural and community workshop	\$1,900.00	4.6
Grant 2	Quairading Swimming Club	Erecting a noticeboard at Qdg Pool	\$1,000.00	4.6
SUB-TOTAL (GRANT 2)			\$5,400.00	
GRANT TYPE	NAME	PROJECT DETAILS	\$ REQUESTED	WEIGHTED SCORE
Grant 3	Quairading Agricultural Society	Show Day entertainment	\$3,000.00	5.0
SUB-TOTAL (GRANT 3)			\$3,000.00	

GRANT TYPE	NAME	PROJECT DETAILS	\$ REQUESTED	WEIGHTED SCORE
Grant 4	Quairading Golf Club	Contribution towards costs of repairing cool room refrigeration coil	\$3,500.00	5.0
Grant 4	Wamenusking Sports Club	General building maintenance & electricity costs	\$1,500.00	5.0
Grant 4	South Carolling Social Club	Annual Support from Shire towards operating costs of the Club	\$1,500.00	5.0
Grant 4	QARRAS	Towards hire of the Community Bus	\$675.00	5.0
Grant 4	Quairading Bowling Club	Annual Support from Shire for Bowling Surface Loan Repayment	\$10,000.00	4.8
Grant 4	Pantapin Progress Assn	Siding repairs and painting exterior of Pantapin Hall	\$1,000.00	4.4
Grant 4	Tourism and Tidy Towns Committee	Operating costs for group	\$3,000.00	4.4
Grant 4	Doodenanning Sports Club	Adding a concrete slab to Hall entrance	\$1,600.00	4.0
		SUB-TOTAL (GRANT 4)	\$22,775.00	
		GRAND TOTAL REQUESTED	\$32,124.50	
		IN-KIND	\$1,624.50	
		CASH	\$30,500.00	

SCORE: 1 POOR 5 EXCELLENT

Note: Club requests in Officer's Report have been amended to reflect the organisation's requests.

11.2 Annual Assessment Report on Community Engagement

Meeting Date	11 th June 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	IPR/SPO Richard Bleakley
Attachments	11.2 a Strategic Community Plan 2017-2027 11.2 b CS.4 Community Engagement Policy
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

RECOMMENDATION: AR 26-18/19

MOVED Cr McGuinness SECONDED Cr Brown

That the Audit & Risk Committee recommend to Council:

That Council receive the Annual Assessment Report of Council's Community Engagement for the 2018/19 year.

CARRIED 6/0

IN BRIEF

- Local governments must plan for the future. Local Councils in Western Australia are legally required to conduct public consultation through a prescribed process on a range of specific matters.
- Regulation requires local governments to have a Strategic Community Plan that together with a Corporate Business Plan forms a plan for the future of a district.
- Community consultation is a key component of the Integrated Planning and Reporting requirements of the Local Government (Administration) Regulations 1996. The Shire's Strategic Community Plan has identified 'Strong governance and community engagement' as one of its five (5) key objectives and lists Strategy G3 – Community Engagement as an issue to be addressed. Each strategy has a specific goal, a commitment to the community and a set of methodologies.
- It is noted that the Plan is a living document that will reflect feedback from the Community and is therefore subject to change and refinement, by management, as the engagement process evolves.
- The objective of the Shire of Quairading Community Engagement Policy is to provide guidance to Councillors and Officers in planning, implementing and reviewing community engagement and consultation for key projects, strategic planning and policy development. This is to ensure informed decision-making, transparency, timely and effective communication with key stakeholders and the general community.

MATTER FOR CONSIDERATION

For Council to receive the Annual Assessment Report in accordance with the Shire's Community Engagement Policy.

BACKGROUND

Currently, local governments are required to engage with the community when creating their ten-year Strategic Community Plan. The community must also be consulted on such matters as local

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laws, differential rates, planning and other matters and aspirations that are relevant to the diverse needs of individuals within a community. The current extent of community engagement simply stops at inviting submissions but engagement should be more than that.

Best practice in community engagement goes beyond the requirement to simply consult and can be more impactful when decision making is done in conjunction with the community from the beginning of a project proposal. Establishing effective partnerships between local government and communities results in a greater sense of ownership, greater take-up of services and initiatives, and better outcomes for all community groups, reducing the chances of marginalisation while encouraging unified community outcomes.

Community engagement also needs to allow for socially disadvantaged groups within a community to engage and highlight the important issues that may not be captured by traditional amenities or methods. There is a need for local governments to have systems in place to help identify how to adequately engage different stakeholders in the community, such as Culturally and Linguistically Diverse (CaLD), Aboriginal people, Youth, Children, Seniors, and people with disabilities.

Effective community engagement contributes to building trust between the community and the Council and raises the quality of decision making which reflects the needs and aspirations of the community. Community engagement works best where it is an ongoing process enabling relationships and trust to build and strengthen over time, and strengthens representative democracy while building community capacity.

STATUTORY ENVIRONMENT

Local Government Act 1995 – s.5.56 Planning for the future

Local Government (Administration) Regulations 1996 – Reg 19(c)(9)

(9) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.

POLICY IMPLICATIONS

Strategic Community Plan 2017-2027
CS.4 Community Engagement Policy

FINANCIAL IMPLICATIONS

N/A

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Social Objective: Active, healthy, safe and inclusive community

ITEM	OUTCOMES AND STRATEGIES
S1	Active community
S1.1	Provide facilities and support participation in sport and recreational activities, facilities and clubs
S1.2	Promote increased participation in the social and cultural life of the community

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G1.1	Continual improvement in IPR, transparency and accountability

ITEM	OUTCOMES AND STRATEGIES
G3	Community Engagement
G3.2	Collaborate with the community to achieve desired outcomes

SHIRE OF QUAIRADING POLICY

CS.4 COMMUNITY ENGAGEMENT POLICY

EVALUATION

An Annual Assessment of the level of engagement achieved to be reported to the June Audit & Risk Committee.

COMMUNITY CONSULTATION

Community consultation is a key component of the Integrated Planning and Reporting requirements of the Local Government (Administration) Regulations 1996. The Shire's Strategic Community Plan 2017 - 2027 has identified "Strong governance and community engagement" as one of its five (5) key objectives and lists Strategy G3 – Community Engagement as an issue to be addressed.

The Shire's Community Engagement Policy stipulates an Annual Assessment be undertaken to gauge the level of community engagement achieved, and report back to the Audit and Risk Committee Meeting each June.

Shire of Quairading Community Engagement Policy Annexure A: Principles for Community Engagement

	Inform	Consult	Involve	Report/Evaluation
Public Participation Goal	To provide the public with timely, balanced and objective information to assist them in understanding the problem alternatives, opportunities and/or solutions.	To capture community feedback on analysis, alternatives and or decisions impacting on strategic plans, directions, issues, priorities and projects.	To work on an ongoing basis with the community to ensure that community ideas, concerns and aspirations are listened to and understood and that community knowledge is harnessed for the benefit of all.	Council to provide feedback on Shire decisions.
Promise to the public	Council is to work with you on an ongoing basis to ensure your ideas, concerns and aspirations are considered. Council is to keep you informed.	Council is to listen to you, consider your ideas and keep you informed and acknowledge concerns and aspirations.	Work directly with the public on an ongoing basis to ensure that your ideas, concerns and aspirations are considered.	Council to provide feedback on how public input influenced Council decisions.

Example techniques	<ul style="list-style-type: none"> • Newspapers • Newsletters • Radio • Posters • SMS/email • Website • Facebook • MailChimp • Banksia Bulletin 	<ul style="list-style-type: none"> • Public comment • Focus groups • Surveys biennial (March) • Consultative workshops • Individuals and or Business. • Stakeholders 	<ul style="list-style-type: none"> • Council Committees/Forums • Working groups • User groups • Volunteer groups 	<ul style="list-style-type: none"> • Direct response • Newsletters • SMS/email • Website • Customer Service Survey • Facebook • MailChimp
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Shire of Quairading Strategic Community Plan 2017 - 2027

GOVERNANCE OBJECTIVE: STRONG GOVERNANCE AND COMMUNITY ENGAGEMENT	Overall satisfaction with Shire performance ¹	Two-yearly Community Survey	71% satisfied 2017/18 to 80% satisfied by 2020/21. Reset at that time.
	Gap between importance and satisfaction with customer service ²	Two-yearly Community Survey	Gap reduction -2.3 to -1.5 by 2020/21. Reset at that time.
	Satisfaction with community engagement ³	Two-yearly Community Survey	Establish baseline and target in 2019 Community Survey.
	Financial and Asset Ratios	Annual Report	Target Range (see ratio analysis above)
	Staff satisfaction	Staff survey	Establish baseline and target in 2017/18 as part of organisation review.

The Shire of Quairading has undertaken the following community engagement during 2018/2019:-

WORKING GROUPS / COMMITTEES	<ul style="list-style-type: none"> • Tourism Working Group – meets monthly developing the Daft Tourism Development Strategy for Public and Council Consultation; • Aged Housing Working Group – recently commenced • Old School Site Working Group – July 2018: Final Amended concept circulated and agreed upon. Approved in principle by State Heritage Office; • Sporting Precinct Working Group – has been in recess while Building Condition Reports and Builder's recommendation Reports are prepared; • Community Park and Salmon Gum Woodlands Working Group – to be re-convened to review Draft Concept Plans. <ul style="list-style-type: none"> • Reconciliation Action Plan Committee – meets Quarterly.
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¹ Community satisfaction with overall performance is measured as the percentage of residents and businesses considering performance is satisfactory or better. See the community engagement report April 2017 for details.

² The performance gap is derived from comparing the level of importance to the community and the level of satisfaction expressed in the two-yearly Community Survey. Customer service was one of the areas where the gap was the largest.

³ Community engagement has been included given that the Council has identified this for improvement. A baseline is yet to be established and will be developed as input into the next IPR cycle.

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SHIRE E-NEWSLETTERS / BANKSIA BULLETIN</p>	<p>Shire Newsletter produced and distributed in the 2018/2019 year:</p> <ul style="list-style-type: none"> • June 2018 – 179 Subscribers: 64.2% Opens and 48.3% Clicks. • August 2018 – 179 Subscribers: 63.6% Opens and 47.7% Clicks. • October 2018 – 184 Subscribers: 60.0% Opens and 41.7% Clicks. • December 2018 – 181 subscribers: 66.1% Opens and 46.1% Clicks. • February 2019 – 180 subscribers: 60.9% Opens and 45.3% Clicks. • April 2019 – 178 subscribers: 52.2% Opens and 18.5% Clicks. • June 2019 – to be published and distributed on 12th June 2019. <p>Banksia Bulletin:</p> <p>Shire President has published articles during the 2018/2019 year:</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SHIRE WEBSITE / EMERGENCY SMS</p>	<p>Shire Website is regularly updated with Council information and events by Council staff. A 'snapshot' of statistics is shown below.</p> <p>Emergency SMS Text System reports regularly to subscribers on Emergency / Bush Fire / Harvest Ban Information.</p> <p>There are currently 388 Mobile Numbers in the Harvest Ban Group.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">FACEBOOK / TOWN CLOCK INFORMATION BOARD</p>	<p>Facebook is used extensively and ever increasing. A 'snapshot' of page view statistics is shown below.</p> <p><i>[Notwithstanding, social media is a medium through which the Shire can engage with its community, whether it be Facebook, twitter, etc. however the content, be it a calendar or regular or annual notice, are the result of other processes governed by the services provided by the Shire and are not strategies of the Plan but rather the content of the communication].</i></p> <p>Town Clock Information Board – the electronic message board in the centre of town, which is regularly updated with Shire Community and Emergency messages by Council Admin Staff.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SURVEYS/ CONSULTATIONS</p>	<ul style="list-style-type: none"> • Community Bus Future and Hire Charges Survey – Clubs / organisations and Community Members – February 2019. • Biennial Community Survey (now closed and results being collated) – 102 Responses. • School and Playgroup on the Community Park Concept. • Swimming Pool – Shade Sails (commenced Survey of Pool Users). • Ex Valley Ford (PTA) Land – Future Options. • Business After Hours Event – Held by Wheatbelt Business Network on 12/2018 (including Walk Down the Main Street). • Re-Branding Project presentations on 11th February 2019, Workshop held 11th April 2019 and formal presentation of Concepts / Logos on the 27th June 2019. <i>MailChimp statistics – Shire Rebranding Workshop – 179 subscribers: 54.5% Opens and 12.9% Clicks.</i> • Caravan Park Patron Survey – ongoing.

COMMUNITY EVENTS/
CEREMONIES

- Citizenship Ceremonies performed:
- NAIDOC Week activities held 8-15 July 2018 and 13th September 2018.
- Awards Ceremony at the Quairading District High School held 11th December 2018.
- Farmers' Breakfast held on 15th October 2018.

CLIENT REQUEST SYSTEM

A Client Request System was introduced in July 2018. The YTD statistics are:

Total of incoming CSR		%
Active	64	24%
Closed	185	69%
Further Action	16	6%
No Further Action	2	1%
	267	

Further analysis of the Areas of Council Activities with Outstanding or overdue Tasks will be undertaken by the Executive Management Team and responsible Staff before Year end to ensure that the level of Outstanding is minimised and Requests "Closed Off" if the Work / task has been completed.

Year End analysis will also assist as a Benchmarking Tool for the CEO and Executive Managers and the Audit & Risk Committee

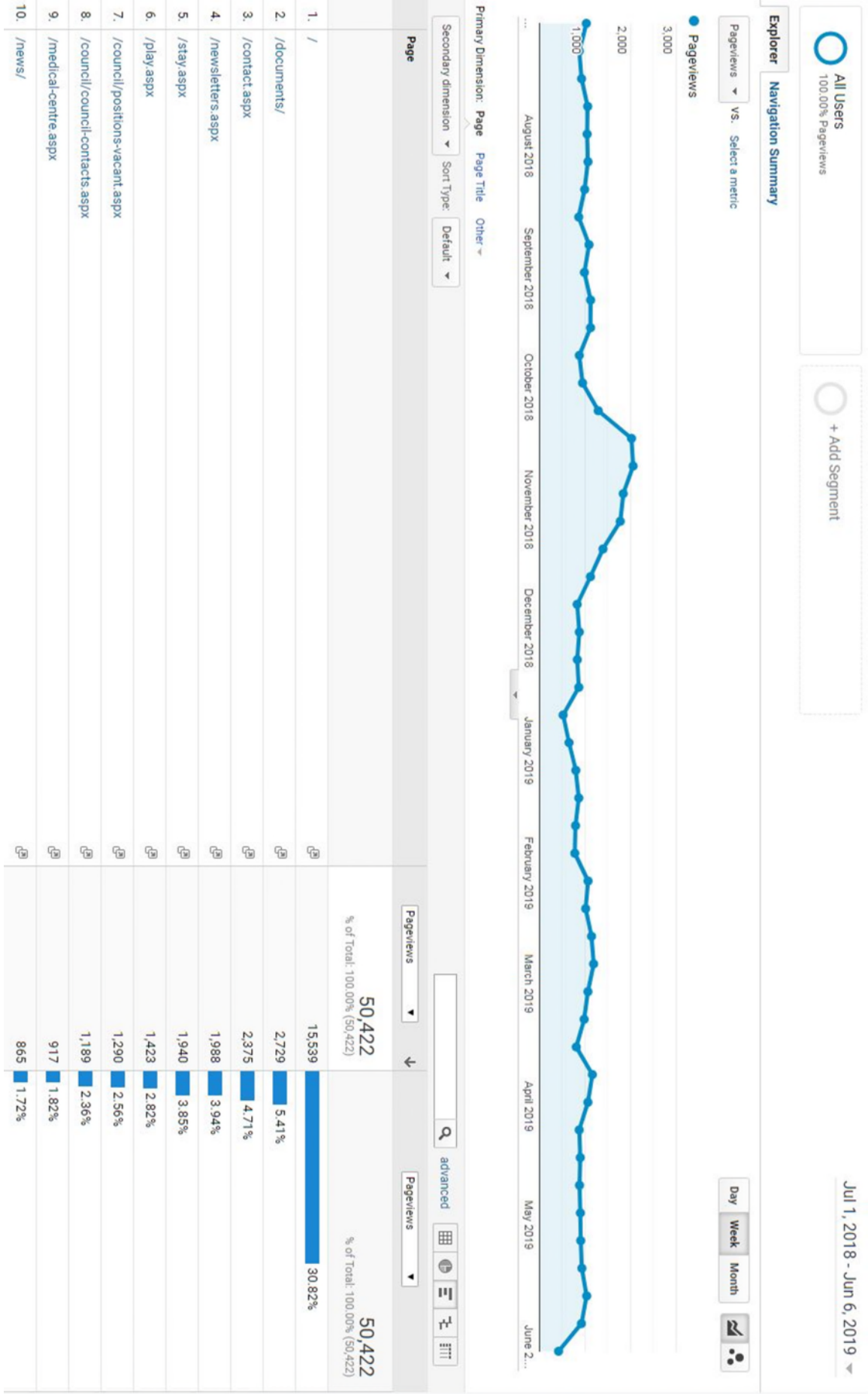
Client Requests are generated through various avenues including Community Reports by Phone, Website or over the Front Counter at the Administration Centre and the Works Depot.

Shire of Quairading Facebook Page 'snapshot'

<input type="checkbox"/>	Posts	Reach	Clicks/Actions	Published
<input type="checkbox"/>	 Shire of Quairading shared a post.	280	72	May 3, 2019 at 9:29 PM Jodie Yardley
<input type="checkbox"/>	 Shire of Quairading shared a post.	214	15	May 2, 2019 at 2:11 PM Michelle Wilson
<input type="checkbox"/>	 COMMUNITY SURVEY 2019 Last days to have your say as the Community Survey	199	6	May 2, 2019 at 12:55 PM Michelle Wilson
<input type="checkbox"/>	 COMMUNITY SURVEY 2019 Two years ago the Shire developed its Strategic	216	10	Apr 30, 2019 at 1:53 PM Michelle Wilson
<input type="checkbox"/>	 Youth Development Officer Assistant Part Time - Casual An	904	68	Apr 30, 2019 at 1:26 PM Michelle Wilson
<input type="checkbox"/>	 With Respect	366	51	Apr 29, 2019 at 9:42 AM Jodie Yardley
<input type="checkbox"/>	 With respect	2K	278	Apr 26, 2019 at 8:21 AM Jodie Yardley
<input type="checkbox"/>	 Below is a list of things that current, and former members, of the Australian and	5.5K	550	Apr 25, 2019 at 6:30 AM Jodie Yardley
<input type="checkbox"/>	 Shire of Quairading shared a post.	281	41	Apr 24, 2019 at 9:34 PM Jodie Yardley
<input type="checkbox"/>	 HAVE YOUR SAY Two years ago the Shire developed its Strategic Community	349	36	Apr 18, 2019 at 5:34 PM Jodie Yardley
<input type="checkbox"/>	 Shire of Quairading shared a post.	518	43	Apr 18, 2019 at 9:52 AM Jodie Yardley
<input type="checkbox"/>	 FEDERAL ELECTION - 18TH MAY 2019 Details can be found on the Australian	191	3	Apr 16, 2019 at 2:36 PM Michelle Wilson
<input type="checkbox"/>	 Co-op Easter Eggstravaganza Why not hop down on Wednesday 17th	234	8	Apr 15, 2019 at 9:48 AM Michelle Wilson
<input type="checkbox"/>	 SHIRE OF QUAIRADING REBRANDING WORKSHOP Please come along to the	106	2	Apr 10, 2019 at 10:01 AM Michelle Wilson
<input type="checkbox"/>	 Shire of Quairading shared a post.	253	9	Apr 8, 2019 at 10:04 AM Michelle Wilson
<input type="checkbox"/>	 Thank you for supporting our little country town	234	30	Apr 5, 2019 at 10:14 PM Jodie Yardley
<input type="checkbox"/>	 QAIRADING 2019 ANZAC DAY SERVICE The 2019 Anzac Day Service	384	29	Apr 4, 2019 at 12:47 PM Michelle Wilson
<input type="checkbox"/>	 The Shire invites your input on what makes Quairading unique and how you'd	105	2	Apr 3, 2019 at 11:54 AM Michelle Wilson
<input type="checkbox"/>	 WHEATBELT SECONDARY FREIGHT ROUTES Media Release - Federal	232	15	Apr 1, 2019 at 3:19 PM Michelle Wilson
<input type="checkbox"/>	 drumMUSTER drumMUSTER provides agricultural chemical users with a	299	8	Apr 1, 2019 at 2:31 PM Michelle Wilson
<input type="checkbox"/>	 Shire of Quairading shared a post.	147	4	Mar 31, 2019 at 11:26 AM Jodie Yardley
<input type="checkbox"/>	 Shire of Quairading shared a post.	127	3	Mar 29, 2019 at 6:59 PM Jodie Yardley
<input type="checkbox"/>	 Shire of Quairading shared a post.	244	43	Mar 29, 2019 at 6:56 PM Jodie Yardley
<input type="checkbox"/>	 SHIRE OF QUAIRADING REBRANDING WORKSHOP Council is working on	225	10	Mar 29, 2019 at 2:19 PM Michelle Wilson
<input type="checkbox"/>	 WA Voluntary Assisted Dying Legislation Consultation The Minister	237	14	Mar 29, 2019 at 1:28 PM Michelle Wilson



Shire of Quairading Website 'snapshot' of Statistics



RISK ASSESSMENT – Risk Management Policy and Risk Management Governance Framework Applicable.

Financial - Risk Matrix Rating is considered Low

Health – Risk Matrix Rating is considered Low

Reputation – Risk Matrix Rating is considered Low

Operation – Risk Matrix Rating is considered Low

Natural Environment – Risk Matrix Rating is considered Low.

COMMENT

The Community Engagement Policy is aimed to ensure that:

- Council has the opportunity to consider the input of a wide range of community members before making decisions or developing and finalising Strategic Plans;
 - Community members are given the opportunity to contribute to the planning and development process;
 - That a biennial Survey of Customer Satisfaction is undertaken in March; and
 - Community and landholders are consulted during major works/projects on the impact and progress of those works/projects.
-

11.3 Review of Committee Performance, Membership and Terms of Reference

Meeting Date	11 th June 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	CEO Graeme Fardon
Attachments	11.3a A&R Terms of Reference
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

No Voting requirement.

Submitted for preliminary Committee discussion only.

Await further information or Guidance from the OAG.

IN BRIEF

- Committee Terms of Reference 9.5.
- Annual Review – Timing of Review given October 2019 Elections.
- Listed for September 2019 A&R Committee Meeting.
- Council's Auditor has advised Council and the A&R Committee that the Auditor General is recommending that Audit & Risk Committees be smaller in number of Elected Members rather than 'Whole of Council' Committee.
- Further information will be sought on this Issue before Committee Reviews its Terms of reference prior to the September 2019.

MATTER FOR CONSIDERATION

For discussion purposes once further information is available.

BACKGROUND

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995 Part 7 refers to the Audit Committees.

Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

Current Terms of Reference of the Audit & Risk Committee

FINANCIAL IMPLICATIONS

Nil – At this stage

COMMUNITY CONSULTATION

N/A

RISK ASSESSMENT – Risk Management Policy and Risk Management Governance Framework Applicable.

Financial - Risk Matrix Rating is considered Low

Health – Risk Matrix Rating is considered Low

Reputation – Risk Matrix Rating is considered Low

Operation – Risk Matrix Rating is considered Low

Natural Environment – Risk Matrix Rating is considered Low.

Cr McGuinness

Cr McGuinness raised the matter listed and discussed at Item 9.1 and the Meeting requested that the CEO provide a report to the Council Meeting on the Regulation 17 Reporting Options (In House versus Contractor) for Draft Budget consideration.

UNCONFIRMED

ITEM 13 CONFIDENTIAL BUSINESS – AS PER LOCAL GOVERNMENT ACT S5.23 (2)

No matters for consideration.

ITEM 14 NEXT MEETING DATE

The next Audit & Risk Committee Meeting is scheduled to take place on Tuesday 10th September 2019, commencing at 5.00pm on at the Council Chambers, 10 Jennaberring Road, Quairading.

ITEM 15 CLOSURE

There being no further business, the Chairman closed the Meeting at 7.28 pm.

I certify the Minutes of the Audit & Risk Committee Meeting held on 11th June 2019 were confirmed on 10th September 2019 as recorded on Resolution No. AR -19/20.

Confirmed..... 10/09/2019

UNCONFIRMED