

## Audit & Risk Committee Notice of Meeting | 8<sup>th</sup> December 2020

Dear Councillors

I respectfully advise that the AUDIT & RISK COMMITTEE MEETING will be held in the Shire Council Chambers, Jennaberring Road, Quairading, WA on Tuesday 8<sup>th</sup> December 2020 commencing at approximately 5:00pm following the telephone meeting with the Auditor.

**The Committee and Senior Staff will be conducting a Telephone Meeting with Council's Auditor Mr Greg Godwin of Moore Australia (previously Moore Stephens) at 4.30pm sharp with the Committee Meeting commencing immediately following.**

**Mr Godwin will provide the Audit Concluding Memorandum to the CEO on Monday 7<sup>th</sup> December 2020 and this will be emailed as a Confidential document to all Councillors and Senior Staff as soon as it is to hand.**

MEETING AGENDA ATTACHED

*Graeme Fardon*

**GRAEME FARDON  
CHIEF EXECUTIVE OFFICER**

Date: 4<sup>th</sup> December 2020



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# SHIRE OF QUAIRADING

## ITEM 1 OPENING & ANNOUNCEMENTS

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The Chairperson opened the Meeting at \_\_\_\_\_ 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

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### Councillors

Cr JN Haythornthwaite	Chairperson / Deputy Shire President
Cr WMF Davies	Shire President
Cr BR Cowcill	
Cr JW Haythornthwaite	
Cr JR Hippiisley	
Cr B McGuinness	
Cr PD Smith	
Cr TJ Stacey	

### Council Officers

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

### Observers/Visitor

### Apologies

### Approved Leave of Absence

## ITEM 3 DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

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Nil

## ITEM 4 DECLARATIONS OF INTEREST

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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

## ITEM 5 CONFIRMATION OF MINUTES AND BUSINESS ARISING

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### 5.1 Confirmation of Minutes – 8<sup>th</sup> September 2020

#### RECOMMENDATION

**MOVED** \_\_\_\_\_ **SECONDED** \_\_\_\_\_

That the Minutes of the Audit & Risk Committee Meeting held on the 8<sup>th</sup> September 2020 be confirmed as a true and accurate record. (Attached)

**CARRIED** \_\_\_\_/\_\_\_\_

**VOTING REQUIREMENTS** – Simple Majority

### 5.2 Business Arising

# SHIRE OF QUAIRADING

The Quairading Audit & Risk Committee Minutes of the Meeting held on 8<sup>th</sup> September 2020 commencing at 5.00 pm.

## ITEM 1 OPENING & ANNOUNCEMENTS

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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".

The Chairperson advised that the ICT Strategic Plan and ICT Disaster Recovery Plan is to be presented first to allow Council's Consultant Focus Networks to speak to the Agenda Item.

## ITEM 2 ATTENDANCE AND APOLOGIES

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### Councillors

Cr JN Haythornthwaite	Chairperson / Deputy Shire President
Cr WMF Davies	Shire President
Cr BR Cowcill	
Cr JW Haythornthwaite	
Cr JR Hippiisley	
Cr B McGuinness	
Cr PD Smith	
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

Mr Doug Cusens	Focus Networks (5.02 pm – 5.55 pm)
Mr David Staek	Focus Networks (5.02 pm – 5.55 pm)

### Apologies

Nil

### Approved Leave of Absence

Nil

## ITEM 3 DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

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Mr Cusens and Mr Staek presented their findings on the ICT Strategic Plan to the Audit & Risk Committee and responded to questions from the Meeting.

The Focus Networks representatives left the meeting at 5.55pm.

## ITEM 4 DECLARATIONS OF INTEREST

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

- Cr Jo Haythornthwaite - Impartiality Interest with Item 11.1 ICT Strategic Plan and ICT Disaster Recovery Plan.
- C John Haythornthwaite - Impartiality Interest with Item 11.1 ICT Strategic Plan and ICT Disaster Recovery Plan.

## ITEM 5 CONFIRMATION OF MINUTES AND BUSINESS ARISING

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### 5.1 Confirmation of Minutes – 9<sup>th</sup> June 2020

#### **RECOMMENDATION: AR1-20/21**

#### **MOVED Cr Cowcill SECONDED Cr Stacey**

That the Minutes of the Audit & Risk Committee Meeting held on the 9<sup>th</sup> June 2020 be confirmed as a true and accurate record.

**CARRIED 8/0**

### 5.2 Business Arising

Nil.

## ITEM 6      STANDING ITEMS – EXTERNAL AUDIT

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### *Audit & Risk Committee - Terms of Reference 7.6*

The CEO advised the Meeting of the following proposed timetable for the conduct of the Annual Audit:-

- Audit Team onsite - 26<sup>th</sup> to 28<sup>th</sup> October 2020
- Annual Meeting with the Auditor - Week commencing 30<sup>th</sup> November 2020
- Sign off of the Annual Financial Statements by the Chief Executive Officer and issuance of the Audit Report following the meeting with the Auditor
- Inclusion in the Audit & Risk Committee Agenda – 4<sup>th</sup> December 2020
- Audit & Risk Committee Meeting – 8<sup>th</sup> December 2020.

### **RECOMMENDATION: AR2-20/21**

#### **MOVED Cr Stacey SECONDED Cr Hippiisley**

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

Council conduct a telephonic meeting with Council's Auditor Mr Greg Godwin of Moore Australia (formerly known as Moore Stephens) for the 2019/2020 Annual Audit Exit Meeting with the Auditor.

**CARRIED 8/0**

## ITEM 7      STANDING ITEMS – INTERNAL AUDIT

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### *Audit & Risk Committee - Terms of Reference 7.5*

No matters for consideration.

## ITEM 8      STANDING ITEMS – FINANCIAL REPORTING

### *Audit & Risk Committee - Terms of Reference 7.2*

#### **8.1      Grant Funding Status Report**

<b>Meeting Date</b>	8 <sup>th</sup> September 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	IPR&SPO Richard Bleakley
<b>Attachments</b>	(i) Grants Register Status Report 1 (ii) Grants Register Status Report 2 (Summary Report)
<b>Owner/Applicant</b>	Shire of Quairading
<b>Disclosure of Interest</b>	Nil

#### **OFFICER RECOMMENDATION**

##### **RECOMMENDATION: AR3-20/21**

##### **MOVED Cr Davies SECONDED Cr Hippisley**

That the Audit and Risk Committee recommend to Council that: -  
Council notes the Grants Status Reports dated September 2020.

**CARRIED 8/0**

#### **IN BRIEF**

- This Report provides an update on the status of grants submitted and new grant opportunities and provides for information and discussion.
- This Report includes Grants that are continuing /carried over from the 2019/2020 and are being acquitted in the current Financial Year.
- Report details current successful Grants (Competitive and Non Competitive).
- No Grant Applications have been declined in 2020/2021.
- Further Grant Funding avenues being explored by the Grants Team.

#### **MATTER FOR CONSIDERATION**

Noting the Grants Status Report.

#### **BACKGROUND**

Council requires the Chief Executive Officer to report on the Eligible Grant Eligibility and Grant Activity during the 2020/2021 Year.

Report is to include Grant funding success rate i.e. no. of applications no. achieved and value / timelines of received funding.

#### **STATUTORY ENVIRONMENT**

Nil

## POLICY IMPLICATIONS

Nil

## FINANCIAL IMPLICATIONS

All Grants reported have been included in Council's Adopted Budget for the 2020/2021 Financial Year. Details of Council's cash and In Kind Contributions are listed in the Grants Register Status Report (Attachment No. 1)

## 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

No consultation was required or undertaken in relation to this report.

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

Financial - Risk Matrix Rating is assessed as Low. All Grants approved have been included in the 2020/2021 Adopted Budget.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. The Report provides transparency on the treatment and use of the Government Grant Funding and provides Committee with information to assess how Management are administering the various Grants.

Operation – Risk Matrix Rating is assessed as Low. Preparation and maintenance of the Grants Register is undertaken within Council's existing Organisational Structure and resources.

Natural Environment – Risk Matrix Rating is assessed as Low.

## COMMENT

Attachment 1 – Grants Register Status Report 1 as at 4<sup>th</sup> September 2020 provides a summary of current project grant portfolio, which details the 11 Funding Agreements which are currently operational/active and 4 pending research projects, with an approximate investment of \$ 5.6M from Federal and State Government, External and Council sources.

## ITEM 9      STANDING ITEMS – CONTROLS, SYSTEMS AND PROCEDURES

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### *Audit & Risk Committee - Terms of Reference 7.3*

No matters for consideration.

## 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

<b>Meeting Date</b>	8 <sup>th</sup> September 2020
<b>Responsible Officer</b>	EMCS Nathan Gilfellow
<b>Reporting Officer</b>	SFO Jodie Yardley
<b>Attachments</b>	Nil
<b>Owner/Applicant</b>	Shire of Quairading
<b>Disclosure of Interest</b>	Nil

#### OFFICER RECOMMENDATION

##### RECOMMENDATION: AR4-20/21

##### MOVED Cr Hippiisley SECONDED Cr Cowcill

That the Audit and Risk Committee Recommend to Council that: -  
Council receive the report on the Shire's Leave Liabilities.

**CARRIED 8/0**

#### IN BRIEF

- Since 2017, Council has requested that excess Annual Leave and Long Service Leave be reported to the Audit and Risk Committee
- Council receive the report on the Shire's Leave Liabilities.

#### 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 as when the Employee has accrued more than eight weeks paid annual leave.

#### STATUTORY ENVIRONMENT

*Local Government Act 1995*

Local Government (Long Service Leave Regulations)

Local Government Industry Award 2010

The Industry Award defines Excess Leave as -

*"An Employee has an **excess leave accrual** if the employee has accrued more than eight weeks 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 31<sup>st</sup> August 2020 is \$205,901.

The Annual Budget treats Current Leave as Accruals.

The Annual and Long Service Leave Reserve funds any prior year Leave entitlements taken by Staff or paid out.

The current Liability for both types of Leave (if all Claimed on 31<sup>st</sup> August 2020) is calculated at \$230,012.

## 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 31<sup>st</sup> August 2020, no employee has excess annual leave.

The CEO has approved of One Employee's Plan to take their Long Service Leave in three instalments. The first of which has now been taken. The second instalment has been deferred by agreement due to the COVID-19 pandemic.

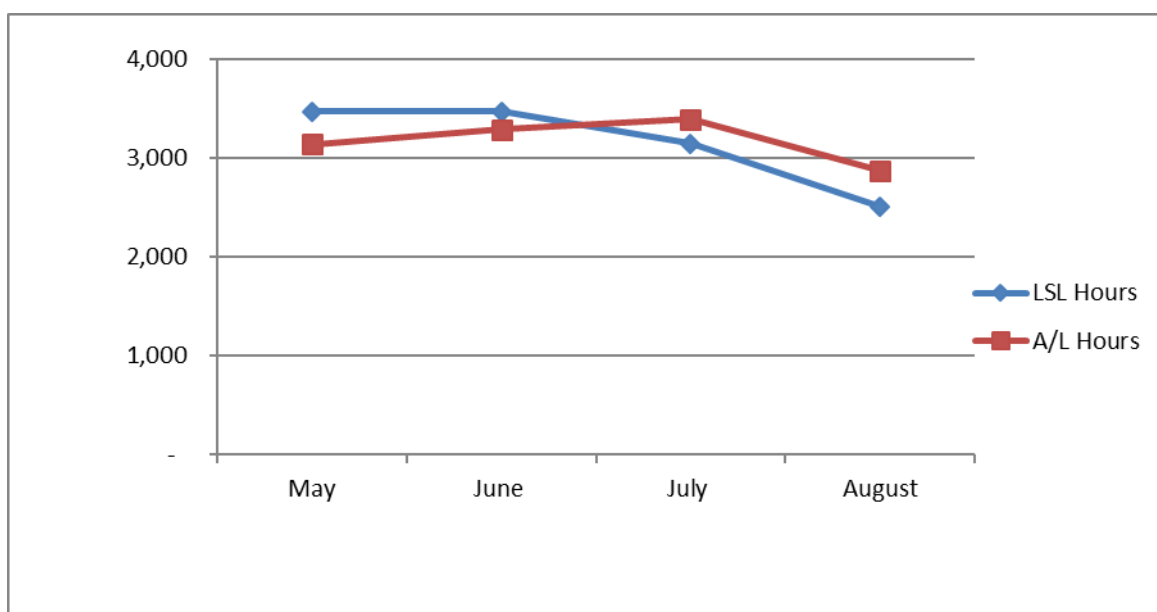
One Employee has Long Service Leave Liabilities as at the 6<sup>th</sup> September 2019. This has been approved to commence in September 2020.

Since May 2020, there has been a significant decrease of 10% (in Dollar Value) in the Annual Leave Liability through annual leave being taken. In addition, two employees have retired and been paid lump sum payments.

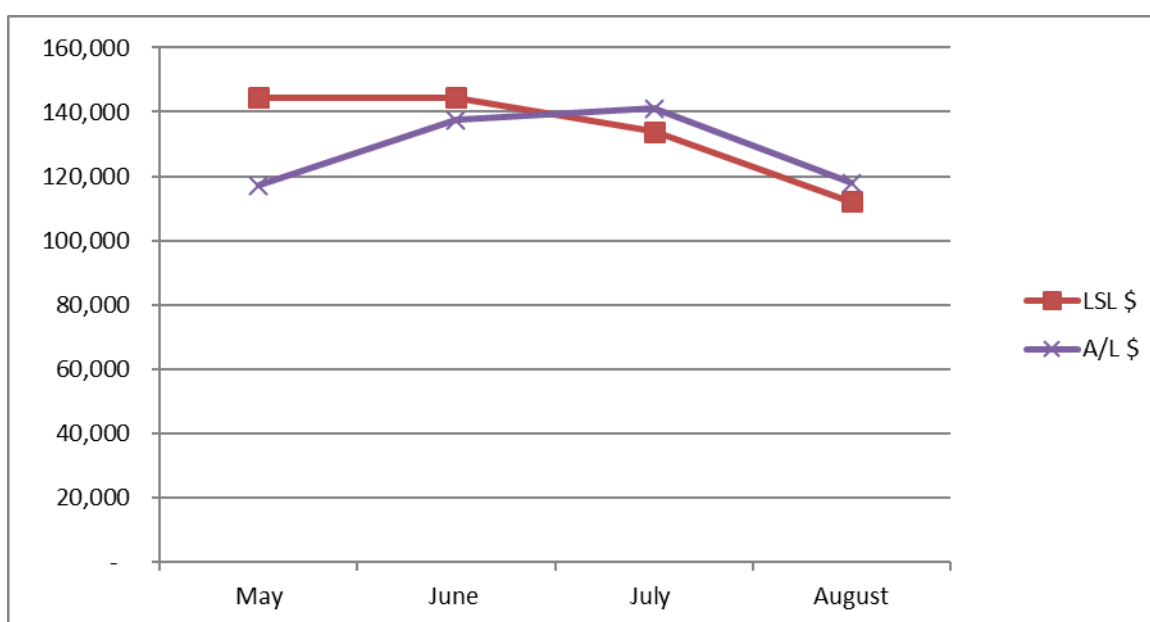
The Long Service Leave Liability has decreased 22% (in Dollar Value) since May 2020. This is due to two employees retiring.

	<b>LSL Hours</b>	<b>LSL \$</b>	<b>AL Hours</b>	<b>AL \$</b>
<b>May</b>	3,472	144,506	3,141	131,346
<b>June</b>	3,472	144,506	3,293	137,579
<b>July</b>	3,152	133,795	3,396	141,026
<b>August</b>	2,511	112,029	2,879	117,983

### Accumulated Hours of Leave



### Outstanding Accumulated Dollar Value of Leave



## ITEM 11      STANDING ITEMS – OTHER

*Audit & Risk Committee - Terms of Reference 9.2 & 9.5*

### 11.1      ICT Strategic Plan and ICT Disaster Recovery Plan

<b>Meeting Date</b>	8 <sup>th</sup> September 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	EMCS Nathan Gilfellow
<b>Attachments</b>	(i) ICT Strategic Plan (Under separate cover) (ii) ICT Disaster Recovery Plan (Under separate cover)
<b>Owner/Applicant</b>	Nil
<b>Disclosure of Interest</b>	Nil

Impartiality Interest declared by Cr Jo Haythornthwaite and Cr John Haythornthwaite at the commencement of the meeting.

### OFFICER RECOMMENDATION

#### RECOMMENDATION: AR5-20/21

#### **MOVED Cr McGuinness SECONDED Cr Stacey**

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

1. Council adopt the ICT Strategic Plan 2020 - 2023
2. Council adopt the ICT Disaster Recovery Plan
3. Council allocate a budget of \$41,200 to Computer Maintenance and \$30,500 to Computers Capital Works both from the 2020/2021 Budget Surplus.

**CARRIED ON THE CASTING VOTE OF THE CHAIRPERSON 5/4**

\*Absolute Majority will be needed for Council adoption of the Budget Amendment.

### IN BRIEF

- The Shire engaged Focus Networks in May 2020 to assist in developing an ICT Strategic Plan and ICT Disaster Recovery Plan.
- The ICT Strategic Plan is a resource that the Shire can use to plan for, manage and review their Information, Communication and Technology assets over a 4-year period.
- The ICT Disaster Recovery Plan is a resource to coordinate the actions of the Shire during an ICT disaster.
- The key themes, being explored within the Strategic Plan have been taken from the Gartner IT Reports and are used to underpin the Goals of the Plan. Each area is shown with the current state, best practice and future recommendation.

### MATTER FOR CONSIDERATION

The adoption of the ICT Strategic Plan and ICT Disaster Recovery Plan and the allocation of Budget to support items identified within the Strategic Plan.

## BACKGROUND

In August 2018, Focus Networks provided an IT Audit Service Report on the Shire of Quairading Network and IT Systems to gain a snapshot of the Shire's IT environment.

The Office of the Auditor General published an Information Systems Audit Report 2020 – Local Government Entities (Report 27: 2019-20). The report covered system audits of 10 Local Governments in Western Australia and found "significant shortcomings" in their information security practices.

In an interview with ALGA, Ms Spencer said, "All local government entities, including those not sampled in this audit, need to carefully consider the standards and the recommendations in this report to improve information security practices and protect the confidentiality, integrity and availability of information and systems."

### ICT Strategic Plan

The Shire engaged Focus Networks in May 2020 to assist in developing an ICT Strategy that will: -

- Assist the Chief Executive Officer, Executive Team and Elected Members to better understand the complexity of managing information and technology within the local government sphere.
- Improve the Shire's ICT capability.
- Enable the Shire to operate at or above the ICT Baseline Standard/benchmark set by the OAG.
- ensure ICT is adequately managed to support all aspects of local government operations, and
- Investigate the future ICT trends and how they relate to the Shire of Quairading.
- Support all related elements of the Integrated Planning and Reporting Framework.

This document will be the action plan for guiding Council's strategic direction in ICT over the next 4 years for the effective management of information and communications technology and to ensure that the Shire's ICT systems are controlled and maintained in line with corporate objectives and emerging trends. This document establishes a baseline which identifies the minimum requirements for the effective provision of information and communications technologies, as well as information management services, and solutions to effectively support the Shire's operations. Understanding the complexity of information and communications technology management within local government is the first step in applying the necessary measures to ensure that the baseline ICT standards are being met. This document also aims to provide true value to the community by enhancing and supporting all the services Council delivers.

### ICT Disaster Recovery Plan

The ICT Disaster Recovery Plan is an important document containing process and procedures to recover and protect a business' IT infrastructure in the event of an incident.

The Shire's Auditors and the State Records Office (SRO) have both raised that the Shire does not currently have a ICT Disaster Recovery Plan. The SRO have indicated that a copy of an ICT Disaster Recovery Plan will need to be presented to the SRO by December 2020.

Without formally defined processes, it is difficult for the Shire to evaluate the risks and ensure that organisation can quickly respond to, and recover from disruptive ICT events. Implementing complementary standards for ICT Disaster Recovery and Business Continuity will help the Shire to ensure holistic risk management outcomes.

A business impact analysis (BIA) was conducted by Focus Networks in conjunction with Executive Management and is viewed as the cornerstone of informed ICT disaster recovery decision-making.

A BIA provides the basis for aligning ICT disaster recovery plans (and broader business continuity management) to business priorities.

A BIA is a systematic process to determine and evaluate the potential effects of an interruption to critical/core business functions as a result of an incident. The BIA identifies business functions, the critical systems supporting them, and their dependencies.

Without a process to understand these, the Shire is unable to make informed decisions about ICT disaster recovery strategies.

It has been listed that a review of the ICT Disaster Plan should be undertaken annually to maintain contact and staffing lists.

Business continuity management and disaster recovery is a process of continuous improvement, and Council is strongly encouraged to ensure that the necessary skills and capabilities are in place to guarantee ongoing risk management for the organisation.

Continuous improvement requires not only resolving individual issues, but maintaining the health, effectiveness and relevance of the Shire's ICT disaster recovery capability to support business continuity capabilities.

## **STATUTORY ENVIRONMENT**

### **Local Government Act S5.56**

Planning for the future

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

### **Local Government Act (Administration Regulations 1996)**

Division 3 – Planning for the future

19C. Strategic community plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (5) In making or reviewing a strategic community plan, a local government is to have regard to –
  - (a) the capacity of its current resources and the anticipated capacity of its future resources; and
  - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
  - (c) demographic trends.
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
- (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.

\*Absolute majority required.

(8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

(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.

(10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

#### 19DA. Corporate business plans, requirements for (Act s. 5.56)

(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013. (

2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to – (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

(4) A local government is to review the current corporate business plan for its district every year.

(5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.

(6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications. \*Absolute majority required.

(7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan

#### **POLICY IMPLICATIONS**

N/A.

#### **FINANCIAL IMPLICATIONS**

The Current Budget for IT is currently \$70,000. The proposed Budget for 2020/21 year (detailed below) is \$141,700. Therefore, it is recommended that an additional \$71,700, from the current Budget Surplus of \$122,026 be utilized to fund this year's ICT requirements.

In the 2020/21 budget, a Reserve Fund (budgeted to end the year with \$113,964 in funds) was modified to include all IT Hardware and Software purchases. It has not been recommended to use Reserve Funds due to the current budget surplus and to allow the funds to be used for future purchases identified in the ICT Strategic Plan. This will allow the funds to be used in the future to afford major Software upgrades without impacting normal Council operations.

## 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

## CONSULTATION

Consultation for the ICT Disaster Recovery Plan was undertaken with Shire Staff and current IT providers.

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

Financial - Risk Matrix Rating is assessed as Low. The Plans will have a financial impact on the Budget, as the works identified will increase the current budget significantly. However, the works being done over the next 4 years should decrease the financial risk of large non-budgeted expenditure from IT disaster or Cyber-attacks.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. Cyber-attacks on government have been becoming more common and wider spread. This has caused reputational damage due to concern of the disclosure of public information. The Plans have recommended ways of reducing damage from attacks, therefore decreasing the chance of loss of information and mitigate reputational risk.

Operation – Risk Matrix Rating is assessed as Low. The ICT Strategy is created to provide direction in a rapidly changing business environment. The first wave of the Covid-19 pandemic has shown the need for workplaces to be flexible in the way that they function with many businesses during this time being completely digital. The current Shire of Quairading IT environment is not currently setup to be digital, therefore any future situations such as the one just experienced, may significantly impact whether the Council is able to operate.

The Plans have also been created with consideration of future trends, such as Cloud based technology or work from home. The Plans will allow the Shire to react faster to changes from changing trends.

The ICT Disaster Recovery Plan is an operational plan that can be activated during an IT Disaster. This will give Management direction on continuing operations during this time, which should decrease the risk that Council is unable to operate for a long length of time.

Natural Environment – Risk Matrix Rating is assessed as Low.

## COMMENT

The ICT Strategic Plan has been allocated over a period of 4 years. The priorities and timing of costs have been allocated over the 4 years by Focus Networks. The costs in each year across the 4 years is an increase over the current and previous IT Budgets. This is in order to position the Shire strongly in a quickly changing ICT environment.

In order to lessen the impact on the current financial position and to undertake the works within current staffing, Management has proposed an alternative budget based on the timing and priorities recommended within the Plan. This will also form an agile approach to ICT upgrades and improvements which should provide better results in a fast changing IT environment. The current and proposed budget has been listed below in table 1.1 and 1.2.

Table 1.1 - **Current Budget (2020/2021)**

Description	Amount
IT Vision (SynergySoft)	\$25,000
IT Support	\$29,812
Other Licences	\$5,000
Minor IT Purchases	\$5,000
Council Connect (Website Hosting)	\$5,188
<b>Total</b>	<b>\$70,000</b>

Table 1.2 - **Proposed Budget**

Description	Amount
IT Vision (SynergySoft)	\$25,000
IT Support	\$24,000
Minor IT Purchases	\$2,000
Council Connect (Website Hosting)	\$5,188
Altus Bank Reconciliation Module (Setup) <sup>1</sup>	\$8,000
New Computers/ Laptops <sup>2</sup>	\$35,732
Website Development <sup>3</sup>	\$5,000
Adobe Professional (SaaS)	\$1,250
Office 365 (SaaS)	\$4,000
5.1 Backups <sup>4</sup>	\$8,800
5.7 Internet Gateway <sup>5</sup>	\$2,620
5.8 ISP Links <sup>6</sup>	\$7,200
5.2 Domain <sup>7</sup>	\$12,910
<b>Total</b>	<b>\$141,700</b>

1. Includes the Purchase and Setup of the IT Vision Bank Reconciliation Module. The annual cost can be absorbed in the current SynergySoft budget.
2. As per Appendix A for the 2020/21 year for Councillors and Staff and will be part of the Capital budget. \$5,232 will be for the Transition of Administration Staff to "Office 365".
3. Website Development is a provision for the implementation of bookings and payment capabilities for the Caravan Park.
4. \$5,640 is for backup of current data offsite. \$3,160 is for backup of cloud based emails. A transition to cloud based Office 365 is set to following a successful transition to Office 365 for other Microsoft Applications. Medical Practice migration will be postponed until investigation into a connection utilising the Administration Office Server has been undertaken.
5. \$2,620 has been included to improve the Internet Gateway at the Administration Office. Improvements at the Medical Practice have been postponed until investigation into a connection to using the Administration Office has been undertaken.
6. \$800 per month x 9 months for NBN Satellite. 4G costs already in budget.
7. As per item 5.2. Medical Practice will be postponed until successful implementation of the Administration Office.

## ITEM 12 COUNCILLORS' EMERGING ISSUES

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### **Cr Smith**

Cr Smith enquired on the timing of the handrails and balustrading at the Cabins.

Mr Bleakley responded that the Contractor Mr Adam May had advised that the installation would be undertaken next week.

Cr Smith requested an update from the Chief Executive Officer on the issue of Councillor Liability on delays on actioning a Council decision after a risk was identified.

The Chief Executive Officer advised that the Question on Notice had been referred to LGIS for advice on Insurance Cover for Councillors and Officers held by Council and that further information would be sought on the issue of Councillor Liability.

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

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*No matters for consideration.*

## ITEM 14      NEXT MEETING DATE

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The next Audit & Risk Committee Meeting is scheduled to take place on Tuesday 8<sup>th</sup> December 2020, commencing at 5.00 pm on at the Council Chambers, 10 Jennaberring Road, Quairading.

## ITEM 15      CLOSURE

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There being no further business, the Chairperson closed the Meeting at 6.40 pm.

I certify the Minutes of the Audit & Risk Committee Meeting held on 8<sup>th</sup> September 2020 were confirmed on 8<sup>th</sup> December 2020 as recorded on Resolution No. \_\_\_\_\_

Confirmed..... 08/12/2020

## ITEM 6      STANDING ITEMS – EXTERNAL AUDIT

### *Audit & Risk Committee - Terms of Reference 7.6*

#### **6.1    2020/2021 Financial Audit – Office of the Auditor General (OAG)**

<b>Meeting Date</b>	8 <sup>th</sup> December 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	CEO Graeme Fardon
<b>Attachments</b>	Correspondence from the Auditor General, Ms Caroline Spencer
<b>Owner/Applicant</b>	N/A
<b>Disclosure of Interest</b>	

#### **OFFICER RECOMMENDATION**

**MOVED** \_\_\_\_\_ **SECONDED** \_\_\_\_\_

That the Audit and Risk Committee recommend to Council

that Council Note the Correspondence from the Auditor General advising that the OGA will be undertaking Council's Audit commencing in the 2020/2021 Financial Year.

**CARRIED** \_\_\_\_/\_\_\_\_

**VOTING REQUIREMENTS** – Simple Majority

#### **IN BRIEF**

- The State Government in October 2017 mandated that the Auditor General be responsible for the audits of all local governments and Regional Councils.
- The Audit task by the Office of the Auditor General has been phased in over a three year period.
- The 2019/2020 Financial Year is the last year of the 3 Year Audit Contract with Moore Australia (formerly Moore Stephens).
- It is anticipated that the 2019/2020 Audit will be completed in the coming week and the certified Annual Final Statements and signed Audit Report will be available for inclusion in the December 2020 Council Meeting Agenda.
- The Auditor General has written to the Shire President and CEO advising that the 2020/2021 Audit will be undertaken by the Office of the Auditor General.
- The Auditor General has committed for her Office to be in contact in the coming months to discuss the details of the transition from Private Auditors to the OAG.

#### **MATTER FOR CONSIDERATION**

Noting Correspondence from the Auditor General on the transition to Council's Financial Audits to be undertaken by the Office of the Auditor General.

#### **BACKGROUND**

It is expected that the Office of the Auditor General will make contact early in 2021 to arrange a meeting with Council representatives and Officers to commence the Audit Planning and Scheduling.

## STATUTORY ENVIRONMENT

*Local Government Act 1995*

*Local Government Amendment (Auditing) Act 2017*

*Local Government (Audit) Regulations 1996*

## POLICY IMPLICATIONS

N/A.

## FINANCIAL IMPLICATIONS

The Auditor General has identified that the cost of LGA Audits have increased significantly for many Councils following the OAG taking on the Audit Responsibility and Function. The OAG has committed to provide Council with information on the Audit Fees to be charged for the 2020/2021 Audit.

Council has budgeted the Amount of \$33,700 in the current financial year. Funds will be expended to make payment to Moore Australia for the work undertaken to complete the 2019/2020 Audit.

## STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

### Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G4	Sound Organisation
G4.1	Maintain sustainability ratios at or above basic level
G4.2	Increase non-rates revenue generation
G4.3	Ensure optimum organisational capacity and efficiency

## COMMUNITY CONSULTATION

No consultation was required or undertaken in relation to this report.

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

Financial - Risk Matrix Rating is assessed as Low. It is anticipated that cost will be significantly increased with the Audit to be conducted by the OAG.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low

Operation – Risk Matrix Rating is assessed as Low

Natural Environment – Risk Matrix Rating is assessed as Low.



Our Ref: 7576/09

Mr Graeme Fardon  
Chief Executive Officer  
Shire of Quairading

Via email: [ceo@quairading.wa.gov.au](mailto:ceo@quairading.wa.gov.au)

7th Floor, Albert Facey House  
469 Wellington Street, Perth

**Mail to:** Perth BC  
PO Box 8489  
PERTH WA 6849

**Tel:** 08 6557 7500  
**Fax:** 08 6557 7600  
**Email:** [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Dear Mr Fardon

## **YOUR 2020-21 FINANCIAL AUDIT**

My Office will take on responsibility for your local government's annual financial audit this year, once your current auditor completes your 2019-20 annual financial audit. As such I wanted to take this opportunity to introduce myself and to provide you with some information about your future audits with the Office of the Auditor General (OAG).

As you are likely aware, the *Local Government Amendment (Auditing) Act 2017* was proclaimed on 28 October 2017, giving the Auditor General the mandate to audit all Western Australian local governments and regional councils (LG entities).

The Act allowed the OAG to begin performance audits straight away, while responsibility for financial audits was to transition over 4 years, as LG entities' existing audit contracts expired.

We are now in the last year of transition and all remaining LG entity financial audits, including yours, will become the responsibility of the OAG, regardless of whether your previous audit contract has expired or not (see section 52 of the *Local Government Act 1995*).

My Office will contact you in the coming months to discuss the details of your transition to the OAG, but in the meantime I encourage you to read the attached information which should answer some questions you may have.

I look forward to working with you to ensure a smooth transition to OAG audit and to promote accountability and transparency in the local government sector.

Yours sincerely

CAROLINE SPENCER  
AUDITOR GENERAL  
7 October 2020

cc: President Wayne Davies  
Via email: [Springhills.farm@bigpond.com](mailto:Springhills.farm@bigpond.com)

Attach

## Attachment 1 – Information about the local government audit reform

### About the Auditor General

The Auditor General's role is to audit the finances and activities of Western Australian State and local government entities, and report the findings to Parliament.

Parliament seeks independent assurance from the Auditor General that public sector entities are providing services and using public money in accordance with Parliament's purpose.

Caroline Spencer began her 10-year term as WA's 19<sup>th</sup> Auditor General in May 2018.

She has extensive experience in State and federal public sector financial and performance audit. Prior to commencing as Auditor General, Caroline was Managing Partner and co-founder of a Canberra-based professional services firm, specialising in public sector audit and governance.

### Beginning local government audit

Taking on local government audit has been one of the biggest changes to the Auditor General's mandate since the role was established in 1829.

The OAG is made up of highly trained, professional, qualified and experienced auditors and support staff who are well placed to perform local government financial and performance audits.

Since the *Local Government Amendment (Auditing) Act 2017* was proclaimed, the Auditor General has tabled [14 local government reports](#). These include our financial audit results reports and performance audit reports on topics such as procurement, waste management and regulation of consumer food safety.

Our financial audit transition schedule has been as follows:

Financial year	Total LG audits	Status
2017-18	46	Reported to Parliament in March 2019
2018-19	112	Reported to Parliament in March 2020
2019-20	132	Audits taking place during second half of 2020
2020-21	148	Initial contact with remaining local governments

### Financial audits – contract audit firms

The Auditor General plans to contract out the majority of local government financial audits to accredited audit firms with the remaining to be conducted in-house. Where audits are outsourced, the contracts will be managed by the OAG and the Auditor General will sign and issue all auditor's reports on the annual financial reports.

It is common practice for Auditors General from across jurisdictions to outsource audits and is something we currently do for State government and existing LG entity audits. Our contract management processes ensure that outsourced audits are efficient and cost effective and meet our audit quality standards and the Australian Auditing Standards.

In accordance with generally accepted audit team rotation principles, we intend to re-tender your audit for 2020-21, unless there is a compelling reason for the OAG to engage the same contract audit firm you used for your 2019-20 audit.

### Financial audits – fees

Fees will be charged for financial audits, as they are now. Our fees are set purely to recoup the full cost of conducting a local government financial audit and the cost of reporting results for the sector to the Parliament and liaising with stakeholders on our functions as necessary and

appropriate. The fee is based on the staff hours used on the audit plus any directly related costs such as contract fees and travel expenses. In May 2020, we released an information sheet on [Setting local government audit fees](#).

LG entities we have audited in the first 3 years of transition have generally found our audit fees to be considerably higher than they paid previously. This is primarily because we conduct a much broader financial audit than most local government entities received in the past, and have addressed accountability requirements. Our audits give assurance on the financial statements and greater transparency about financial controls, probity and governance matters.

### **Performance audits**

The Act also allows for performance audits, which may examine the efficiency and effectiveness of any aspect of local government operations, including examining a single function across a number of entities.

We select performance audit topics following a comprehensive topic selection process which may also include requests for audits from Parliament, the government and other key stakeholders and the broader community. Our [audit program](#) is published on our website.

Unlike financial audits, which are paid for by each LG entity to cover the cost of doing the audit, performance audits are funded by State parliamentary appropriation. The number and size of performance audits are therefore determined by the level of appropriation received and the priority given to these by Parliament. Importantly, like our current State government performance audits, the findings and recommendations of these are applicable to all local governments and not just those audited.

If and when your organisation will be included as part of a performance audit will only be determined as each audit topic is selected and planned. Our Audit Practice Statement, available on our [website](#), provides a detailed guide on what to expect during a performance audit, including our procedural fairness processes and our 'no surprises' approach to reporting.

We will be in contact if and when your organisation is selected as part of a performance audit. In the meantime, we encourage you to subscribe to [alerts](#) from our Office to be kept apprised of reports when tabled in Parliament.

**For more information about local government audit please see the [frequently asked questions](#) on our website.**

## ITEM 7      STANDING ITEMS – INTERNAL AUDIT

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### *Audit & Risk Committee - Terms of Reference 7.5*

No matters for consideration.

## ITEM 8      STANDING ITEMS – FINANCIAL REPORTING

### *Audit & Risk Committee - Terms of Reference 7.2*

#### 8.1      Grant Funding Status Report

<b>Meeting Date</b>	8 <sup>th</sup> December 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	IPR&SPO Richard Bleakley
<b>Attachments</b>	(i) Grants Register Status Report 1 (ii) Grants Register Status Report 2 (Summary Report)
<b>Owner/Applicant</b>	Shire of Quairading
<b>Disclosure of Interest</b>	Nil

#### OFFICER RECOMMENDATION

**MOVED Cr \_\_\_\_\_**      **SECONDED Cr \_\_\_\_\_**

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

Council notes the Grants Status Reports dated December 2020.

**CARRIED \_\_\_\_/\_\_\_\_**

#### VOTING REQUIREMENTS –Simple Majority

#### IN BRIEF

- This Report provides an update on the status of grants submitted and new grant opportunities and is provided for information and discussion.
- This Report includes Grants that are continuing /carried over from the 2019/2020 and are being acquitted in the current Financial Year.
- Report details current successful Grants (Competitive and Non Competitive).
- No Grant Applications have been declined in 2020/2021.
- Further Grant Funding avenues being explored by the Grants Team are detailed.

#### MATTER FOR CONSIDERATION

Noting the Grants Status Report.

#### BACKGROUND

Council requires the Chief Executive Officer to report on the Eligible Grant Eligibility and Grant Activity during the 2020/2021 Year.

Report is to include Grant funding success rate i.e. number of applications, number achieved and value / timelines of received funding.

#### STATUTORY ENVIRONMENT

Nil

## POLICY IMPLICATIONS

Nil

## FINANCIAL IMPLICATIONS

All Grants reported have been included in Council's Adopted Budget for the 2020/2021 Financial Year.

Council is awaiting the outcome of the Application to Lotterywest for funding assistance towards the Kwirading Koort Community Park Project.

In addition, Council has received advice that the Federal Government has granted an additional \$288,492 under the Local Roads and Community Infrastructure Program Extension. Information regarding the Guidelines and Conditions of this additional funding is awaited.

Allocation of these funds to a Project/s will be the subject of a further Officer's Report to coincide with the Budget Review in February / March 2021.

Details of Council's cash and In Kind Contributions are listed in the Grants Register Status Report (Attachment No. 1)

## 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

No consultation was required or undertaken in relation to this report.

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

Financial - Risk Matrix Rating is assessed as Low. All Grants approved have been included in the 2020/2021 Adopted Budget. Additional Grant Funding will be included in the Statutory Budget Review process.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. The Report provides transparency on the treatment and use of the Government Grant Funding and provides Committee with information to assess how Management are administering the various Grants.

Operation – Risk Matrix Rating is assessed as Low. Preparation and maintenance of the Grants Register is undertaken within Council's existing Organisational Structure and resources.

Natural Environment – Risk Matrix Rating is assessed as Low.

## COMMENT

Attachment 1 – Grants Register Report as at 2<sup>nd</sup> December 2020 provides a summary of current project grant portfolio.

Attachment 2 – Grant Program Status Report details the Shire's grant inventory status – competitive and non-competitive.

Status	Number	Grant Funding
Closed / Completed	6	\$430,420
Active	13	\$5,440,963
Applications	2	\$758,492
New research	11	
	Total 32	\$6,629,875

# GRANTS REGISTER REPORT DECEMBER 2020

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Year (All)

Project Name	Grant Value	Sum of Shire (Cash)	Sum of Shire (InKind)	Other Contribution (Kind)	Total Project Cost
<b>Active</b>					
<b>Better Choices</b>					
Second iteration of Better Choices Program including event at Cunderdin 2020/21	\$8,348	\$0	\$5,000	\$0	\$13,348
<b>Financial Assistance Grant</b>					
Total FAG's for 20/21 will be the same as 19/20, being \$1,824,630 with \$982,619 prepaid to Council as an Advance Payment. Balance to be paid quarterly instalments.	\$1,837,365	\$0	\$0	\$0	\$1,837,365
<b>Roads to Recovery Funding</b>					
5 year program	\$356,530	\$0	\$0	\$0	\$356,530
<b>Wheatbelt Secondary Freight Network</b>					
Can Claim 40% , 40% and then 20% upon Certificate of Completion	\$1,223,129	\$87,371	\$0	\$0	\$1,310,500
<b>Direct Main Roads Grant</b>					
All received for 20-21	\$137,540	\$0	\$0	\$0	\$137,540
<b>Emergency Services Levy</b>					
Ongoing annual payment for local bush fire brigades.	\$74,790	\$0	\$0	\$0	\$74,790
<b>Revegetation Project</b>					
The project was for revegetation and/or fencing projects. The total of the funding requested was \$24,624 and included \$4,500 towards Project Officer salary. Advertising commenced for 2020 planting.	\$24,624	\$0	\$0	\$0	\$24,624
<b>Swimming Lessons</b>					
Project has been approved by Royal Lifesaving Western Australia. Lessons to commence mid-January	\$2,000	\$1,300	\$0	\$0	\$3,300
<b>Airport Upgrade</b>					
Finalizing of design phase	\$38,484	\$44,134	\$0	\$0	\$82,618

Project Name	Grant Value	Sum of Shire (Cash)	Sum of Shire (InKind)	Other Contribution (Kind)	Total Project Cost
Drought Community Program					
Project implementation commenced	\$1,000,000	\$115,000	\$0	\$0	\$1,115,000
Regional Road Group Funding					
40% claimed. Two Goldfields Rd upgrades.	\$343,806	\$179,230	\$0	\$0	\$523,036
Autralia Day Branding Program					
Grant paid and merchandise ordered.	\$1,000	\$0	\$0	\$0	\$1,000
Local Roads & Community Infrastructure Program					
Funding Agreement signed. Three road upgrade projects - Stacey Bus Rd, Badjalang North Rd, Pannell Rd + hockey lights \$35k	\$393,347	\$0	\$0	\$0	\$393,347
<b>Active Total</b>	<b>\$5,440,963</b>	<b>\$427,035</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$5,872,998</b>
Application Period					
Local Roads & Community Infrastructure Program					
Pending funding approval	\$288,492				\$288,492
<b>Application Period Total</b>	<b>\$288,492</b>				<b>\$288,492</b>
Application Submitted					
Community Park & Nature Playground					
Application submitted to Lotterywest on 10th October 2020	\$470,000	\$150,000	\$0	\$0	\$620,000
<b>Application Submitted Total</b>	<b>\$470,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$620,000</b>
New / Researching					
Independent Living Units					
Focus Group has reconvened with the recruitment of Slavin Architect consultancy.	\$0	\$30,000	\$0	\$0	\$30,000
Old School Site					
Working Group to reconvene in January 2021. 2 x Noongar reps to be included	\$0	\$3,000	\$0	\$0	\$3,000
Interpretive Signage - Toapin Weir					
Preliminary studies to renew interpretive/tourist signage	\$0	\$500			\$500
Natural Disaster Resilience Program (NDRP)					
Scoping of Upgrade to Shire Hall ablutions to include shower facilities as Shire Emergency Centre	\$0	\$0	\$0	\$0	\$0

Project Name	Grant Value	Sum of Shire (Cash)	Sum of Shire (InKind)	Other Contribution (Kind)	Total Project Cost
Youth Centre upgrades					
Phase two of renovation	\$0	\$0	\$0	\$0	\$0
Pool Heating					
Preliminary research on feasibility and costing of pool heating	\$0	\$0	\$0	\$0	\$0
Christmas decorations					
Commercial suppliers briefing Feb 21	\$0	\$0	\$0	\$0	\$0
Salmon Gums Woodland					
Ongoing consultation with Mick Grage on design and project development	\$0	\$0	\$0	\$0	\$0
Main streetscape					
Preliminary phase in community consultation and the development of a Concept	\$0	\$0	\$0	\$0	\$0
Car Park development					
Design phase of project	\$0	\$0	\$0	\$0	\$0
Bike Track/skate park					
Targetting teenage demographic	\$0		\$0	\$0	\$0
<b>New / Researching Total</b>	<b>\$0</b>	<b>\$33,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,500</b>
<b>Grand Total</b>	<b>\$6,199,455</b>	<b>\$610,535</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$6,814,990</b>

# Grant Program Status

2019/20 and 2020/21

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(4th Quarter 2020)

Status: **Approved Programs**

Year (Multiple Items)

Status	No. Grants	Grant Value (\$)
Competitive		
Closed	4	\$47,044
Active	5	\$74,456
Application Submitted	1	\$470,000
New / Researching	11	\$0
<b>Competitive Total</b>	<b>21</b>	<b>\$591,500</b>
Non-competitive		
Project Completed	2	\$383,376
Active	8	\$5,366,507
Application Period	1	\$288,492
<b>Non-competitive Total</b>	<b>11</b>	<b>\$6,038,375</b>
<b>Grand Total</b>	<b>32</b>	<b>\$6,629,875</b>

Year (Multiple Items)

Status: **Declined**

Grant	Grant Value	Shire Contribution
<b>Grand Total</b>		

## Comment:

No grant applications rejected in the current Financial Year.

Focus has been on non-competitive grant windows and criteria to ensure compliance of proposed projects.

# Grant Program Status

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2019/20 and 2020/21

(4th Quarter 2020)

Status: **New / Researching**

Programme Name	Status/Comments	Responsible Officer
Independent Living Units	Focus Group has reconvened with the recruitment of Slavin Architect consultancy.	Richard Bleakley
Old School Site	Working Group to reconvene in January 2021. 2 x Noongar reps to be included	Jen Green / Sarah Caporn
Interpretive Signage - Toapin Weir	Preliminary studies to renew interpretive/tourist signage	Jen Green
Natural Disaster Resilience Program (NDRP)	Scoping of Upgrade to Shire Hall ablutions to include shower facilities as Shire Emergency Centre	CESM - Simon Bell
Youth Centre upgrades	Phase two of renovation	Jen Green
Pool Heating	Preliminary research on feasibility and costing of pool heating	Jen Green
Christmas decorations	Commercial suppliers briefing Feb 21	Sarah Caporn
Salmon Gums Woodland	Ongoing consultation with Mick Grage on design and project development	Sarah Caporn
Main streetscape	Preliminary phase in community consultation and the development of a Concept	Richard Bleakley
Car Park development	Design phase of project	Allan Rourke
Bike Track/skate park	Targetting teenage demographic	Sarah Caporn

**Comment:**

Multiple project concepts are in the pipeline. Preliminary research being conducted in preparation for funding opportunities in the future.

## ITEM 9      STANDING ITEMS – CONTROLS, SYSTEMS AND PROCEDURES

### *Audit & Risk Committee - Terms of Reference 7.3*

#### 9.1 Policy Manual Review 2020

<b>Meeting Date</b>	8 <sup>th</sup> December 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	CEO Graeme Fardon
<b>Attachments</b>	(i) Policy Manual Review 2020 (ii) FIN.3 Significant Accounting Policies
<b>Owner/Applicant</b>	Shire of Quairading
<b>Disclosure of Interest</b>	Nil

#### OFFICER RECOMMENDATION

**MOVED** \_\_\_\_\_ **SECONDED** \_\_\_\_\_

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

- The policy amendments outlined in Attachment (i) specifically in relation to the following policies:
  - CS.2 Communication Policy
  - ENV.1 Town Treescape Policy
  - ENV.2 Road Reserve Weed Control Policy
  - FIN.5 Rates Collection Policy
  - GOV.7 Shire of Quairading Bush Fire Advisory Committee Terms of Reference
  - INF.2 Private Entrances Pipe Crossing (Rural Policy)
  - INF.3 Verge Improvement Policy
  - INF4. Urban Crossover Policy
  - INF.5 Rural Roadside Tree Planting Policy
  - ORG.5 Related Party Disclosure Policy
- The revocation of the following policy (Attachment (ii)):
  - FIN.3 Significant Accounting Policies
- The following revised policy for inclusion in the Council Policy Manual:
  - FIN.3.1 Significant Accounting Policies

**CARRIED** \_\_\_\_/\_\_\_\_

**VOTING REQUIREMENTS** – Simple Majority

#### IN BRIEF

- Council completed its Major Review of the Policies in December 2018.
- Council committed to review its Policies every two years.

- Minor amendments and new policies can be considered and adopted by Council at any time.
- The CEO and Senior Management have undertaken a Review of the current Policies and are presented for Committee consideration for Recommendation to Council.
- The Terms of Reference for Council's Standing Committees are reviewed annually by each Committee and any amendments are recommended to Council for adoption.
- Due to significant changes to legislation and the Australian Accounting Standards it is recommended that Policy FIN.3 be rescinded and replaced by Policy FIN 3.1
- The reviewed Terms of Reference for this Committee will be considered in Item 11.1 of the Meeting Agenda.

## **MATTER FOR CONSIDERATION**

To consider and make Recommendation to Council on the reviewed and amended Policy Manual for the Shire of Quairading.

## **BACKGROUND**

In accordance with section 2.7(2)(b) of the Local Government Act 1995, Council is to determine the local government's policies.

Committee to consider the recommended reviewed Policy Manual and make Recommendation of its adoption to Council.

In 2018 an update of the organisation's policy framework was undertaken to give the Shire a clearer 'policy scope' for the core principles / values that are important to Council, Staff and Community and fall in line with the Strategic Community Plan and Integrated Planning and Reporting Framework.

The 2020 review of the Policy Manual is inclusive of policies requiring review annually/biennially, those scheduled for review in 2020 and the review, amendment and inclusion of any other policies as required by legislative or operational change.

The objectives of the Council's Policy Manual are:

- a) to provide Council with a formal written record of all policy decisions
- b) to provide employees with precise direction in how to act in accordance with Council's wishes;
- c) to enable employees to act promptly in accordance with Council's requirements, but without reference to Council, in the case of delegated actions;
- d) to allow Councillors to be knowledgeable in how the Administration will act in relation to policy matters;
- e) to enable a record of Council policy decisions and to ensure they are in keeping with community expectations, current trends and circumstances; and
- f) to enable ratepayers to obtain immediate advice on matters of Council Policy.

## **STATUTORY ENVIRONMENT**

### **Local Government Act 1995**

The Local Government Act 1995 provides the basis for many of the Shire's policies, therefore consistency with this legislation has been reflected in the review, assessment and amendments proposed.

Section 2.7(2) Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

#### **Bush Fires Act 1954**

The Bush Fire Advisory Committee is established under Section 67 of the Act.

#### **Planning and Development Act 2005**

The three Policies relating to Town Planning and Land Use remain unchanged upon the recommendation of Council's Town Planning Consultant.

The Policies will need to be reviewed once Town Planning Scheme No. 3 is Approved and Gazetted and the Local Planning Strategy is approved by the WA Planning Commission.

#### **POLICY IMPLICATIONS**

Scheduled Review of Council's Policies.

#### **FINANCIAL IMPLICATIONS**

Nil.

#### **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
G4	Sound Organisation
G4.3	Ensure optimum organisational capacity and efficiency

#### **CONSULTATION**

Consultation was undertaken with the Executive Management Team.

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

Financial - Risk Matrix Rating is assessed as Low

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. The development and regular review of policies ensures a consistent and adopted approach for the Shire to effectively achieve strategic objectives contained within the Key Result Areas of the Strategic Community Plan.

Operation – Risk Matrix Rating is assessed as Low. Each Policy item bring to Council a degree of risk, though the overall impact of Policy is as an attempt to mitigate the level of risk to the organisation through sound Governance and Management Policy.

Natural Environment – Risk Matrix Rating is assessed as Low.

#### **COMMENT**

The Shire of Quairading Policy Manual has been prepared to assist Council and staff to administer the Shire.

This Manual is a compilation of policy on subject matters that form the basis of administrative decision making, without the need to refer matters to the Council for a decision before they can be enacted. It

also enables Councillors and staff to readily answer questions raised by electors, the public and stakeholders about the usual business of the Shire.

As new policies are adopted, or existing policies are amended, the Manual is updated, maintaining the Shire's most recent view on how it will conduct business.

The Policy Manual is reviewed Biennially by the Council and tested by Management to ensure that the policies are still consistent with Council's current stance, preference and consistent with current legislation.

A number of minor amendments have been made throughout the Policy Manual. These amendments include updates to formatting, spelling and grammar, organisational changes, rewording of sections to increase clarity, standardisation of terms used and updates to legislation references. These amendments are considered to be minor as they do not alter the purpose or objective of the policy.

The Policy identified as having a major review is discussed in further detail below:

#### Accounting Policy

The Significant Accounting Policies have been previously based on the Policies outlined in Budget and Financial Statement Templates. Due to significant recent changes in the Accounting Standards that have affected Council, including but not limited to AASB 15 Revenue from Contracts with Customers, AASB 16 Leases, AASB 1058 Income for Not-for-Profit Entities. The updated policies from the latest template have been presented.

Other significant changes are the useful life of Assets. The new timeframes were provided by our Roads Engineer Rod Munns and agreed upon by Senior Management. This has been done to bring the useful life closer to industry standards. The other change was to clarify the Capitalisation Threshold. This was to remove any uncertainty on its usage and to introduce a simple new Capitalisation Threshold.



# Policy Manual

Review December 2020

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## SOCIAL AND COMMUNITY

### COM.1 STALL HOLDERS IN PUBLIC PLACES POLICY

<b>Document Status</b>	<del>Adopted</del> <a href="#">Under Review</a>
<b>Statutory Environment</b>	Shire of Quairading – Activities in Thoroughfares and Trading in Thoroughfares and Public Places Local Law 2016

#### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	27 July 2017	14-17/18	New Policy	
02	Graeme Fardon	20 December 2018	115-18/19	Policy Review Project – 5/12/2018	
<a href="#">03</a>	<a href="#">Graeme Fardon</a>			<a href="#">Biennial Policy Review December 2020</a>	

## SHIRE OF QUAIRADING

## POLICY

## COM.1 STALL HOLDERS IN PUBLIC PLACES POLICY

## PURPOSE

This Policy is to be used to set Standard Conditions of Approval for permits for Stall Holders, sale of goods, and promotional displays conducted in a Public Place issued in accordance with the *Shire of Quairading Local Law relating to Trading in Thoroughfares and Public Place - Part 6*.

It also identifies areas within the Shire of Quairading where trading is permitted in accordance with Permit conditions.

## SCOPE

1. This policy is to provide the Shire with a consistent framework for the approval and issue of permits for the conduct of Street Stalls.
2. To provide transparency to applicants and the community about what conditions are imposed on trading permits.
3. To encourage opportunities and guidance for Stall Holders within the Shire of Quairading.

## POLICY

The Council supports the conduct of Street Stalls by Local Community Groups and Volunteer Organisations (i.e. not paid Collectors or for Profit). Approval for such groups must be upon submission of a request to the Shire and any conditions are to be placed upon the request at approval. The above Community Groups are exempt from any requirement to pay a permit fee.

Any application by any other type of Group or Organisation must be by application to Council and are subject to the payment of the Permit Fee.

## GUIDELINES

Shire of Quairading Local Law relating to Trading in Thoroughfares and Public Place - Part 6.

**Annexure A** – Conditions

**Annexure A – Conditions**Location

This is to ensure any activities in public places occur at locations appropriate for public safety and access, including applicant's safety and that activities do not adversely impact on the amenity of the area or conflict with the Shire's permanent retail business. In general, Street Stalls are permitted only in those particular public places applied for and specifically approved.

General Guidance on location approval: -

Local Community Groups to utilise the area in the main Shopping Precinct adjacent the Quairading Farmers' Co-operative Building and utilising the Community Street Stall Stand.

Non-Local Stall Holders (i.e. Permit Holders) to be located on either the Western and Eastern end of the Quairading Farmers' Co-operative (Co-op) Building and at the Co-op Laneway Area.

Trading hours

Street Stalls are to operate within business trading hours.

Fixtures/barriers

Fixtures must not be placed where they present a barrier and subsequent danger to pedestrians crossing the street or using the footpath or kerbside usage by motorists.

Waste

All waste generated by the Stall Holder including customer's discarded food and packaging must be removed from the site by the Stall Holder or in a Shire waste bin (in locations where provided).

Stall Holders must ensure the area around their position is kept clear of rubbish and refuse at all times.

Cancellation

Following receipt of a complaint or observation of a breach of a permit, Shire officers will investigate the matter. Enforcement action includes contacting the permit holder to resolve the Matter. Failure to resolve the matter to Council's satisfaction may lead to cancellation of the Permit.

## COM.2 JUNIOR SPORTS ALCOHOL POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Liquor Licensing Act 1988

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	29 November 2009	137-09/10	New Policy	
02	Graeme Fardon	20 December 2018	115-18/19	Policy Review Project - 26/11/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PURPOSE

This policy outlines the Shire's position for a balanced and responsible approach to forego the service, supply, consumption and promotion of alcohol at junior club games, special events, functions and other junior club-related activities.

It represents the Shire's commitment to the Quairading Sports Clubs members, volunteers and visitors, acknowledging the role that sporting clubs and associations play in building strong and healthy communities.

## SCOPE

This policy is to ensure that clubs:

- Meet their duty of care in relation to the health and safety of our junior members, volunteers and visitors who attend any junior club games, special events, functions and other junior activities where alcohol may be consumed.
- Understands the risks associated with alcohol misuse and our role in minimising this risk.
- Comply with all Liquor Licencing Laws and Councils Local Government Property Local Law 2016.

## POLICY

No alcohol will be served at Quairading Sports Clubs underage programmes.

Alcohol is not to be consumed prior to or during any junior sports, training, coaching or competitions, by the Club Officials, juniors, parents or spectators.

An exception may be made for the Club Windups where the bar will not open until the completion of the Clubs presentations. Alcohol will be served in accordance with the requirements set out in the Liquor Licensing Act 1988. This includes no alcohol being served to patrons under the age of 18 years or to intoxicated patrons. (Excessive and /or rapid consumption of alcohol will be discouraged.)

Alcohol will not be used for prizes or awards.

## GUIDELINES

Liquor Licensing Act 1988

Local Government Property Local Law 2016.

## CORPORATE SERVICES

### CS.1 COMPLAINTS POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment (Preliminary)</b>	Freedom of Information Act (WA) 1992 Local Government Act 1995 Local Government (Rules of Conduct) Regulations 2007 Privacy Act 1998 Public Interest Disclosure Act 2003

#### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Neville Hale(ACEO)	29 June 2017	217-16/17	New Policy	
02	Graeme Fardon	20 December 2018	115-18/19	Policy Review Project – 03/10/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**PURPOSE**

The Shire of Quairading is committed to providing an accessible, responsive and accountable Complaints Management Framework.

**SCOPE**

To promote organisational learning and continuous improvement. Accepting feedback, including complaints, assists the Shire in engaging with our customers to continually enhance services and acknowledge the need to be responsive to complaints in an appropriate manner.

**POLICY**

The Shire of Quairading undertakes to respond to all complaints in a timely and courteous manner in accordance with its Complaints Management Framework.

**GUIDELINES**

**Annexure A** - Complaints Management Framework attached.

Freedom of Information Act (WA) 1992

Local Government Act 1995

Local Government (Rules of Conduct) Regulations 2007

Privacy Act 1998

Public Interest Disclosure Act 2003.

**Annexure A****COMPLAINTS MANAGEMENT FRAMEWORK****1. OBJECTIVE**

The intent of the Complaints Management Framework is to guide the Shire of Quairading in its management and handling of complaints.

**2. SCOPE**

The Complaints Management Framework acknowledges Customers, Employees, Elected Members, Contractors and all Parties who deal with the Shire of Quairading have a right to provide feedback about the Shire's Policies and Services.

**3. COMPLAINTS****3.1 What is a Formal Complaint?**

The Australian Standard on Complaints Handling defines a 'complaint' as any: *"expression of dissatisfaction made to an organisation, related to its products [or services] or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected."*

**3.2 What is not a Formal Complaint?**

Examples of matters that are **not** formal complaints are as follows: -

- A request for service (unless there was no response to a first request for a service);
- A request for information or an explanation of a Policy or Procedure;
- Disagreement with a Council Policy;
- A request for review of a decision for which a structured process applies;
- An expression concerning the general direction or performance of the Council or Councillors;
- Reports of damaged or faulty infrastructure; and
- Reports about noise, dogs, nuisances, unauthorised building work or similar issues that fall into the Regulatory aspect of Council's Service.

Many issues raised are called "complaints" because the customer is unhappy about the situation. However, they are simply issues dealt with by Council on a day-to-day basis, are not formal complaints and do not form part of the formal complaints management process.

**3.3 Making a Complaint**

The Shire accepts complaints via our website, email, letter or in person.

A customer can nominate an independent person to assist or make a complaint on their behalf. The customer who is impacted by the complaint must provide permission for another person to act on their behalf and the Shire must be notified in writing.

At a minimum, the following information is to be supplied in order to effectively process the complaint: -

- Name and address.
- Contact details.
- Complaint details.
- Date of occurrence of Complaint.

**3.4 The Shire's principles of complaint management are;****Fairness and Objectivity**

The Shire's handling of customer feedback is based on the Shire of Quairading's values and guiding principles and is in line with the standards set by the Shire's Customer Service Charter. All feedback is to be addressed in an equitable, objective and unbiased manner.

**Customer Focus**

The Shire is committed to providing an open, transparent and easily accessible complaints handling process for its customers.

**Responsiveness**

The Shire is required to address each Complaint in a fair, objective, unbiased and timely manner. Our customers are to be kept informed of the Complaint's progress and of any delays during the process.

**Remedies and Resolution of Complaints**

The Shire's Chief Executive Officer is assigned to make decisions in order to deal with complaints promptly, and, where possible, to achieve an early resolution.

The decision or action taken regarding the customer complaint is to be communicated to the customer as soon as the decision or action is taken.

The Shire recognises the various remedial methods that can be used to deal with a complaint:

- A review of the Issue.
- Information to the customer as to how the complaint was dealt with, upon conclusion thereof.
- A change to the decision.
- A conciliation process.
- Referral to third party for appeals e.g. State Administrative Tribunal, the State Ombudsman's Office.
- Other remedies that are considered appropriate to the circumstances i.e. an Apology.

**4. Timeliness**

Any complaint submitted to the Shire is required to be acknowledged within 2 (two) business days.

The Shire is committed to respond within 7 (seven) business days to all complaints submitted, either with a final solution or, if the nature of the complaint requires a longer period to resolve, with an interim response outlining the reason for the delay, further action to be taken and anticipated timeframe that a full response be provided.

**5. Risk**

In establishing the order in which complaints may be attended to, consideration is given to the urgency of each complaint in terms of public safety implications, seriousness, frequency of occurrence, severity and the need for immediate action.

**6. Confidentiality**

Customers of the Shire have the right to expect that their Privacy is respected when making a complaint or having a complaint investigated. Personal information related to the complaint is required to be kept confidential in accordance with the Freedom of Information WA Act 1992.

All complaints are treated confidentially, unless required by law or the complainant provides their permission to release information. There may be no adverse repercussions by the Shire for a complainant who, in good faith, chooses to make a complaint against the Shire or an employee of the Shire.

**7. External Review**

Any complainant is able to seek external review about any complaint about any Elected Members or Shire Staff from the Ombudsman, Public Sector Commission or Department of Local Government and Communities.

The level of information provided to the Shire by these agencies, and that which it can report to others is constrained by the various laws and policies governing those agencies.

**8. Reporting to the Council**

As part of Council's Performance Review, Council's Complaint Processes, Activity Level and Resolution Percentage Achieved by Council will be reported to Council on an Annual Basis.

## CS.2 COMMUNICATION POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	The Shire President and the Chief Executive Officer are the only approved spokespersons for Council - Local Government Act 1995 Section 2.8 & 5.41(f)

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Neville Hale (ACEO)	29 June 2017	217-16/17	Review of Policy - 2.23 Communication Policy	
02	Graeme Fardon			Policy Review Project	4/12/18
03	A&R Committee	20 December 2018	115-18/19	Revised 12/12/2018	
<u>04</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

**PURPOSE**

The Shire of Quairading is to implement the actions of the Communications Plan, improving the communication flow and engagement between the Shire, the Community and other Stakeholders.

Successful communication may be achieved through the widespread distribution of timely, regular, consistent and truthful information in partnership with productive community consultation on key issues.

**OBJECTIVE**

This Policy: -

- Identifies the types and extent of internal and external communication that the Shire of Quairading is committed to providing

The Quairading Shire acknowledges that the effective dissemination of information and communication is a vital element in building a positive identity for the Shire through greater Community awareness of its Services, Activities, Achievements and Resources.

The Shire of Quairading Communication Policy aims to improve the Shire's Communication and Engagement Practices with the Local Community, Visitors, Council and other Stakeholders.

The outcomes and benefits of effective Communication and Community Engagement include:

- Increased Community awareness about services, planning and program delivery;
- Increased awareness of Community views and the issues that should be considered as part of the decision-making process;
- Ensure the Community understands the decision-making process and how their feedback influences Council's decisions.
- Increased awareness of the needs, priorities and diversity of the Community, which in turn ensures that service provision and planning functions are aligned appropriately;
- Increased levels of Community ownership and acceptance of decisions;
- The Shire and the Community working together to address local issues where appropriate;
- Potential for time, resources and cost savings for the Shire.
- Ensure Staff are kept fully up to date and informed about Shire matters.

It is crucial that the Shire sends a strong, accurate and consistent message to the Community in all of its communications. This policy is designed to facilitate that process.

**POLICY**

That Council provide effective and appropriate Communication and Community Engagement practices with the Local Community, Visitors, Employees and other Stakeholders.

**GUIDELINES**

**Annexure A** – Communication Plan attached.

Customer Service Charter.

Community Engagement Policy.

## Annexure A

### COMMUNICATION PLAN

#### 9. SCOPE

The Communication Plan applies to Councillors, Staff and Consultants responsible for Communication and Community Engagement undertaken for, or on behalf of, the Shire of Quairading.

#### 10. PROCEDURE

##### 4.1 The Shire's Stakeholders

The characteristics of each Stakeholder are to be considered including their needs, wants, attitudes and perceptions of the Shire in addition to how they receive their information.

The Shire of Quairading Communication Stakeholders include:

- Ratepayers and Residents
- Potential Residents of the Shire of Quairading
- Shire Councillors
- Employees
- Visitors to the District
- Investors, developers and individuals with business interests within the Shire of Quairading
- Potential Investors and Developers
- Customers who seek products or services or information from the Shire
- Community and Government Departments and Organisations
- Local and Regional Media
- Suppliers of goods/services
- Contractors.

##### 4.2 Principles of Effective Communications

This Communications Plan has been developed based upon the principles of good communication.

**Visibility:** Visibility leads to recognition and acceptance plus it allows the community to see the breadth and value of the Shire's work.

**Simplicity:** The Community is busy with many aspects of their lives whether at work or home. Communication must be simple and straight forward to ensure maximum readership.

**Repetition:** The more a message is repeated via various mediums, the wider its audience will become.

**Value:** The message should be structured with the Community effect as its foundation.

**Listening:** Good (and effective) communication requires two parties -the giver and the receiver. It is important that feedback on all issues is encouraged and processed.

**Consistency:** To build credibility and a positive reputation, messages need to be consistent

##### 4.3 Benefits of Effective Communications

- Builds trust
- Fosters a positive reputation
- Strengthens relationships with key Stakeholders
- Assists the Shire to deal with negative press and a crisis from a position of strength

- Improves employee's morale and job satisfaction
- Helps attract and retain employees.

### **Communication Strategies**

#### **5.1 Corporate Identity**

The Corporate image that the Shire of Quairading presents is vital. The corporate identity is projected through all visual and print communications, signage and social media presence.

No part of the logo or branding may be reproduced, modified, adapted or published in any way on any other website, social media site or online space without the express permission of the Chief Executive Officer.

Any requests or enquiries regarding reproduction and should be addressed in writing to:

The Chief Executive Officer  
Quairading Shire  
PO Box 38  
QUAIRADING, WA 6383

#### **5.2 The Shire's Website**

The website provides current information about the Shire, its services and the area it represents in addition to the ability for site visitors to interact with the Shire online via the provision of online forms which invites users to make an enquiry or report an issue.

Members of the Community are also given the opportunity to promote upcoming community events and programs. However, all submissions for inclusion on the Community and Business Sections are to be moderated by the Website Administrator before being published.

Information must be consistent with the Shire's relevant policies and procedures as well as relevant legislation in relation to corporate and local government communication and correspondence.

The website is to be maintained and updated on a weekly basis as a minimum. Documents to be available for downloading from the website should be in an Adobe Portable Document File (pdf) format to protect the integrity of the document.

#### **5.3 Emergency Management**

In the event on an emergency, the Shire's Website/Social Media will be used to update the Community on breaking developments and emergency information. Content displayed on the social media platforms is to be authorised by the Chief Executive Officer or the CEO's Delegated Officer.

#### **5.4 Internal Communication**

The Elected Councillors and Employees are the Shire's most effective public relations ambassadors. It is vital that all Councillors and Employees receive timely, relevant, consistent and user friendly information to ensure that they are adequately informed on the Shire's activities, minimising the likelihood of misinformation in the Community.

Effective internal communication is a multi-way process that flows up, down and across the organisation. Communication also encourages a participatory approach to change management, increases employee morale and encourages more effective communication between employees across departments.

The Shire utilises four main methods of communication with its Staff: Face to face, Verbal, Electronic and Written. These are utilised in many ways, including but not limited to:

- New employee induction process to provide a platform of understanding of the Organisation.

- Utilisation of all of staff e-mails to distribute key messages and keep staff informed. Staff and Councillors are issued with media releases at the same time as they are distributed to the media.
- Staff memos and file notes.
- Regular Executive Management Team Meetings.
- Regular Managers and Staff meetings.
- Formal Written Correspondence

### 5.5 External Communication

- The Shire President and the Chief Executive Officer are the only official spokespersons for the Shire of Quairading.
- Any enquiries from Media outlets must be directed to the Shire President or the Chief Executive Officer.
- All Press Releases or media statements are required to be authorised by the Shire President and / or the Chief Executive Officer prior to being forwarded to the media.
- All correspondence detailing the outcome of Council Meetings is generated by the Chief Executive Officer or his authorised delegated Officer/s.
- ~~All Unconfirmed Minutes of the Council Meeting are made available for public inspection at the front counter of the Shire Office within ten (10) working days of the Council Meeting.~~ Unconfirmed Minutes of the Council Meeting are posted in the Document Centre on the Shire Website within 145 days of the Council Meeting. ~~at which they were Confirmed.~~ Confirmed Minutes of the Council Meeting are to be posted within 5 days of the Council Meeting. Unconfirmed Minutes of Committee Meetings are to be posted within 7 days after the meeting is held.

### 5.6 Inward communication

- a) All correspondence to the Shire must be addressed to the Chief Executive Officer and is then referred to the appropriate Officer for attention or if requiring a Council decision, may be referred to the next available Council or Committee meeting. Any requests and /or complaints are to be in writing or alternatively be placed on a "Customer Request Form" which are available at the front counter of the Shire Office or Website. Telephone requests / complaints of an urgent nature will be recorded by the Shire's Staff on the "Customer Request System" for appropriate action when the issue is assessed and prioritised by an Authorised Officer.
- b) Correspondence addressed to the Shire President or Elected Members is considered to be correspondence to the Shire and therefore constitutes a record under the State Records Act. The most effective manner in which to communicate with Council is as per point "a)" above.
- c) In case of emergency, the Shire President can be contacted (Number available on the Shire Website), alternatively the Chief Executive Officer can be contacted on 9645 2400 or 0429 451 001(anytime).

### 5.7 Councillor and Staff communication

Communication between Councillors and Staff is in accordance with the ~~Elected Members~~ Code of Conduct Policy.

### 5.8 Publications

Annual Report

The Shire's Annual Report is produced each year and made available to the public pursuant to the Local Government Act 1995 and available on the Website or by requesting a hard copy at the Shire Office.

#### Shire E-Newsletters

An electronic Newsletter is produced bi-monthly to inform the Community about Shire's Projects and Activities. The Newsletter provides the opportunity to recap and reinforce key messages that may or may not have already appeared in the media. The Newsletter is designed and produced by the Shire of Quairading and approved by the Chief Executive Officer prior to printing and distribution.

#### The Shire Advertisements and Notices

Shire advertisements and notices are placed in the [Avon Advocate](#), West Australian and other publications when appropriate.

### **5.9 Social Media**

The Shire of Quairading has a Facebook Page with the Editorial Rights to be managed by the Chief Executive Officer or the CEO's Delegated Officer.

## CS.3 COMMUNITY GRANTS POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	29 March 2018	169-17/18	New Policy	
02	Graeme Fardon/ Richard Bleakley			Policy Review Project	5/12/2018
03	A&R Committee	20 December 2018	115-18/19	Revised 12/12/2018	
04	Grants Team	19 December 2019	94-19/20	Revised document	5/12/2019
05	<a href="#">Graeme Fardon</a>			<a href="#">Biennial Policy Review December 2020</a>	

## PURPOSE

Council's Annual Community Grants Program is a strategic tool for capacity building, supporting innovation and addressing community need in line with the Council and Community's vision.

## OBJECTIVE

- Enhance Community Organisation's capacity to provide one off projects / services / events.
- Improve the quality and opportunities for user accessibility and / or safety of Community space.
- Increase Community participation in Community activities.
- Help provide funding for a service or activity seen as a need for the betterment of and improvement to the enjoyment of life within the Community.

## POLICY

Funding is available to assist community groups in establishing and or continuing a service or activity seen as a need for the betterment of and improvement to the enjoyment of life within the community.

### Allocation of Resources

Council will review and confirm allocation of resources annually as part of their Annual Budget processes.

- **In-Kind** - A single tranche allocated and available to Groups / Clubs throughout the financial year from the adoption of the Annual Budget.
- **Small Grants** – Grant funding allocation divided into two tranches:
  - Grant submissions (closure 31st March) 75%
  - Grant submissions (closure 30th September) 25%
- **Major Projects and Events** – A single tranche allocated and available to Groups / Clubs from the adoption of the Annual Budget
- **Annual Recurrent Funding** – A single tranche allocated and available to Groups / Clubs from the adoption of the Annual Budget.

### Category of Grants

Grants will be categorised as either In-kind, Small Grants, Major Projects and Events, or Annual Recurrent Funding.

- **In-Kind Contribution** – Each community group can apply to the CEO for in-kind contributions towards events or projects throughout the year. CEO has delegated authority to approve / reject applications. This may include access to venues, equipment or staff (max \$500 annually). Applications must be received at least 4 weeks prior to the event or project commencement.
- **Small Grants** cover requests for financial assistance from Council for between \$500 and \$2500 ex GST. Support may be either financial or in-kind and based on one third from Council, and two thirds from the applicant organisation and/or by way of external funding. Groups can only apply for one small grant per year. There is a requirement to provide an acquittal report back to Council to show where funds have been spent at the end of each financial year.
- **Major Projects and Events** covers requests for financial support over \$2,500. Support may be either financial or in-kind and based on one third from Council, and two thirds from the applicant organisation

and/or by way of external funding. Maximum of one application per year. There is a requirement to provide an acquittal report back to Council to show where funds have been spent at the end of each financial year.

**In-Kind, Small Grants and Major Projects and Events** grant funding is for projects, events and activities, and **not** for operational costs.

- **Annual Recurrent Funding** is financial support extended to community groups that maintain or operate in Shire-owned or club-owned venues / clubrooms. Groups must submit an application form each year by 31st March. There is a requirement to provide an acquittal report back to Council to show where funds have been spent at the end of each financial year.

#### Eligibility

- Applicant groups must be based within the Shire of Quairading.
- All successful project activities and events are to be completed by the end of the financial year in which funding was awarded.
- Applicants should demonstrate a link to the Shire's strategic plans and strong community benefit for their project or event.
- Incorporation is desirable but not essential.
- Verification by applicant that request is not covered by insurance.
- Funding will not be awarded to private businesses or individuals.
- Requests for funding or support cannot be for a project / event / activity that has already occurred.

#### General Conditions – Grant 1 – In-Kind Funding

- Applications are welcome all year-round.
- An In-Kind grant is an offer by the Shire to provide a service, piece of equipment or a facility, which is normally charged at a set fee, free of charge or at a reduced cost.
- Bond fees are still applicable.
- CEO has delegated authority to approve / reject applications. This may include access to venues, equipment or staff (max \$500 annually).
- Applications must be received at least 4 weeks prior to the event or project commencement.
- Budget allocation for the Community Grants Program will be determined during the Council's Annual Budgeting Process.
- Allocation of grant funding, partial or entire, will be at the sole discretion of the Council.

#### General Conditions – Grants 2 & 3 – Major Grants & Events / Small Grants Funding

- Grants 2 & 3 are for minor capital works or the purchase of equipment or events and activities.
- Grants 2 & 3 may be used as additional leverage for external funding.
- Council's position is to fund to a maximum of one third of the total project cost and applicants are encouraged to contribute their own funding and/or obtain grant or loan funding for the remaining project costs.

- Voluntary labour and equipment may be included in the applicant's contribution but may not exceed one third of the completed value of the project. Volunteer hourly rate should be included at \$20.00/hour.
- Council may opt to use their employees or equipment in lieu of a cash contribution.
- Council reserves the right to carry out a Progress Inspection or request a Progress Report at any stage of the project.
- Budget allocation for the Community Grants Program will be determined during the Council's Annual Budgeting Process.
- Allocation of grant funding, partial or entire, will be at the sole discretion of the Council.

#### **General Conditions – Grant 4 – Recurrent Funding**

- A single round of funding with applications to be submitted by 31st March.
- Application is for support of operational and maintenance costs of the club / organisation.
- Application is not for capital works, events or activities.
- Budget allocation for the Community Grants Program will be determined during the Council's Annual Budgeting Process.
- Allocation of grant funding, partial or entire, will be at the sole discretion of the Council.

#### **Acquittal**

All Groups that receive funding will have to provide the following after their project's completion or by no later than 31<sup>st</sup> July of the next financial year:

- Completed Acquittal Form (to be provided);
- Proof the project, activity or event took place (e.g. photographs etc.);
- Proof of expenditure (e.g. copy of financial records and invoices paid); and
- Evaluation of project, activity or event (e.g. copy of participant feedback, surveys etc.).

#### **Assessment Process**

- Applications will be assessed by the Grants Team based on Grant Criteria and a recommendation made to Council.
- Applications will be presented to Council and assessed based on eligibility and merit.
- Allocation of grant funding is at the discretion of the Council
- All applicants will be contacted regarding the outcome of the application process by post.

#### **Submission Deadline**

All applications must be received by COB 31<sup>st</sup> March or 30<sup>th</sup> September annually. Applications can be received via mail, email or printed copies dropped into the Front Counter at Shire Administration Office. Late applications will not be accepted.

### **GUIDELINES**

[Annexure A - Assessment Criteria](#)

[Annexure B - Community Grant Scheme Funding Process \(Attached\).](#)

Community Grants Application Form (Separate Document).

## Annexure A

### Assessment Criteria

Each Small and Major Grant Submission will be assessed based on the following criteria

#### Criteria 1 – Community Benefit:

- Does the project align with Shire's Strategic Community Plan?
- Is there identified and demonstrated community need?
- What are the benefits (value adding) to the Quairading community?

#### Criteria 2 – Organisation:

- Incorporated body? Y/N
- Purpose of organisation including the type and number of activities they undertake annually
- Current Membership
- Current Financial Position (incl. Financial Statement)
- Sustainability of organisation

#### Criteria 3 – Project Cycle:

- Planning and design of project
- Management and delivery of project (incl. milestones and works schedule)
- Project Budget
- Financial contribution - \$; In-Kind, External
- Evaluation of project
- Sustainability of project

### Score

Each Grant Application will be assessed based on these criteria

Each criteria will be evaluated and given a score between 1 (Poor) and 5 (Excellent).

### Weighting

Weighting for each criteria to be determined by the Council.

Proposed weighting is: -	
Community Benefit -	40%
Organisation -	20%
Project Planning -	40%

### Ranking

Following the individual evaluations, the scores will be entered into a Ranking Spreadsheet.

This spreadsheet will aggregate the *Criteria Scores*, and apply the *Weighting Ratios*.

*SHIRE OF QUAIRADING*

*POLICY*

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CS.3 COMMUNITY GRANTS POLICY

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The spreadsheet will then determine the Ranking of the individual grant applications.

## Annexure B

## YEAR 2020/2021

## Shire of Quairading Community Grant Scheme Funding Process



## CS.4 COMMUNITY ENGAGEMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act (1995) – Section 5.56(2)

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	29 March 2018	172-17/18	New Policy	
02	Graeme Fardon			Policy Review Project	10/10/2018
03	A&R Committee	20 December 2018	115-18/19	Revised 12/12/2018	
<u>04</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**PURPOSE**

This policy sets out the governing principles for community engagement and consultation that underpin the Integrated Planning and Reporting framework to ensure the strategic direction of the organisation is in keeping with community values and aspirations.

**OBJECTIVE**

The objective of this 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.

**POLICY**

- Council is committed to providing leadership and a strong commitment to information sharing, consultation and active participation of the community in contributing to the decision making process.
- Council acknowledges the right of the community to access information, provide feedback, be consulted and actively participate in strategic planning or in key projects of service development. Council's obligations to respond to the community when exercising these rights are to be clearly stated in specific consultation processes.
- Objectives for, and limits to, information, consultation and active participation during planning, project and key service development are to be defined from the outset. The respective roles and responsibilities of the community (including individuals and groups) and Council (including Councillors and Officers) are to be made clear as well as to who makes final decisions once the information is analysed.
- The approach for specific consultations is to be tailored to the target audiences and consider all other factors outlined in this policy.
- Consultation is to be undertaken as early in the planning process as possible to allow to widen the scope of consultation and to improve the outcomes. Adequate time to be made available for consultation to be effective.
- Information provided by Council during planning, project and key service development is to be objective, complete and accessible. All those involved in a consultation process are to have equal treatment when exercising their rights of access to information and participation.
- Council is to ensure adequate financial, human and technical resources are available to make a consultation initiative effective. The allocation of resources is to be considered in relation to broader budgetary restraints and the implications to existing priorities. Council is to support its officers in consultation initiatives.
- Consultation on specific planning, project and key service development are to be coordinated across Council to enhance knowledge management, ensure policy coherence, avoid duplication and reduce the risk of "consultation fatigue" within the community.
- Council is to be accountable for the use made of input from a consultation process. Council is to ensure consultation processes are open, transparent and amenable to external scrutiny and review.

- Council to actively and openly evaluate its consultation processes and practices in planning, project and key service development. The results of evaluation may directly impact upon future consultation initiatives.

## OUTCOMES

Measures of success of consultation will include assessments of whether: -

- The interests of all parties have been served;
- Expectations concerning the process have been met;
- Consensus, consent and commitment have emerged;
- The process has encouraged generation of the best options;
- Objective criteria have been used to assess the different options under consideration;
- Understanding has been enhanced;
- Relationships between Council and the community and within the community have been enhanced.
- The decision resulting from the consultation has been stable and enduring.
- Timeframes and Communication Methods have been developed.

## EVALUATION

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

## RESPONSIBILITY

Responsibility for the implementation of this policy rests with the Council, Chief Executive Officer and Staff of the Shire.

## GUIDELINES

**Annexure A -Principles for Community Engagement** - Community engagement underpins the development of the Integrated Planning Framework and ensures that community needs and aspirations are considered in developing and implementing Council's strategic directions and priorities - Annexure A (Attached).

Local Government Act 1995 - Local councils in Western Australia are legally required to conduct public consultation through a prescribed process on a range of specific matters.

Quairading Strategic Community Plan - All of Council's strategic documents are linked to an Integrated Planning Framework. This framework seeks to ensure that all of Council's activities and resources are aligned to meet the aspirations, needs and expectations of the Shire's community.

Customer Service Charter.

Communication Policy.

Complaints Policy.

**Annexure A: Principles for Community Engagement**

	Inform	Consult	Involve	Report/Evaluation
<b>Public Participation Goal</b>	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
<b>Promise to the public</b>	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
<b>Example techniques</b>	<ul style="list-style-type: none"> <li>• Newspapers</li> <li>• Newsletters</li> <li>• Radio</li> <li>• Posters</li> <li>• SMS/email</li> <li>• Website</li> <li>• Facebook</li> <li>• MailChimp</li> <li>• Banksia Bulletin</li> </ul>	<ul style="list-style-type: none"> <li>• Public comment</li> <li>• Focus groups</li> <li>• Surveys biennial (March)</li> <li>• Consultative workshops</li> <li>• Individuals and or Business.</li> <li>• Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Council Committees/Forums</li> <li>• Working groups</li> <li>• User groups</li> <li>• Volunteer groups</li> </ul>	<ul style="list-style-type: none"> <li>• Direct response</li> <li>• Newsletters</li> <li>• SMS/email</li> <li>• Website</li> <li>• Customer Service Survey</li> <li>• Facebook</li> <li>• MailChimp</li> </ul>

# ENVIRONMENT

## ENV.1 TOWN TREESCAPE POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Environmental Protection Act 1986 Environmental Protection (Clearing of Native Vegetation) Regulations 2004

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	25 November 2010	100-10/11	New Policy	
02	Graeme Fardon/ Allan Rourke	20 December 2018	115-18/19	Policy Review Project 5/12/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

## PURPOSE

Trees provide environmental, health and amenity benefits in relation to solar screening, microclimate, carbon absorption, bird and animal habitat, air quality and visual attractiveness.

Due to these benefits, trees can also enhance the monetary value of individual properties and the enjoyment of residing in a green, leafy neighbourhood.

It is a concern for the Shire that some trees and shrubs can pose problems to local infrastructure. This becomes an issue if individual species are not chosen correctly or if they are planting in an unsuitable position. This policy outlines ways to rectify problems associated with these situations. The policy also outlines ways to maintain environmental integrity throughout the Shire by using offset areas to maintain and increase tree and shrub populations in the event of tree and shrub removal.

## OBJECTIVE

The objectives of this Local Policy are to:

- Encourage Shire Works Team and landholders to ~~adhere to industry guidelines and standards as specified in relevant codes of practice and other documents~~ seek out best practices for tree management within the Townsites.
- Encourage off-set planting to be completed through appropriate measures.
- To comply with government legislation including the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004.

## POLICY

This policy applies to the Quairading Townsite. The policy differentiates between existing remnant vegetation and species planted by the Council or Community Groups throughout the town for aesthetic purposes.

## GUIDELINES

Environmental Protection Act 1986

Environmental Protection (Clearing of Native Vegetation) Regulations 2004

**Annexure A** – Definitions

**Annexure B** – Procedures.

**Annexure A****Road Reserve**

The road **reserve** includes the road surface (including shoulders and drainage treatments) remnant vegetation up to an adjacent property's fence line.

**Landholders**

The holder or proprietor of land.

**Environmentally Sensitive Area**

There are a number of areas around Western Australia of environmental significance. These locations are generally areas where the vegetation has high conservation value and cannot be cleared. These areas are referred to as environmentally sensitive areas (ESAs), and are declared under section 51B of the EP Act and described in the Environmental Protection (Environmentally Sensitive Areas) Notice 2005. Section 51B of the EP Act allows the Minister to declare environmentally sensitive areas.

No such areas have been identified within the Road Reserves in the Quairading Townsite. However, the Shire acknowledges the presence of *Jacksonia Quairading* and *Banksia Cuneata* within the Quairading Townsite, in the Borefield and Old Rifle Range Area.

## Annexure B

### 1. General Clearing Responsibilities for Council Employees

The Shire conducts tree removal or pruning in a reactive manner. The Shire is to provide direct resources for this activity to those trees that present a high risk to the community and infrastructure.

#### 1.1 Clearing to maintain existing cleared areas around a building, fence line, fire risk reduction area for a building, vehicle or walking track and/or footpath

Item 15 of regulation 5 of the Clearing Regulations provides an exemption for clearing to maintain existing cleared areas around infrastructure for the following purposes, provided that the land was lawfully cleared within the 10 years immediately prior and the clearing is to the extent previously lawfully cleared for that purpose: around a building or structure for the use of the building or structure; for a fire risk reduction area for a building; to maintain an area along a fence line to provide access to construct or maintain the fence; or to maintain a vehicle or walking track.

This exemption also applies to clearing of land that was previously lawfully cleared (possibly in excess of 10 years prior) for the following purposes, provided that the clearing does not exceed the extent specified for that purpose:

- Around a building or structure for the use of the building or structure - maximum of 20 metres;
- For a fire risk reduction area for a building - maximum of 20 metres;
- To maintain an area along a fence line to provide access to construct/maintain the fence - maximum of 5 metres; or
- To maintain a vehicle or walking track - maximum of 5 metres.
- This exemption applies to the owner or occupier of the land on which the clearing is to take place. This exemption does not apply in Environmentally Sensitive Areas (ESAs).

#### 1.2 Clearing on a Public Roadside Facility

Exemptions to the Clearing Regulations exist for clearing for maintenance in existing transport corridors (being a stretch of road, whether public or private, or railway). Item 22 of regulation 5 (and schedule 2) enables Local Government to clear vegetation for the maintenance of an area that is a public roadside facility, provided that the clearing is to the extent necessary to maintain (but not extend) the intended use of the area. Any extension, widening, upgrading or realignment of road or railway infrastructure that requires the clearing of native vegetation is considered to be new works. New works are not covered under this exemption and will require a clearing permit.

### 2. Existing Remnant Vegetation

Plants grown on public roadsides that have existed for more than 10 years require a clearing permit prior to their removal except in the occurrence that they are being removed to maintain an existing walking track or pathway.

#### 2.1 Existing Trees

Where a request for tree removal or pruning relates to the potential for injury to any person or damage to property, a suitably qualified staff member will assess the risk associated with the pruning or tree removal.

The Shire may consider the following, when determining if the above action is appropriate:

- Whether the tree has significant amenity or aesthetic value or the significance of the tree(s) within the local area and regional landscape.

- Whether the tree(s) provides habitat.
- Whether the tree species is known to be an environmental weed as declared by the Department of Agriculture and Food WA.
- Whether the tree(s) obstructs reasonable solar access to windows, openings of a building, solar appliances, clothes drying, and outdoor living areas.
- Whether the tree is within five (5) metres of an approved building or structure.
- Whether the tree is within one (1) metre of a sealed driveway.
- Whether the tree (native or amenity) no longer fills its original purpose

## 2.2 Refusal of Requests

The Shire may/can refuse requests for removal or pruning of trees, if at the time of the inspection, the tree:

- Is in a healthy and stable state, and
- Does not interfere with overhead or underground services, and
- Does not affect the sight lines of motorists or pedestrians, and
- Is not causing damage to private or public property, and
- Is not risking public safety, and
- Is not likely to cause any of the above in the foreseeable future.

## 2.3 Termites/Bees/Pests

The Shire of Quairading undertakes the eradication of termites/bees/pests in tree(s) or tree stumps or any timber on Council road reserves and public reserves. It is the responsibility of the property owner to protect all buildings from termite attack by installation and maintenance of recommended methods of control in accordance with Australian Standard 3660-1993 'Protection of Building for Subterranean Termites'.

## 2.4 Unique Environmental Values

To determine whether the clearing site has unique environmental values, the site must be assessed as to whether it contains:

- Ecosystems and their constituent parts including people and communities; and
- All natural and physical resources; and
- Those qualities and characteristics of locations, places and areas, however large or small, that contribute to their biological diversity and integrity, intrinsic or attributed scientific value or interest, amenity, harmony and sense of community; and
- Cultural Heritage Values for any community members.

## 3. Species planted by the shire or community groups throughout town for aesthetic purposes

Plants grown on public roadsides within 10 years are able to be removed without a clearing permit.

### 3.1 New Trees

The Shire does not encourage the planting of trees within road reserves or in public reserves by anyone other than Shire staff or its contractors due to the potential for liability. The Shire is responsible for the selection,

planting and maintenance of any new trees planted. Selection of the Tree / Shrub types may be on the grounds of suitability to minimise the impact on the immediate locality and infrastructure.

#### 4. Locating Suitable Offset Areas

The offset area must demonstrate that the proposed clearing site and the proposed offset area are ecologically equivalent. Ecological equivalence includes values associated with the following factors:

*An offset area must:*

- Be of the same broad vegetation group.
- Be a strategic position in landscape.
- Be the same or similar in landform and soil type/s as found within the site to be cleared.
- Be able to support the same or similar indigenous (pre-european) vegetation associations/s as that present within the site to be cleared.
- Likely to be successfully recreated as the habitats that are to be lost through clearing
- Contribute to species diversity.
- Match landscape context attributes - patch size, connectivity, context.

Offset areas must be planted in a 2:1 ratio from that vegetation that has been removed and /or cleared.

Suggested offset planting locations include: -

- Reserve 36774 – "Wildlife Park" (Bounded by Parker Street, Ashton Street, Harris Street and MacDonald Street)
- Reserve 16735 – Quairading Landfill Site
- Reserve 14179 – Gravel Reserve, Cunderdin Road
- Reserve 21459 – Borefield Reserve

The off-set areas will need to be monitored at 6-monthly intervals for 3 years to ensure establishment of the new sites.

There is also an opportunity to expand to the offset areas through 'contributing offsets' which may include additions such as fencing, security, removing threatening processes and associated community education to the offset area.

## ENV.2 ROAD RESERVE WEED CONTROL POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Environmental Protection Act 1986.

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	16 December 2010	125-10/11	New Policy	
02	Graeme Fardon/ Allan Rourke	20 December 2018	115-18/19	Policy Review Project - 15/12/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

## PURPOSE

Roadsides are particularly vulnerable to weed invasion as they have a larger perimeter (or "edge") to area ratio. As edges are particularly prone to degradation, the greater the length of the 'edges', the greater the opportunities for degradation. The roadside edges are subject to high levels of disturbance, and the spread of weeds is encouraged by any disturbance including burning, clearing, grazing, cultivation of firebreaks, and service installation.

The process of biological invasion by weeds begins with their introduction, then their establishment and local infestation, survival, reproduction, and widespread dispersal, eventually finishing with full infestation of their potential range.

## OBJECTIVE

The objectives of this Local Policy are to: -

- To eradicate weed populations along local Road Reserves.
- Encourage Shire Works Team and landholders to [seek out and](#) adhere to industry guidelines and standards as specified in relevant codes of practice and other documents for weed control on roadside verges.
- Encourage Local Landholders to conduct appropriate management plans.
- To reduce the risk of fire in the road reserves.
- Reduce the inconvenience of vermin such as rabbits and foxes.
- To comply with government legislation including the Environmental Protection Act 1986.

## POLICY

This policy applies to weed control within the Roadside Reserves within the Shire of Quairading, and is to be managed in accordance with the guidelines detailed below.

## GUIDELINES

Environmental Protection Act 1986.

Local Government Act 1995

**Annexure A** – Definitions

**Annexure B** – Procedures

## Annexure A

### Weed

A weed is a plant that represents a threat to the conservation values of natural ecosystems. Weeds invade native plant communities and out-compete them causing a reduction in plant diversity and resulting in a loss of habitat for native animals.

### Road Reserve

The road reserve includes the road, remnant vegetation up to an adjacent properties fence line.

### Landholders

The holder or proprietor of land.

### Environmentally sensitive area

There are a number of areas around Western Australia of environmental significance within which the exemptions in the Clearing Regulations do not apply. These areas are referred to as environmentally sensitive areas (ESAs), and are declared under section 51B of the EP Act and described in the Environmental Protection (Environmentally Sensitive Areas) Notice 2005.

## Annexure B

### 1. General weed management for Council Employees

#### 1.1 Herbicide spraying

Off-target spraying may kill native understory and create an altered environment for weeds to invade. Risk can be minimised by:

- restricting spraying to the road shoulder and around road furniture,
- not spraying on wet or windy days,
- not using residual herbicides along watercourses, and
- not using non-selective herbicides near susceptible plants.

#### 1.2 Alternative Weed Control Strategies

Weeds can be managed using many different methods. The most effective management of weeds is usually achieved by a combination of methods with follow-up over a number of years. The stage that a weed has reached in the invasion process determines the best approach for its control.

The three main approaches to weed management are:

- Prevention of establishment,
- Early detection and eradication, and
- Management of existing populations.

##### i. Prevention

This is the most effective means of control. Establishing workable prevention mechanisms is much more cost-effective than controlling established populations.

Prevention mechanisms include:

- Cleaning machinery between jobs,
- Only using clean, weed-free fill materials, including stockpiles,
- Marking turn-around points for maintenance works to prevent longitudinal spread
- through mowing or grading,
- Revegetation of disturbed areas, and
- Minimising or avoiding disturbance in areas of native vegetation.

##### ii. Early Detection and Eradication

The second most cost-effective means of weed control is early detection and eradication. Eradication of newly established populations is possible only if detection mechanisms are in place to identify them.

##### iii. Management of Existing Populations

Managing existing weed infestations can involve eradication, control or containment depending upon the extent and severity of infestations, and the resources available to manage the program. Mulching, burning, cultivation, introduction of competition, grazing, biological control and chemicals are all management tools that can be used where appropriate.

**iv. Grazing and Stock Movement**

Grazing of domestic livestock is defined as vegetation clearance under the Native Vegetation Act, 1991. Movement of stock along road reserves can aid the spread of weeds, compact the soil, exacerbate soil erosion problems and hinder native plant regeneration. Whilst it is necessary to allow the moving of stock along road reserves to move them between paddocks, stock movement should be avoided where there is Declared Rare Flora or native vegetation that is classified in an Environmentally Sensitive Area (ESA). Landholders must find alternative routes for the movement of stock through negotiation with adjacent landholders.

**v. Fencing**

Item 11 of regulation 5 of the Environmental Protection (Clearing of Native Vegetation) Regulations 2004 provides an exemption for clearing between private property and Crown land (e.g. a road reserve), provided that the clearing on the Crown land is no more than 1.5 metres from the fence and provided that the clearing, combined with other limited exempt clearing on the property, does not exceed 1 hectare in the financial year in which the clearing takes place. This exemption applies to the owner of the land on which the clearing is to take place, therefore the written approval of the owner of that Crown land (e.g. the Local Government in the case of a road reserve) must be obtained prior to undertaking the clearing. This exemption does not apply in Environmentally sensitive areas.

**vi. Removal of Plant Material**

Dead timber on roadsides can provide valuable habitat for small mammals, reptiles and most importantly invertebrates. Allowing it to decompose through natural processes also maintains integrity of the nutrient cycling that underpins stable ecosystems. Removal of dead timber destroys these habitats and processes. Another aspect of the stability of roadside ecosystems is the maintenance of the ability to regenerate. Excessive removal of seed from native vegetation diminishes the amount of seed available in the soil for new plants to grow from. Ultimately, this can lead to lower densities of some species and alteration of the vegetation structure.

**vii. Summer Weed Control**

Summer weed control is an imperative component of roadside weed control and must be undertaken when weed burdens are posing significant threat to the native roadside vegetation and surrounding agricultural land. Summer weed control involves accounting for the same policy measures as discussed for general weed control. Summer weed control also needs to account for the risk fire plays when weeds are left uncontrolled.

Before implementing a summer weed control program, It is important to consider the high persistency of summer weeds and difficulty in containing their spread. Species such as Caltrop (*Tribulus terrestris*), Afghan Thistle (*Solanum hoplopetalum*) and Prickly Saltwart (*Salsola Kali*) are examples of summer weeds with highly adapted systems that make them very difficult to control. In these cases control methods should take into consideration:

- Growth stages of the plant
- Seed development stages and timeframes
- Herbicide tolerance and susceptibility
- Areas of high population densities of the specific weed and potential distribution zones.

**viii. Declared Plants**

Plants may be 'declared' by the Agriculture Protection Board under the Agriculture and Related Resources Protection Act 1976. If a plant is declared, Council Employees are obliged to control that plant on roadside reserves where they are present. Declaration specifies a category, or categories, for each plant according to the control strategies or objectives which are considered to be appropriate in a particular place.

Among the factors considered in categorising declared plants are:

- The impact of the plant on individuals, agricultural production and the community in general,
- Whether it is already established in the area, and
- Feasibility and cost of possible control measures.

**Collecting plant samples for identification**

Identification of plants is important to establish a record of the distribution or to confirm if a plant new to the area is declared. Specimens collected can be sent to any office of the Department of Agriculture and Food where it can be identified or sent on to the State Herbarium if identification cannot be made. Preparing plant samples to ensure that the key identifying components are included is essential to assist in this process. A publication by the CRC for weed management gives a very comprehensive methodology for collecting and preserving plant collections. This document is available from their website: [www.weedsrc.org.au](http://www.weedsrc.org.au).

**2. General weed management for Adjacent Landholders**

Roadside Reserve weed control management must be undertaken with close consultation with Shire Environmental Staff to ensure that adjacent landholders adhere to minimum disturbance guidelines when controlling weed populations in roadsides.

Adjacent landholders are encouraged to maintain effective weed management strategies along fence lines adjacent to a road reserve to suppress weed populations from entering the road reserve from their properties and from entering their properties from the road reserve.

In road reserves where native vegetation (trees, shrubs, grasses and other ground covers) may be impacted you should seek advice from the Department of Environment and Conservation Native Vegetation Conservation Branch ((08) 9219 8744) as a clearing permit may be required under Part V of the Environmental Protection Act 1986.

NOTE: This includes farmers spraying weeds in road reserves and in fact if a landholder inadvertently kills native vegetation they could be liable under the Environmental Protection Act 1986.

The following weed management practices can be implemented to ensure suppression of weed populations:

**2.1 Herbicide spraying**

Selective and Non- Selective herbicides may be used to manage weed infestations up to 1.5m from the existing fence line on the side of the road reserve.

The use of Selective and Non- Selective herbicides may be necessary to manage weed populations up to 5m away from the internal fence line of a landholder's property.

It is important that landholders obtain expert advice on suitable herbicides to use for different weeds present on road reserves and take into consideration the presence of waterways, livestock and native species present before undertaking herbicide applications.

## 2.2 Cultivation

Cultivation is an effective weed management strategy to use to control the 5m buffer area from the internal fence line of a landholder's property. This will also effectively establish fire break zones between the road reserve and a property.

## 2.3 Burning

Burning is an effective weed management strategy to use to again, control the 5m buffer area from the internal fence line of a landholder's property. This will also effectively establish fire break zones between the road reserve and a property.

### i. Summer Weed control

Summer weed control is an imperative component of roadside weed control and must be undertaken when weed burdens are posing significant threat to the native roadside vegetation and surrounding agricultural land. Summer weed control involves accounting for the same policy measures as discussed for general weed control. Summer weed control also needs to account for the risk fire plays when weeds are left uncontrolled.

Before implementing a summer weed control program, it is important to consider the high persistency of summer weeds and difficulty in containing their spread. Species such as Caltrop (*Tribulus terrestris*), Afghan Thistle (*Solanum hoplopetalum*) and Prickly Saltwart (*Salsola Kali*) are examples of summer weeds with highly adapted systems that make them very difficult to control. In these cases, control methods should take into consideration:

- Growth stages of the plant
- Seed development stages and timeframes
- Herbicide tolerance and susceptibility
- Areas of high population densities of the specific weed and potential distribution zones.

### ii. Declared plants

Plants may be 'declared' by the Agriculture Protection Board under the Agriculture and Related Resources Protection Act 1976. If a plant is declared, Landholders are obliged to control that plant on their own property where present. Declaration specifies a category, or categories, for each plant according to the control strategies or objectives which are considered to be appropriate in a particular place.

Among the factors considered in categorising declared plants are:

- the impact of the plant on individuals, agricultural production and the community in general,
- whether it is already established in the area, and
- feasibility and cost of possible control measures.

#### Collecting plant samples for identification

Identification of plants is important to establish a record of the distribution or to confirm if a plant new to the area is declared. Specimens collected can be sent to any office of the Department of Agriculture and Food where it can be identified or sent on to the State Herbarium if identification cannot be made. Preparing plant samples to ensure that the key identifying components are included is essential to assist in this process. A publication by the CRC for weed management gives a very

comprehensive methodology for collecting and preserving plant collections. This document is available from their website: [www.weedscrc.org.au](http://www.weedscrc.org.au).

### 3. Role of Council in Assisting Landholders with Roadside Weed Control Strategies

#### 3.1 Herbicide spraying

Permission must be obtained from Council prior to any herbicide applications sprayed on Quairading Road Reserves.

~~A list of~~ Information on declared weeds and common weeds can be sourced from the Shire of Quairading ~~Environment Officer~~ Grants & Projects Officer and by accessing the [www.agric.wa.gov.au](http://www.agric.wa.gov.au) website. The ~~Environment Grants & Projects~~ Officer can also give assistance with suitable herbicides to use where native species are present to minimise any adverse effects on these species.

Field Code Changed

Careful consideration of weather conditions is imperative for herbicide applications to be successful. Rainfall events and wind speeds directly influence the success of a spraying program ie due to rain washing herbicide off plants and stopping uptake and wind causing herbicide drift.

Consultation with local agronomists and the Shire of Quairading Environment Officer is important to determine suitable weed management strategies according to seasonal conditions.

#### 3.2 Cultivation

Cultivation is an effective weed management strategy to use to control the 5m buffer area from the internal fence line of a landholder's property. This will also effectively establish fire break zones between the road reserve and a property. No Council approval is required for cultivation of fire breaks.

#### 3.3 Burning

Permission must be obtained from Council prior to any burning program being conducted on any Shire of Quairading road reserves.

# FINANCE

## FIN.1 INVESTMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Local Government (Financial Management) Regulations 1996 - Regulation 19C, 28, and 49; and Australian Accounting Standards

Record of Policy Review					
<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	26 August 2010	32-100/11	New Policy	
02	Graeme Fardon	31 May 2012	226-11/12	Revised	
03	Graeme Fardon	27 September 2012	58-12/13	Revised	
04	Graeme Fardon	29 May 2014	192-13/14	Revised	
05	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 5/09/2018	
<u>06</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PURPOSE

This policy is to ensure that there are effective and accountable systems in place to safeguard the Shire's financial resources. This includes the development of proper systems to authorise, verify and record the investment of monies in appropriate financial instruments.

This policy ensures the Council and all officers entrusted with a role in the investment of the Shire's funds act with the highest regard for their fiduciary duties.

## OBJECTIVE

The policy on Investment of Surplus Funds is intended to reflect the intention of Council to minimise the possibility of incurring capital loss on any investment whilst providing a reasonable rate of return.

The objectives of the Policy on Investment of Surplus funds are: -

- To provide maximum capital security of funds.
- To provide the best available rate of interest from an approved source.
- To ensure sufficient liquidity to meet Council's cash flow requirements.

## POLICY & PROCEDURE

### A. Authorised Institutions

Investments are limited to authorised institutions, in accordance with *Local Government (Financial Management) Regulations Section 19C*, being: -

- Authorised deposit-taking institution as defined in the *Banking Act 1959* (Commonwealth) section 5; or
- The Western Australian Treasury Corporation established by the *Western Australian Treasury Corporation 1986*.

### B. Authorised Investments

The only types of authorised investments under *Local Government Act 1995* - section 6.14(1), and *Local Government (Financial Management) Regulations 1996* - Regulation 19C, are as

follows: -

- Deposits with an authorised institution and the term is to be no more than 36 months;
- Bonds that are guaranteed by the Commonwealth Government, or a State or Territory government with a term to maturity of up to 3 years; and
- Australian currency only.

### C. Prohibited Investments

This investment policy prohibits any investment carried out for speculative purposes including: -

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

## D. Risk Management Guidelines

Investments obtained are to comply with the two (2) key criteria relating to: -

- **Portfolio Credit Framework:** Limit overall exposure of the portfolio as a whole, according to credit rating.
- **Term to Maturity Framework:** limits based upon maturity of securities to ensure adequate working capital needs are met.

If any of the Council's investments are downgraded such that they no longer fall within the investment policy, they are to be divested as soon as practicable. Investments fixed for greater than 12 months are to be reviewed on a regular term and invested for no longer than 3 years.

### (1) Portfolio Credit Framework

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Fitch Ratings	Maximum % in Credit rating Category
AAA	A-1+	AAA	100%
AA	A-1	AA	100%
A	A-2	A	60%
BBB	A-3	BBB	40%

### (2) Term to Maturity Framework

The investment portfolio is to be invested within the following maturity constraints: -

Investment Type	0 to 3		3 to 6		6 to 12		1 to 2 years		2 to 3 Years	
	Months		Months		Months					
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Deposit with ADI – Maximum 36 months	15%	100%	0%	60%	0%	40%	0%	20%	0%	10%
Government Bonds	0%	20%	0%	20%	0%	20%	0%	20%	0%	10%

## E. Reporting to Council

A monthly report is to be provided to Council. The report is to detail the investment portfolio in terms of holdings and impact of changes in market value since the previous report. The monthly report may also detail the investment income earned versus budget year to date and confirm compliance of Council's investments within legislative and policy limits. Council may nominate additional content for reporting.

## F. Delegated Authority

That, under section 6.10 of the *Local Government Act 1995*, and as prescribed in regulation 19 of the *Local Government (Financial Management) Regulations 1996*, the CEO be delegated to administer the Investment Policy.

## G. Prudent Person Standard

The investment will be managed with the care, diligence and skill that a prudent person would exercise.

**H. Ethics and Conflicts of Interest**

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

**Scope**

The policy applies to any investment of surplus funds other than bank deposits for operational purposes.

**Legislative and Strategic Context**

Legislation covering investment of surplus funds includes:

- *Local Government Act 1995* Section 6.14.
- *The Trustees Act 1962* – Part III Investments as amended by the Trustees Amendment Act.
- *Local Government (Financial Management) Regulations 1996* – Regulation 19, Regulation 19C, Regulation 28 and Regulation 49.
- Australian Accounting Standards.

**GUIDELINES****Legislative Requirements**

All investments are to be made in accordance with and to comply with the following:

- *Local Government Act 1995* - Section 6.14;
- *Trustees Act 1962* - Part III Investments;
- *Bank Act 1959*;
- *Local Government (Financial Management) Regulations 1996* - Regulation 19C, 28, and 49; and
- Australian Accounting Standards

**Annexure A** - Definitions

**Annexure A - Definitions****Standard & Poor's Rating Guide**

- **'AAA'** Extremely strong capacity to meet financial commitments. Highest rating
- **'AA'** Very strong capacity to meet financial commitments
- **'A'** Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances
- **'BBB'** Adequate capacity to meet financial commitments, but more subject to adverse economic conditions
- **'BBB-'** Considered lowest investment grade by market participants

**Fitch Ratings**

- **aaa:** Highest fundamental credit quality
- **'aaa'** ratings denote the best prospects for ongoing viability and lowest expectation of failure risk. They are assigned only to banks with extremely strong and stable fundamental characteristics, such that they are most unlikely to have to rely on extraordinary support to avoid default. This capacity is highly unlikely to be adversely affected by foreseeable events.
- **aa:** Very high fundamental credit quality
- **'aa'** ratings denote very strong prospects for ongoing viability. Fundamental characteristics are very strong and stable; such that it is considered highly unlikely that the bank would have to rely on extraordinary support to avoid default. This capacity is not significantly vulnerable to foreseeable events.
- **A:** High fundamental credit quality
- **'a'** ratings denote strong prospects for ongoing viability. Fundamental characteristics are strong and stable, such that it is unlikely that the bank would have to rely on extraordinary support to avoid default. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
- **Bbb:** Good fundamental credit quality
- **'bbb'** ratings denote good prospects for ongoing viability. The bank's fundamentals are adequate, such that there is a low risk that it would have to rely on extraordinary support to avoid default. However, adverse business or economic conditions are more likely to impair this capacity.

## FIN.2 PURCHASING POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	24 February 2016	134-15/16	New Policy	
02	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 5/09/2018	
03	Graeme Fardon	28 May 2020	162/19/20	Policy Reviewed due to the recent amendments to the <i>Local Government (Functions and General) Regulations 1996</i>	
04	Graeme Fardon			Biennial Policy Review December 2020	

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**PURPOSE**

The Shire of Quairading (the "Shire") is committed to delivering the objectives, principles and practices outlined in this Policy, when purchasing goods, services or works to achieve the Shire's strategic and operational objectives.

This policy complies with the Local Government (Functions and General) Regulations 1996 (The Regulations).

**OBJECTIVE**

The Shire's purchasing activities will achieve: -

- The attainment of best value for money;
- Sustainable benefits, such as environmental, social and local economic factors are considered in the overall value for money assessment;
- Consistent, efficient and accountable processes and decision-making;
- Fair and equitable competitive processes that engage potential suppliers impartially, honestly and consistently;
- Probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest;
- Compliance with the Local Government Act 1995, Local Government (Functions and General) Regulations 1996, as well as any relevant legislation, Codes of Practice, Standards and the Shire's Policies and procedures;
- Risks identified and managed within the Shire's Risk Management framework;
- Records created and maintained to evidence purchasing activities in accordance with the State Records Act and the Shire's Record Keeping Plan;
- Confidentiality protocols that protect commercial-in-confidence information and only release information where appropriately approved.

**POLICY****1. ETHICS & INTEGRITY**

The Shire's Code of Conduct applies when undertaking purchasing activities and decision making. Elected Members and employees are to observe the highest standards of ethics and integrity and act in an honest and professional manner at all times.

**2. VALUE FOR MONEY**

Value for money is achieved through the critical assessment of price, risk, timeliness, environmental, social, economic and qualitative factors to determine the most advantageous supply outcome that contributes to the Shire achieving its strategic and operational objectives.

The Shire is to apply value for money principles when assessing purchasing decisions and acknowledges that the lowest price may not always be the most advantageous.

## 2.1 Assessing Value for Money

Assessment of value for money is to consider:

- All relevant Total Costs of Ownership (TCO) and benefits including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, training, maintenance and disposal;
- The technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality. This includes but is not limited to an assessment of compliances, tenderers resources available, capacity and capability, value-adds offered, warranties, guarantees, repair and replacement policies, ease of inspection, ease of after sales service, ease of communications etc.
- Financial viability and capacity to supply without the risk of default (competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history);
- A strong element of competition by obtaining a sufficient number of competitive quotations wherever practicable and consistent with this Policy;
- The safety requirements and standards associated with both the product design and the specification offered by suppliers and the evaluation of risk arising from the supply, operation and maintenance;
- The environmental, economic and social benefits arising from the goods, services or works required, including consideration of these benefits in regard to the supplier's operations, in accordance with this Policy and any other relevant Shire Policy; and
- Providing opportunities for businesses within the Shire's boundaries to quote wherever possible.

## 3. PURCHASING THRESHOLDS AND PRACTICES

The Shire is to comply with all requirements, including purchasing thresholds and processes, as prescribed within the Regulations, this Policy and associated purchasing procedures in effect at the Shire.

### 3.1 Policy Purchasing Value Definition

Purchasing value for a specified category of goods, services or works is to be determined upon the following considerations:

- Exclusive of Goods and Services Tax (GST); and
- Where a contract is in place, the actual or expected value of expenditure over the full contract period, including all options to extend specific to a particular category of goods, services or works. OR
- Where there is no existing contract arrangement, the Purchasing Value will be the estimated total expenditure for a category of goods, services or works over a minimum three-year period.

The calculated estimated Purchasing Value is to be used to determine the applicable threshold and purchasing practice to be undertaken.

### 3.2 Purchasing from Existing Contracts

The Shire is to ensure that any goods, services or works required that are within the scope of an existing contract are to be purchased under that contract.

### 3.3 Table of Purchasing Thresholds and Practices

This table prescribes Purchasing Value Thresholds and the applicable purchasing practices which apply to the Shire's purchasing activities:

Purchase Value Threshold (exc GST)	Purchasing Practice Required
Up to \$10,000 (exc GST)	<p>Purchase directly from a supplier using a Purchase Order issued by the Shire or with approval of the CEO by Corporate Credit Card.</p> <p>Seek at least one (1) written or verbal quotation from a suitable supplier.</p>
From \$10,001 and up to \$50,000 (exc GST)	<p>Seek at least two (2) written quotations from suitable suppliers.</p> <p>For the purchasing of WALGA Services, a minimum of one (1) written quotation is to be sought and appropriately recorded. Confirmed via Purchase Order or Contract/Agreement.</p> <p>The purchasing decision is to be based upon assessment of the supplier's response to:</p> <ul style="list-style-type: none"> <li>a brief outline of the specified requirement for the goods; services or works required; and</li> <li>value for money criteria, not necessarily the lowest price.</li> </ul> <p>The rationale for the procurement decision should be documented and recorded in accordance with the Shire Records Management Policy.</p>
\$50,001 and up to \$100,000 (exc GST)	<p>Seek at least three (3) written quotations from suitable suppliers.</p> <p>For the purchasing of WALGA Services, a minimum of one (1) written quotation is to be sought and appropriately recorded. Confirmed via Purchase Order or Contract/Agreement.</p> <p>The purchasing decision is to be based upon assessment of the suppliers' response to:</p> <ul style="list-style-type: none"> <li>a brief outline of the specified requirement for the goods; services or works required; and</li> <li>value for money criteria, not necessarily the lowest quote.</li> </ul> <p>The rationale for the procurement decision should be documented and recorded in accordance with the Shire Records Management Policy.</p>
\$100,001 and up to \$250,000 (exc GST)	<p>Seek at least three (3) written quotations from suppliers by invitation under a formal Request for Quotation.</p> <p>Three (3) written quotations are required to be sought from:</p> <ul style="list-style-type: none"> <li>a supplier included in the relevant WALGA Preferred Supplier Arrangement; <b>or</b></li> <li>other suppliers that are accessible under another tender exempt arrangement; <b>or</b></li> <li>the open market.</li> </ul> <p>The purchasing decision is to be based upon assessment of the suppliers' response to:</p> <ul style="list-style-type: none"> <li>a detailed written specification for the goods, services or works required and</li> <li>pre-determined evaluation criteria that assesses all best and sustainable value considerations.</li> </ul>

Purchase Value Threshold (exc GST)	Purchasing Practice Required
	The rationale for the procurement decision should be documented and recorded in accordance with the Shire Records Management Policy.
Over \$250,000 (exc GST)	<ul style="list-style-type: none"> <li>Conduct a Public Request for Tender process in accordance with the Local Government Act 1995 and relevant Shire Policy requirements <b>or</b></li> <li>Seek at least three (3) written quotations from suppliers included in the relevant WALGA Preferred Supplier Arrangement and / or another tender exempt arrangement;</li> </ul> <p>The purchasing decision is to be based upon the supplier's response to:</p> <ul style="list-style-type: none"> <li>a specification of the goods, services or works (for a tender exempt process including the WALGA Preferred Supplier Arrangement); or a detailed specification for the open tender process; and</li> <li>pre-determined evaluation criteria that assesses all best and sustainable value considerations.</li> </ul> <p>The rationale for the procurement decision and Report to Council is to be documented and recorded in accordance with the Shire Records Management Policy.</p>
Emergency Purchases (Within Budget)	Are to be approved by the Shire President and reported to the next available Council Meeting.
Emergency Purchases (Not Included in Budget)	<p>Only applicable where, authorised in advance by the Shire President in accordance with s.6.8 of the <i>Local Government Act 1995</i> and reported to the next available Council Meeting.</p> <p>The supply may be obtained from any supplier capable of providing the emergency purchasing requirement, and to the extent that it is reasonable in context of the emergency requirements, with due consideration of best and sustainable consideration.</p>
WALGA Services (excluding Preferred Supplier Program)	For the purchasing of WALGA Services, a minimum of one (1) written quotation is to be sought and appropriately recorded. Recording is to be in accordance with the threshold levels outlined above. Confirmed via Purchase Order or Contract/Agreement.
LGIS Services	For the purchasing of LGIS Services, a minimum of one (1) written quotation is to be sought and appropriately recorded. Confirmed via Purchase Order or Contract/Agreement.

### 3.4 Exemptions

An exemption from the requirement to publically invite tenders may apply when the purchase is:

- obtained from a pre-qualified supplier under the WALGA Preferred Supplier Arrangement or other suppliers that are accessible under another tender exempt arrangement.
- from a Regional Local Government or another Local Government;
- acquired from a person/organisation registered on the WA Aboriginal Business Directory, as published by the Small Business Development Corporation, where the consideration under contract is worth \$250,000 or less (exc GST) and represents value for money;
- acquired from an Australian Disability Enterprise and represents value for money;
- the purchase is authorised under action by Council under delegated authority;
- within 6 months of no tender being accepted;

- where the contract is for petrol, oil, or other liquid or gas used for internal combustion engines; or
- the purchase is covered by any of the other exclusions under Regulation 11 of the Regulations.

### 3.5 Inviting Tenders Under the Tender Threshold

The Shire may determine to invite Public Tenders, despite the estimated Purchase Value being less than the \$250,000 threshold.

This decision is to be made after considering:

- Whether the purchasing requirement can be met through the WALGA Preferred Supplier Program or any other tender exemption arrangement; and
- Any value for money benefits, timeliness, risks; and
- Compliance requirements.

A decision to invite Tenders, though not required to do so, may occur where an assessment has been undertaken and it is considered that there is benefit from conducting a publicly accountable and more rigorous process. In such cases, Council's Tendering procedures is to be followed in full.

### 3.6 Other Procurement Processes

#### 3.6.1 Expressions of Interest

Expressions of Interest (EOI) are typically considered in situations where the project is of a significant value, or contains significant complexity of project delivery that may solicit responses from a considerable range of industry providers.

In these cases, the Shire may consider conducting an EOI process, preliminary to any Request for Tender process, where the purchasing requirement is:

- Unable to be sufficiently scoped or specified;
- Open to multiple options for how the purchasing requirement may be obtained, specified, created or delivered;
- Subject to a creative element; or
- To establish a procurement methodology that allows for an assessment of a significant number of tenderers leading to a shortlisting process based on non-price assessment.

All EOI processes are conducted as a public process and similar rules to a Request for Tender apply. However, the EOI should not seek price information from respondents, seeking qualitative and other non-price information only. All EOI processes should be subsequently followed by a Request for Tender through an invited process of those shortlisted under the EOI.

#### 3.6.2 Request for Proposal

As an alternative to a Request for Tender, the Shire may consider conducting a Request for Proposal where the requirements are less known, or less prescriptive and detailed. In this situation, the Request for Proposal would still be conducted under the same rules as for a Request for Tender but would seek responses from the market that are outcomes based or that outline solutions to meet the requirements of the Shire.

### 3.7 Emergency Purchases

Emergency purchases are defined as the supply of goods or services associated with:

- (a) A local emergency and the expenditure is required (within existing budget allocations) to respond to an imminent risk to public safety, or to protect or make safe property or infrastructure assets; OR

A local emergency and the expenditure is required (with no relevant available budget allocation) to respond to an imminent risk to public safety, or to protect or make safe property or infrastructure assets

(b) in accordance with s.6.8 of the Local Government Act 1995 and Functions and General Regulation 11(2)(a);  
OR

(c) A State of Emergency declared under the Emergency Management Act 2005 and therefore, Functions and General Regulations 11(2)(aa), (ja) and (3) apply to vary the application of this policy.

Time constraints, administrative omissions and errors do not qualify for definition as an emergency purchase. Instead, every effort must be made to research and anticipate purchasing requirements in advance and to allow sufficient time for planning and scoping proposed purchases and to then obtain quotes or tenders, as applicable.

### 3.8 Anti-Avoidance

The Shire is not to conduct multiple purchasing activities with the intent (inadvertent or otherwise) of "splitting" the purchase value or the contract value, avoiding a particular purchasing threshold or the need to call a Public Tender. This includes the creation of two or more contracts or creating multiple purchase order transactions of a similar nature.

Utilising rolling contract extensions at the end of a contract term without properly testing the market or using a Tender exempt arrangement, will not be adopted as this would place this Local Government in breach of the Regulations (Regulation 12).

The Shire is to conduct regular periodic analysis of purchasing activities within supply categories and aggregating expenditure values in order to identify purchasing activities which can be more appropriately undertaken within the Purchasing Threshold practices detailed in clause 3.3 above.

## 4. SUSTAINABLE PROCUREMENT

The Shire is committed to implementing sustainable procurement by providing a preference to suppliers that *demonstrate* sustainable business practices (social advancement, environmental protection and local economic benefits).

The Shire will embrace Sustainable Procurement by applying the value for money assessment to ensure that wherever possible our suppliers demonstrate outcomes which contribute to improved environmental, social and local economic outcomes. Sustainable Procurement can be demonstrated as being internally focussed (i.e. operational environmental efficiencies or employment opportunities and benefits relating to special needs), or externally focussed (i.e. initiatives such as corporate philanthropy).

Formal Requests for Quotation and Tenders are to include a request for information from Suppliers regarding their sustainable practices and/or demonstrate that their product or service offers enhanced sustainable benefits.

### 4.1 Local Economic Benefit

The Shire encourages the development of competitive local businesses within its boundary firstly, and secondly within its broader region. As much as practicable, the Shire is to:

- where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses;
- consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support);

- ensure that procurement plans address local business capability and local content;
- explore the capability of local businesses to meet requirements and ensure that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses;
- avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must be structured to encourage local businesses to bid; and
- provide adequate and consistent information to local suppliers.

To this extent, a qualitative weighting is to be included in the evaluation criteria for quotes and Tenders where suppliers are located within the boundaries of the Shire, or substantially demonstrate a benefit or contribution to the local economy. This criteria is to relate to local economic benefits that result from Tender processes.

#### **4.2 Purchasing from Disability Enterprises**

An Australian Disability Enterprise may be contracted directly without the need to comply with the Threshold and Purchasing Practices requirements of this Policy, where a value for money assessment demonstrates benefits for the Shire's achievement of its strategic and operational objectives.

A qualitative weighting is to be used in the evaluation of quotes and Tenders to provide advantages to Australian Disability Enterprises, in instances where not directly contracted.

#### **4.3 Purchasing from Aboriginal Businesses**

A business registered in the current Aboriginal Business Directory WA (produced by the Small Business Development Corporation) may be contracted directly without the need to comply with the Threshold and Purchasing Practices requirements of this Policy, only where:

- the contract value is or is worth \$250,000 or less, and
- a best and sustainable value assessment demonstrates benefits for the Shire's achievement of its strategic and operational objectives.

A qualitative weighting is to be used in the evaluation of quotes and tenders to provide advantages to businesses registered in the current Aboriginal Business Directory WA, in instances where not directly contracted.

#### **4.4 Purchasing from Environmentally Sustainable Businesses**

The Shire supports the purchasing of recycled and environmentally sustainable products whenever a value for money assessment demonstrates benefits for the Shire's achievement of its strategic and operational objectives.

A qualitative weighting is to be used in the evaluation of quotes and tenders to provide advantages to suppliers which:

- demonstrate policies and practices that have been implemented by the business as part of its operations;
- generate less waste material by reviewing how supplies, materials and equipment are manufactured, purchased, packaged, delivered, used, and disposed; and
- encourage waste prevention, recycling, market development and use of recycled/recyclable materials.

**5. PURCHASING POLICY NON-COMPLIANCE**

Purchasing Activities are subject to financial and performance audits, which review compliance with legislative requirements and also compliance with the Shire's policies and procedures.

A failure to comply with the requirements of this policy may be the subject of an investigation, with findings to be considered in context of the responsible person's training, experience, seniority and reasonable expectations for performance of their role.

Where a breach is substantiated it may be treated as:

- an opportunity for additional training to be provided;
- a disciplinary matter, which may or may not be subject to reporting requirements under the Public Sector Management Act 1994;
- misconduct in accordance with the Corruption, Crime and Misconduct Act 2003.

**6. RECORD KEEPING**

All purchasing activity, communications and transactions are to be evidenced and retained as local government records in accordance with the State Records Act 2000 and the Shire's Record Keeping Plan. This includes those with organisations involved in a tender or quotation process, including suppliers.

**GUIDELINES**

Local Government Act 1995

Part 4 of the Local Government (Functions and General) Regulations 1996

Corruption, Crime and Misconduct Act 2003

State Records Act 2000

## FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES

<b>Document Status</b>	<del>Adopted</del> Major Review
<b>Statutory Environment</b>	Local Government Act 1995 Local Government (Financial management) Regulations 1996 Australian Accounting Standards

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	27 August 2015	24-15/16	New Policy	
02	Tony Merillo	31 August 2016	SCM4-16/17	Revised	
03	Tony Merillo	24 August 2017	28-17/18	Revised	
04	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 5/09/2018	
05	<u>Nathan Giffellon</u>			<u>FIN.3 to be rescinded and FIN.3.1 to replace the existing policy</u>	

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****PURPOSE**

To provide direction for the preparation of financial transactions and financial reporting.

**OBJECTIVE**

To Adopt Full Accrual Accounting and all other applicable Accounting Standards.

To clearly identify the basis upon which Council's financial statements are prepared.

**POLICY & PROCEDURE****SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting**

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations.

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

**Critical Accounting Estimates**

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

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

**The Local Government Reporting Entity**

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements.

**Revenue and Expenses****Grants, Donations and Other Contributions**

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

**Fees and Charges**

Revenue (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.

**Interest earnings**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

**Cash and cash equivalents**

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

**Restricted assets**

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

**Other financial assets at amortised cost**

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

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

**Financial assets at fair value through profit and loss**

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

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

**Investments****Classification and subsequent measurement**

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****(ii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

**(iii) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

**Trade and other receivables**

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 11. Classification and subsequent measurement 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.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

**Inventories****General**

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

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

**Land held for resale**

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****Other current assets**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**Fixed Assets**

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

Initial recognition and measurement between mandatory revaluation dates Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with

Financial Management Regulation 17A (5). These assets are expensed immediately

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

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

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

**Revaluation**

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

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

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

**Australian Accounting Standards – Inconsistency****Land under control prior to 1 July 2019**

In accordance with the then Local Government (Financial Management)

Regulation 16(a)(ii), asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

**Land under roads prior to 1 July 2019**

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the then Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then Local Government (Financial Management) Regulation 16(a)(i) prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

**Land under roads from 1 July 2019**

As a result of amendments to the Local Government (Financial Management) Regulations 1996, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

**Vested improvements from 1 July 2019**

The measurement of vested improvements at fair value in accordance with Local Government (Financial Management) Regulation 17A(2)(iv) is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

**Depreciation**

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

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

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Right-of-use (buildings)	Based on the remaining lease
Right-of-use (plant and equipment)	Based on the remaining lease
Intangible assets - computer software licence	5 years

**Depreciation on revaluation**

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

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

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****Amortisation**

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

**Capitalisation Threshold**

Expenditure on items under \$5,000 is not capitalised.

**Trade and Other Payables**

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

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

**Prepaid rates**

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

**Borrowing****Financial liabilities**

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Borrowing costs**

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

**Employee Benefits****Short-term employee benefits**

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES**

the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave.

Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued) rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**Provisions**

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**Capital Commitments****Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES****Joint Arrangements****Interests in joint arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the

Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

**Investment in Associates**

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the

Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate. When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**Rating Information****Rates**

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

**Investment properties**

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the Shire. They are carried at fair value. Changes in the fair values are presented in profit or loss as a part of other revenue.

Fair value of investment properties

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES**

A management valuation was performed to determine the fair value of investment properties. The main Level 3 inputs used in the valuation were discount rates, terminal yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry data.

**Contract Liabilities**

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied

**OTHER SIGNIFICANT ACCOUNTING POLICIES****a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuation techniques**

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the

**SHIRE OF QUAIRADING****POLICY****FIN.3.1 SIGNIFICANT ACCOUNTING POLICIES**

specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

**Market approach**

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

**Income approach**

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

**Cost approach**

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**i) Impairment of assets**

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

**GUIDELINES**

Local Government Act 1995

Local Government (Financial management) Regulations 1996

Australian Accounting Standards.

## FIN.4 CORPORATE CREDIT CARD POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Local Government (Financial Management) Regulations 11(1)(a)

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	29 September 2011	53-11/12	New Policy	
02	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 4/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****FIN.4 CORPORATE CREDIT CARD POLICY****PURPOSE**

The Corporate Credit Card has been implemented to allow Council to transact its business in a more efficient manner and at the same time provide the Chief Executive Officer with a more convenient method to meet costs they incur on the Council's behalf.

**OBJECTIVE**

This Policy is to ensure effective controls and procedures are in place with respect to the use and responsibilities of Corporate Credit Card by ensuring that operational and administrative costs and the risks associated with Corporate Credit Card use are minimised while providing the Chief Executive Officer with a convenient method of purchasing goods and services on behalf of Council.

**POLICY**

A Corporate Credit Card may be issued to the Chief Executive Officer only, and is to be used in accordance with the guidelines detailed below.

**GUIDELINES**

**Legislation** – The *Local Government Act 1995* does not specifically mention the use of Corporate Credit Cards by officers in a Local Government. However, Section 6.5(a) of the *Local Government Act 1995* requires the Chief Executive Officer to ensure that proper accounts and records of the transactions and affairs of the Local Government are kept in accordance with regulations. In addition, the *Local Government (Financial Management) Regulations 11(1)(a)* requires Local Government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisation in place for the use of credit cards.

The *Local Government Act 1995* does not allow for the issue of Corporate Credit Cards to elected members of Local Governments. There are no provisions within the *Local Government Act 1995* which allow an elected member to incur a debt, as would be the case with a credit card. Elected Members are entitled to allowances or the reimbursement of expenses incurred on Council business.

**Annexure A** – Policy Procedures

**Annexure B** – Attachment: Corporate Credit Cardholder Agreement.

## Annexure A - Policy Procedures

### 1. Authority for Approval of Corporate Credit Cards

Council is required to approve the issue of a Corporate Credit Card to the Chief Executive Officer (Cardholder) and any change to the credit card limit.

### 2. Issuing of Cards

A Corporate Credit Card may be issued to the Chief Executive Officer where it is inappropriate to use the Shire's normal payment systems.

Council is to maintain a Corporate Credit Card Register with all card details recorded including date issued to the Chief Executive Officer.

### 3. Approved Bankers

- A Corporate Credit Card is to be issued by Council's transactional banker.
- The Card is not to be linked to any form of reward points.

### 4. Purchases and Use of Corporate Credit Cards

- Use of a Corporate Credit Card requires the Cardholder to abide by Council's Purchasing Policy, including purchasing from Council's preferred suppliers wherever possible.
- The Corporate Credit Card may only be used for purchases of goods and services in the performance of official duties for which there is a budget provision. Personal expenditure is prohibited. The Corporate Credit Card is not to be used for cash withdrawals.
- When purchases are made, the Cardholder is to ensure that an appropriate Taxation Invoice is obtained from the supplier and included with the monthly transaction.
- All invoices/receipts must include the suppliers ABN, amount and whether GST applies, and a brief description of goods and/or services purchased.
- The credit limit of the card is not to be exceeded.

### 5. Reconciling Monthly Statements

- Where a payment is made for entertainment, it is important to note on the invoice/receipt the number of persons entertained and the names of any Shire of Quairading employees in that number. This is required to ensure the Shire pays the correct amount of Fringe Benefits Tax.
- The Chief Executive Officer, Chairperson of the Audit & Risk Committee and/or the Shire President is to sign and date the monthly Council Corporate Credit Card statement at completion of the reconciliation with all supporting taxation invoices attached. A credit card transaction slip is not acceptable to support the claim.
- The Cardholder will be personally liable for expenditure that cannot be shown to relate to the business of the Shire of Quairading.
- All transactions are to be noted on the monthly Accounts for Payment Agenda Item presented to Council.

### 6. Card Lost or Stolen

A Card that is lost or stolen must be reported immediately by the Cardholder to the issuing bank by telephone. Written notification must also be forwarded to the Executive Manager of Corporate Services.

**7. Termination of Employment**

The Corporate Credit Card will be cancelled immediately upon the termination of employment of the Chief Executive Officer (Cardholder). The Cardholder must notify the Executive Manager of Corporate Services two weeks before the date to arrange cancellation of use and to ensure all receipts and their account has been settled.

The Cardholder remains responsible for providing details of any expenditure included on the Corporate Credit Card statement up to and including their final day of employment.

The surrendered Corporate Credit Card must be returned to the Executive Manager of Corporate Services who will make arrangements for the destruction of the card.

**Annexure B – Attachment****Corporate Credit Cardholder Agreement**

I \_\_\_\_\_ (cardholder name) acknowledge and accept the conditions listed below which govern the use of the Shire of Quairading Corporate Credit Card: -

**Conditions of Use**

1. Ensure the corporate credit card is maintained in a secure manner and guarded against improper use.
2. The Corporate credit card is to be used only for Shire of Quairading official activities, there is no approval given for any private use unless in accordance with a salary sacrifice agreement.
3. All documentation regarding a corporate credit card transaction is to be retained by, or provided to, the cardholder and produced as part of the reconciliation procedure.
4. Credit limit is not to be exceeded.
5. The use of the credit card shall not be tied to any type of reward system that provides cardholders with any personal benefit or reward.
6. Observe all cardholder responsibilities as outlined by the card provider.
7. Purchases on the corporate credit card are to be made in accordance with Shire of Quairading's Purchasing Policy.
8. Monthly reconciliation of credit card purchases is to be completed within seven (7) days of the date of the credit card statement being issued.
9. Transactions will be supported by a GST invoice stating the type of goods purchased, amount of goods purchased and the price paid for the goods. The receipt shall meet the requirements of the Goods and Services Tax Act 1999 to enable a GST rebate to be applied.
10. Transactions are to be accompanied by a succinct explanation of why the expense was incurred.
11. Transactions are to be accompanied by a job number for costing purposes.
12. If no supporting documentation is available, the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration 'all expenditure is of a business nature'. Approval of this expense is referred to the Shire President for a decision. Regular failure to provide documented records may result in the card being forfeited.
13. Should approval of expenses be denied by the Shire President recovery of the expense shall be met by the cardholder.
14. The cardholder is required to sign and date the corporate credit card statement with supporting documentation attached.
15. Lost or stolen cards shall be reported immediately to the card provider and a written account of the circumstances shall be provided to the Executive Manager of Corporate Services on the next working day.
16. The Corporate Credit Card is to be returned to the Executive Manager of Corporate Services on or before the employee's termination date with a full acquittal of expenses.

*SHIRE OF QUAIRADING**POLICY*FIN.4 CORPORATE CREDIT CARD POLICY

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17. Failure to comply with any of these requirements could result in the card being withdrawn from the employee. In the event of loss or theft through negligence or failure to comply with the Shire of Quairading Corporate Credit Card Policy any liability arising from the use of the card may be passed to the cardholder.

The use of a Shire of Quairading Corporate Credit Card is subject to the provisions of the Code of Conduct of the Shire of Quairading. Serious transgression of the above listed responsibilities or the Code of Conduct may result in an appropriate referral under the Corruption and Crime Commission Act 2003 and/or termination of employment.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Witness Name: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## FIN.5 RATES COLLECTION POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Local Government (Financial Management) Regulations 1996 Rates and Charges (Rebates and Deferments) Act 1992

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Nathan Gilfellow	19 December 2019	93-19/20	New Policy for consideration	10/12/2019
<u>02</u>	<u>Nathan Gilfellow</u>			<u>Minor amendment</u>	

## PURPOSE

To provide guidance in the recovery of all Rates Revenue owed to the Shire, including outstanding Rates, Rubbish Charges and ESL Charges, as the Shire requires reliable revenue streams in order to meet the service provisions of the organisation.

To enable the Shire to meet its service obligations, it is necessary to ensure that revenues are received in a timely manner. The Shire is required to ensure that where revenue is not received in a timely manner, that appropriate measures are undertaken to recover outstanding amounts.

As a means to encourage the early payment of rates in full, the Shire may offer and administer a 'Rates Incentive Scheme'. This scheme provides eligible ratepayers with the opportunity to win prizes for prompt and full payment.

## OBJECTIVE

To provide a framework for the efficient and effective collection of outstanding rates and charges debts to reduce the likely occurrence of unrecoverable debts and to ensure consistency for all debt collection activities, whilst treating all people respectfully, fairly and consistently, and to fulfil statutory requirements in relation to the collection of rates and charges.

## POLICY

### 1. RECOVERY OF RATES, SERVICE AND ESL CHARGES

The recovery of outstanding rates will be collected in a fair and timely manner. Rate notices are due for payment 35 days from date of issue in accordance with the Local Government Act 1995.

#### 1.1 Amounts that remain outstanding past the prescribed due date will have interest applied.

Interest is calculated on the number of days from the due date of payment until the day the payment is received by the Shire of Quairading. This includes overdue amounts where the rate payer has elected to pay by an instalment option.

#### 1.2 Accounts unpaid by the due date shown on the Rate Notice

Where accounts remain outstanding after the prescribed due date, a Final Notice shall be issued requesting full payment within fourteen (14) days, unless the rate payer has entered into a payment arrangement which has been agreed upon by both parties.

Final Notices are not to be issued to eligible persons registered to receive a pensioner or senior rebate under the Rates and Charges (Rebates and Deferments) Act 1992, as such persons have until the 30<sup>th</sup> June of the current financial year to make payment, without incurring any penalty interest. Final notices will, however, be issued to registered pensioners or seniors where there are unpaid charges which are not subject to a rebate or deferment e.g. rubbish collection charges.

#### 1.3 Accounts unpaid after the expiry date shown on the Final Notice

Where amounts remain outstanding after the expiry date shown on the Final Notice, recovery action will commence based upon a risk management approach as determined by the value and type of debt and may include such action as referral to Council's debt collection agency.

#### 1.4 Seizure of Rent for Non Payment of Rates

Where the property owner of a leased or rented property on which Rates and Service Charges are outstanding cannot be located or refuses to settle Rates and Service Charges owed, a Notice may be served on the lessee

or tenant under the provisions of Section 6.60 of the Local Government Act 1995 requiring the lessee or tenant to pay to the Shire the rent due that they would otherwise pay under the lease/tenancy agreement as it becomes due, until the amount in arrears has been paid.

### **1.5 Options to recover rates debt where rates are in arrears for in excess of (3) years**

Under the guidance of the Shire's debt collection service provider, legal action may be undertaken to recover outstanding rates and charges. This action may include General Procedure Claims and Property Seizure and Sale Orders (Goods). Any costs incurred in undertaking legal action in a Court of competent jurisdiction are recoverable from ratepayers under section 6.56 of the Local Government Act 1995.

## **2. ALTERNATIVE PAYMENT ARRANGEMENT**

Where ratepayers are unable to make payment of their rates by one of the prescribed instalment options, they may apply for a special payment arrangement in order to avoid legal action for recovery. Special payments arrangements are to involve regular weekly, fortnightly or monthly repayments of a fixed amount, and are to achieve full payment of outstanding rates by the end of the financial year. A minimum payment of an equivalent of \$25 per week is to apply. Special payment arrangements will incur a one-off Administration Fee in accordance with Council's adopted Fees and Charges. Interest on overdue amounts accrues at the prevailing interest rate as set out in the adopted Fees & Charges.

Each Alternative Payment Arrangement requires the approval of the Chief Executive Officer in accordance with Delegation R.1 – Agreement as to Payment of Rates and Service Charges.

### **2.1 Options to recover rates debt where rates are in arrears for in excess of three (3) years.**

#### **(i) Lodging a Caveat on the Title for Land**

If rates and service charges which are due to Council in respect of any rateable land have been unpaid for at least three (3) years a caveat may be registered on the title for the land, under the provisions of Section 6.64 (3) of the Local Government Act 1995. The approval of Council is required before this course of action is undertaken.

#### **(ii) Sale of Property**

If rates and service charges which are due to Council in respect of any rateable land have been unpaid for at least five (5) years, Council may take possession of the land under the provisions of Section 6.64 of the Local Government Act 1995. The approval of Council is required to be obtained before this course of action is undertaken.

## **3. WRITE OFF DEBTS**

Financial Hardship is not a ground to write off debt. Where a person is experiencing financial hardship and is unable to pay their outstanding debt, the Shire may assist the applicant, where applicable, to negotiate an Alternative Payment Arrangement.

All write-offs will be presented to Council for Consideration and will include:

- Name of Debtor / Rate Payer
- Amount to be written off
- Description of invoice / Assessment Number
- Reason for write-off.

For a debt to be written off one of the following conditions must be satisfied:

- The debtor cannot be located

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- Uneconomical to pursue the debt
- The hardship circumstances of the debtor do not warrant the taking or continuation of recovery action
- Legal proceedings through the courts have proved, or on legal advice would prove, unsuccessful.
- The write-off of the debt will result in a favourable outcome to the Council.

**4. MANAGEMENT REPORTING**

Rates Debtors:

Management are required to maintain a status report of recovery action against all rates in arrears of more than one year.

**5. RATES INCENTIVE SCHEME**

A rate incentive scheme, in the form of prizes donated by sponsors, will be operated in each rating year on the basis that:

- Only those who have paid their rates in full, within thirty-five days of the Date of Issue, be eligible for an Entry in the Draw.
- The winners to be selected by the Drawing out of Entry Forms. Such Draw to be administered and supervised by the Chief Executive Officer.
- Council to allocate a budget to provide/subsidise a Rates Incentive Scheme.

**GUIDELINES**

- Local Government Act 1995: Part 6, Division 4, Clause 6.13 - Interest on money owing to local governments
- Local Government Act 1995: Part 6, Division 6, Subdivision 4, Clause 6.45 - Options for payment of rates and service charges
- Local Government Act 1995: Part 6, Division 6, Subdivision 4, Clause 6.51 - Accrual of interest on overdue rates or service charges
- Local Government Act 1995: Part 6, Division 6, Subdivision 5, Clause 6.56 - Rates or service charges recoverable in court
- Local Government Act 1995: Part 6, Division 6, Subdivision 5, Clause 6.60 - Local government may require lessee to pay rent
- Local Government Act 1995: Part 6, Division 6, Subdivision 6, Clause 6.64 - Actions to be taken
- Local Government (Financial Management) Regulations 1996
- Rates and Charges (Rebates and Deferments) Act 1992

**Commented [A51]:** Eg A write-off debt due to a sale of the property will result in a future favourable outcome from having a new rate payer.

# GOVERNANCE

## GOV.1 CODE OF CONDUCT

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 (S 5.103 – Codes of Conduct) and Local Government (Administration) Regulations 1996 (Regs 34B and 34C).

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	24 April 2008	279-07/08	Adopted	
02	Graeme Fardon	31 August 2017	36-17/18	Updated	
03	Allen Cooper (ACEO)	26 July 2018	9-18/19	Amendment (4.3 Personal Communications and Social Media)	
<u>04</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PREAMBLE

The Model Code of Conduct provides Council Members, Committee Members and employees in Local Government with consistent guidelines for an acceptable standard of professional conduct. The Code addresses in a concise manner the broader issue of ethical responsibility and encourages greater transparency and accountability in individual Local Governments.

The Model Code is complementary to the principles adopted in the Local Government Act and Regulations which incorporates four fundamental aims to result in: -

- (a) *better decision-making by local governments;*
- (b) *greater community participation in the decisions and affairs of local governments;*
- (c) *greater accountability of local governments to their communities; and*
- (d) *more efficient and effective local government.*

The Code provides a guide and a basis of expectations for Council Members, Committee Members and employees. It encourages a commitment to ethical and professional behaviour and outlines principles in which individual and collective Local Government responsibilities may be based.

## RULES OF CONDUCT

Council Members acknowledge their activities, behaviour and statutory compliance obligations may be scrutinised in accordance with prescribed rules of conduct as described in the *Local Government Act 1995* and *Local Government (Rules of Conduct) Regulations 2007*.

## CODE OF CONDUCT

### ROLES

#### 1.1 Role of Council Member

The primary role of a Council Member is to represent the community, and the effective translation of the community's needs and aspirations into a direction and future for the Local Government will be the focus of the Council Member's public life.

The Role of Council Members as set out in S 2.10 of the Local Government Act 1995 follows:

*"A Councillor:*

- (a) *represents the interests of electors, ratepayers and residents of the district;*
- (b) *provides leadership and guidance to the community in the district;*
- (c) *facilitates communication between the community and the council;*
- (d) *participates in the local government's decision-making processes at council and committee meetings; and*
- (e) *performs such other functions as are given to a Councillor by this Act or any other written law."*

A Council Member is part of the team in which the community has placed its trust to make decisions on its behalf and the community is therefore entitled to expect high standards of conduct from its elected representatives. In fulfilling the various roles, Council Members activities will focus on:

- achieving a balance in the diversity of community views to develop an overall strategy for the future of the community;
- achieving sound financial management and accountability in relation to the Local Government's finances;
- ensuring that appropriate mechanisms are in place to deal with the prompt handling of residents' concerns;

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- working with other governments and organisations to achieve benefits for the community at both a local and regional level;
- having an awareness of the statutory obligations imposed on Council Members and on Local Governments.

In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.

**1.2 Role of Employees**

The role of employees is determined by the functions of the CEO as set out in S 5.41 of the Local Government Act 1995:

*"The CEO's functions are to:*

- advise the council in relation to the functions of a local government under this Act and other written laws;*
- ensure that advice and information is available to the council so that informed decisions can be made;*
- cause council decisions to be implemented;*
- manage the day to day operations of the local government;*
- liaise with the president on the local government's affairs and the performance of the local government's functions;*
- speak on behalf of the local government if the president agrees;*
- be responsible for the employment, management supervision, direction and dismissal of other employees (subject to S 5.37(2) in relation to senior employees);*
- ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and*
- perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO."*

**1.3 Role of Council**

The Role of the Council is in accordance with S 2.7 of the Local Government Act 1995:

*"(1) The council –*

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

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

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

**1.4 Principles affecting the employment of employees by the Shire**

The following principles, set out in section 5.40 of the Act, apply to the employment of the Shire's employees:

- employees are to be selected and promoted in accordance with the principles of merit and equity; and*
- no power with regard to matters affecting employees is to be exercised on the basis of nepotism or patronage; and*
- employees are to be treated fairly and consistently; and*
- there is to be no unlawful discrimination against employees or persons seeking employment by the Shire on a ground referred to in the Equal Opportunity Act 1984 or on any other ground; and*

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- (e) *employees are to be provided with safe and healthy working conditions in accordance with the Occupational Safety and Health Act 1984; and*
- (f) *such other principles, not inconsistent with this Division, as may be prescribed."*

**1.5 Relationships between Council Members and Employees**

An effective Councillor will work as part of the Council team with the Chief Executive Officer and other members of staff. That teamwork will only occur if Council Members and employees have a mutual respect and co-operate with each other to achieve the Council's corporate goals and implement the Council's strategies. To achieve that position, Council Members need to observe their statutory obligations which include, but are not limited to, the following –

- accept that their role is a leadership, not a management or administrative one;
- acknowledge that they have no capacity to individually direct members of staff to carry out particular functions;
- refrain from publicly criticising employees in a way that casts aspersions on their professional competence and credibility.

**2. CONFLICT AND DISCLOSURE OF INTEREST****2.1 Conflict of Interest**

- (a) Council Members, Committee Members and employees will ensure that there is no actual (or perceived) conflict of interest between their personal interests and the impartial fulfilment of their professional duties.
- (b) Employees will not engage in private work with or for any person or body with an interest in a proposed or current contract with the Local Government, without first making disclosure to the Chief Executive Officer. In this respect, it does not matter whether advantage is in fact obtained, as any appearance that private dealings could conflict with performance of duties must be scrupulously avoided.
- (c) Council Members, Committee Members and employees will lodge written notice with the Chief Executive Officer describing an intention to undertake a dealing in land within the local government district or which may otherwise be in conflict with the Council's functions (other than purchasing the principal place of residence).
- (d) Council Members, Committee Members and employees who exercise a recruitment or other discretionary function will make disclosure before dealing with relatives or close friends and will disqualify themselves from dealing with those persons.
- (e) Employees will refrain from partisan political activities which could cast doubt on their neutrality and impartiality in acting in their professional capacity. An individual's rights to maintain their own political convictions are not impinged upon by this clause. It is recognised that such convictions cannot be a basis for discrimination and this is supported by anti-discriminatory legislation.

**2.2 Financial Interest**

Council Members, Committee Members and employees will adopt the principles of disclosure of financial interest as contained within the Local Government Act.

**2.3 Disclosure of Interest****Definition:**

*In this clause, and in accordance with Regulation 34C of the Local Government (Administration) Regulations 1996 – "interest" means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.*

- (a) A person who is an employee and who has an interest in any matter to be discussed at a Council or Committee meeting attended by the person is required to disclose the nature of the interest:
  - (i) in a written notice given to the CEO before the meeting; or
  - (ii) at the meeting immediately before the matter is discussed.
- (b) A person who is an employee and who has given, or will give, advice in respect of any matter to be discussed at a Council or Committee meeting not attended by the person is required to disclose the nature of any interest the person has in the matter:
  - (i) in a written notice given to the CEO before the meeting; or
  - (ii) at the time the advice is given.
- (c) A requirement described under items (a) and (b) exclude an interest referred to in Section 5.60 of the Local Government Act 1995.
- (d) A person is excused from a requirement made under items (a) or (b) to disclose the nature of an interest if:
  - (i) the person's failure to disclose occurs because the person did not know he or she had an interest in the matter; or
  - (ii) the person's failure to disclose occurs because the person did not know the matter in which he or she had an interest would be discussed at the meeting and the person discloses the nature of the interest as soon as possible after becoming aware of the discussion of a matter of that kind.
- (e) If a person who is an employee makes a disclosure in a written notice given to the CEO before a meeting to comply with requirements of items (a) or (b), then:
  - (i) before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
  - (ii) immediately before a matter to which the disclosure relates is discussed at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present.
- (f) If:
  - (i) to comply with a requirement made under item (a), the nature of a person's interest in a matter is disclosed at a meeting; or
  - (ii) a disclosure is made as described in item (d)(ii) at a meeting; or
  - (iii) to comply with a requirement made under item (e)(ii), a notice disclosing the nature of a person's interest in a matter is brought to the attention of the persons present at a meeting, the nature of the interest is to be recorded in the minutes of the meeting.

### 3. PERSONAL BENEFIT

#### 3.1 Use of Confidential Information

Council Members, Committee Members and employees shall not use confidential information to gain improper advantage for themselves or another person or body in ways which are inconsistent with their obligation to act impartially and in good faith, or to improperly cause harm, detriment or impairment to any person, body, or the Council.

Due discretion shall be exercised by all those who have access to confidential or sensitive information. Every matter dealt with by, or brought before, a meeting sitting behind closed doors, shall be treated as strictly confidential, and shall not without the authority of the Council be disclosed to any person other than the Council members and/or employees of the Shire (and in the case of employees only so far as may be necessary for the performance of their duties) prior to the discussion of the matter at a meeting of the Council held with open doors.

Nothing in this section prevents a Council member or officer from disclosing confidential information:

- to a legal practitioner for the purpose of obtaining legal advice; or
- if the disclosure is permitted by law.

#### 3.2 Intellectual Property

The title to Intellectual Property in all duties relating to contracts of employment will be assigned to the Local Government upon its creation unless otherwise agreed by separate contract.

#### 3.3 Improper or Undue Influence

Council Members and employees will not take advantage of their position to improperly influence other Council Members or employees in the performance of their duties or functions, in order to gain undue or improper (direct or indirect) advantage or gain for themselves or for any other person or body.

Council Members, Committee Members and employees shall not take advantage of their position to improperly influence any other person in order to gain undue or improper (direct or indirect) advantage or gain, pecuniary or otherwise, for themselves or for any other person or body. Similarly, Council members, committee members and employees shall not take advantage of their positions to improperly disadvantage or cause detriment to the local government or any other person.

#### 3.4 Gifts - Employees

##### Definitions:

*In this clause, and in accordance with Regulation 34B of the Local Government (Administration) Regulations 1996:*

*"activity involving a local government discretion" means an activity:*

- (a) that cannot be undertaken without an authorisation from the local government; or*
- (b) by way of a commercial dealing with the local government;*

*"gift" has the meaning given to that term in S 5.82(4) except that it does not include:*

- (a) a gift from a relative as defined in S 5.74(1); or*
- (b) a gift that must be disclosed under Regulation 30B of the Local Government (Elections) Regulations 1997; or*
- (c) a gift from a statutory authority, government instrumentality or non-profit association for professional training;*

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## CODE

## GOV.1 CODE OF CONDUCT

*"notifiable gift", in relation to a person who is an employee, means:*

- (a) *a gift worth between \$50 and \$300; or*
- (b) *a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth between \$50 and \$300;*

*"prohibited gift", in relation to a person who is an employee, means:*

- (a) *a gift worth \$300 or more; or*
- (b) *a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth \$300 or more.*

- (a) A person who is an employee is to refrain from accepting a prohibited gift from a person who:
  - (i) is undertaking or seeking to undertake an activity involving a local government discretion; or
  - (ii) it is reasonable to believe is intending to undertake an activity involving a local government discretion.
- (b) A person who is an employee and who accepts a notifiable gift from a person who:
  - (i) is undertaking or seeking to undertake an activity involving a local government discretion; or
  - (ii) it is reasonable to believe is intending to undertake an activity involving a local government discretion,

is to notify the CEO, in accordance with item (c) and within 10 days of accepting the gift, of the acceptance.
- (c) The notification of the acceptance of a notifiable gift must be in writing and include:
  - (i) the name of the person who gave the gift; and
  - (ii) the date on which the gift was accepted; and
  - (iii) a description, and the estimated value, of the gift; and
  - (iv) the nature of the relationship between the person who is an employee and the person who gave the gift; and
  - (v) if the gift is a notifiable gift under paragraph (b) of the definition of "notifiable gift" (whether or not it is also a notifiable gift under paragraph (a) of that definition):
    - (1) a description; and
    - (2) the estimated value; and
    - (3) the date of acceptance,

of each other gift accepted within the 6-month period.
- (d) The CEO is to maintain a register of notifiable gifts and record in it details of notifications given to comply with a requirement made under item (c).
- (e) This clause does not apply to gifts received from a relative (as defined in s.5.74(1) of the *Local Government Act 1995*) or an electoral gift (to which other disclosure provisions apply).
- (f) This clause does not prevent the acceptance of a gift on behalf of the local government in the course of performing professional or ceremonial duties in circumstances where the gift is presented in whole to the CEO, entered into the Register of Notifiable Gifts and used or retained exclusively for the benefit of the local government.

#### 4. CONDUCT OF COUNCIL MEMBERS, COMMITTEE MEMBERS AND EMPLOYEES

##### 4.1 Personal Behaviour

- (a) Council Members, Committee Members and employees will:
- (i) act, and be seen to act, properly and in accordance with the requirements of the law and the terms of this Code;
  - (ii) perform their duties impartially and in the best interests of the Local Government uninfluenced by fear or favour;
  - (iii) act in good faith (i.e. honestly, for the proper purpose, and without exceeding their powers) in the interests of the Local Government and the community;
  - (iv) make no allegations which are improper or derogatory (unless true and in the public interest) and refrain from any form of conduct, in the performance of their official or professional duties, which may cause any reasonable person unwarranted offence or embarrassment; and
  - (v) always act in accordance with their obligation of fidelity to the Local Government.
- (b) Council Members will represent and promote the interests of the Local Government, while recognising their special duty to their own constituents.

##### 4.2 Honesty and Integrity

Council Members, Committee Members and employees will:

- (a) observe the highest standards of honesty and integrity, and avoid conduct which might suggest any departure from these standards;
- (b) bring to the notice of the Mayor/President any dishonesty or possible dishonesty on the part of any other member, and in the case of an employee to the Chief Executive Officer.
- (c) be frank and honest in their official dealing with each other.

##### 4.3 Personal Communications and Social Media

- (a) Personal communications and statements made privately in conversation, written, recorded, emailed or posted in personal social media, have the potential to be made public, whether intended or not.
- (b) Employees must not, unless undertaking a duty in accordance with their employment, disclose information, make comments or engage in communication activities about or on behalf of the Local Government, its Council Members, employees or contractors, which breach this Code of Conduct.
- (c) Council Member comments which become public and breach the Local Government (Rules of Conduct) Regulations 2007 may constitute a breach of the Local Government Act 1995 and may be referred for investigation.
- (d) Employee comments which become public and breach the Code of Conduct, or any other operational policy or procedure, may constitute a disciplinary matter and may also be determined as misconduct and be reported under the Public Sector Management Act 1994, in accordance with the Corruption, Crime and Misconduct Act 2003.

##### 4.4 Performance of Duties

- (a) While on duty, employees will give their whole time and attention to the Local Government's business and ensure that their work is carried out efficiently, economically and effectively, and that their standard of work reflects favourably both on them and on the Local Government.
- (b) Council Members and Committee Members will at all times exercise reasonable care and diligence in the performance of their duties, being consistent in their decision making but treating all matters on

individual merits. Council members and committee members will be as informed as possible about the functions of the Council, and treat all members of the community honestly and fairly.

#### 4.5 Compliance with Lawful Orders

- (a) Council Members, Committee Members and employees will comply with any lawful order given by any person having authority to make or give such an order, with any doubts as to the propriety of any such order being taken up with the superior of the person who gave the order and, if resolution cannot be achieved, with the Chief Executive Officer.
- (b) Council Members, Committee Members and employees will give effect to the lawful decisions and policies of the Local Government, whether or not they agree with or approve of them.

#### 4.6 Administrative and Management Practices

Council Members, Committee Members and employees will ensure compliance with proper and reasonable administrative practices and conduct, and professional and responsible management practices.

#### 4.7 Corporate Obligations

##### (a) Standard of Dress

Council Members, Committee Members and employees are expected to comply with neat and responsible dress standards at all times. Accordingly:

- (i) Council Members and Committee Members will dress in a manner appropriate to their position, in particular when attending meetings or representing the Local Government in an official capacity.
- (ii) Management reserves the right to adopt policies relating to corporate dress and to raise the issue of dress with individual employees.

##### (b) Communication and Public Relations

- (i) All aspects of communication by employees (including verbal, written or personal), involving the Local Governments activities should reflect the status and objectives of that Local Government. Communications should be accurate, polite and professional.
- (ii) As a representative of the community, Council Members need to be not only responsive to community views, but to adequately communicate the attitudes and decisions of the Council. In doing so Council Members should acknowledge that:
  - as a member of the Council there is respect for the decision making processes of the Council which are based on a decision of the majority of the Council;
  - information of a confidential nature ought not be communicated until it is no longer treated as confidential;
  - information relating to decisions of the Council on approvals, permits and so on ought only be communicated in an official capacity by a designated officer of the Council;
  - information concerning adopted policies, procedures and decisions of the Council is conveyed accurately.
- (iii) Committee Members accept and acknowledge it is their responsibility to observe any direction the Local Government may adopt in terms of advancing and promoting the objectives of the Committee to which they have been appointed.

#### 4.8 Appointments to Committees

As part of their representative role Council Members are often asked to represent the Council on external organisations. It is important that Council Members:

- clearly understand the basis of their appointment; and
- provide regular reports on the activities of the organisation.

### 5. DEALING WITH COUNCIL PROPERTY

#### 5.1 Use of Local Government Resources

Council Members and employees will:

- (a) be scrupulously honest in their use of the Local Government's resources and shall not misuse them or permit their misuse (or the appearance of misuse) by any other person or body;
- (b) use the Local Government resources entrusted to them effectively and economically in the course of their duties; and
- (c) not use the Local Government's resources (including the services of Council employees) for private purposes (other than when supplied as part of a contract of employment), unless properly authorised to do so, and appropriate payments are made (as determined by the Chief Executive Officer).

#### 5.2 Travelling and Sustenance Expenses

Council Members, Committee Members and employees will only claim or accept travelling and sustenance expenses arising out of travel-related matters which have a direct bearing on the services, policies or business of the Local Government in accordance with Local Government policy, awards and the provisions of the Local Government Act.

#### 5.3 Access to Information

- (a) Employees will ensure that Council Members are given access to all information necessary for them to properly perform their functions and comply with their responsibilities.
- (b) Council Members will ensure that information provided will be used properly and to assist in the process of making reasonable and informed decisions on matters before the Council.

### DECLARATION

I acknowledge that I have read and understood the Shire of Quairading Code of Conduct, and I will uphold my responsibilities to comply with this Policy.

SIGNED: \_\_\_\_\_ DATED \_\_\_\_\_

## GOV.2 LEGAL ADVICE POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	22/02/2007	204-06/07		
02	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project - 5/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****GOV.2 LEGAL ADVICE POLICY****PURPOSE**

This policy sets out who may commission advice on behalf of the Shire of Quairading, guidelines as to the kind of issues where advice may be sought and the process for engaging advice.

**OBJECTIVE**

To manage Council's affairs by employing publicly accountable practices.

**POLICY****PRINCIPLES**

- (a) A central role of the Chief Executive Officer (CEO) is to provide advice to the Council and as such, it is solely the role of the CEO to commission legal advice on matters relating to the business of the Shire.
- (b) The commission of legal advice follows the same procurement requirements as any aspect of Council business

**PROVISIONS****1. Procurement of Legal Advice**

- 1.1 The Chief Executive Officer is to approve the procurement of all legal advice sought by the Shire of Quairading, other than advice relating to the performance of the CEO and/ or the relationship between the CEO and the Shire of Quairading Council.
- 1.2 The Council may via formal resolution commission advice relating to the performance of the CEO and the relationship between the CEO and the Council, provided that they have sought advice via a formal report from the appointed advisor to Council on CEO performance.
- 1.3 Procurement of legal advice must be obtained according to requirements set out under the Purchasing Policy.

**2. Recording of Legal Advice**

- 2.1 A register of legal advice received by the Shire of Quairading must be maintained. Prior to any decision to procure advice being made, this register must be reviewed to determine whether advice has previously been received.

**GUIDELINES**

Local Government Act 1995

Purchasing Policy.

## GOV.3 RECORDS MANAGEMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 – Section 5.41(h) State Records Act 2000

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	29 May 2008	299-07/08		
02	Graeme Fardon / Consultant Kim Boulton	20 December 2018	115-18/19	Policy Review Project – 20/09/2018	
03	Graeme Fardon	27 February 2020	119-19/20	Policy to be amended as per Consultant IRIS recommendation.	17/02/2020
<u>04</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PURPOSE

The Purpose of this Recordkeeping Policy is to define the Shire of Quairading's recordkeeping function and the roles and responsibilities of those individuals who manage or perform recordkeeping processes on behalf of the Shire.

## OBJECTIVE

1. To ensure that the Shire meets the statutory requirements of the *State Records Act 2000* and associated legislation.
2. To provide record keeping principles and processes that identify, capture and protect the Shire's corporate records of continuing value for legal, financial, administrative, accountability and historical purposes.

## POLICY

This Policy applies to all government records created or received by a Shire employee, contractor or an organisation performing outsourced services on behalf of the Shire of Quairading, regardless of their physical format, storage location or date of creation.

### Roles and Responsibilities

**Elected Members:** All elected members are to create, collect and retain records relating to their role as an Elected Member for the Shire of Quairading in a manner consistent with legislation and the Shire's procedures for record keeping. Party Political and personal records are exempt.

Elected Member's will deliver the records they have received or created in the conduct of their role as soon as practicable to the Chief Executive Officer electronically (via email, dropbox, flashdrive) or in person.

**Chief Executive Officer:** The Chief Executive Officer is to ensure that an organisational system for the capture and management of records is maintained that is compliant with legislative requirements.

**Managers:** All Managers are to ensure record keeping policy and procedures are known and adhered to in their area of responsibility.

**All Staff:** All staff (including Contactors) are to create, collect and retain records relating to Shire of Quairading business activities they perform. They are to identify significant and ephemeral records, ensure significant records are captured into the record keeping system in place, and that all records are handled in a manner consistent with legislation and the Shire's policies and procedures for record keeping.

### Custodianship of Records

The Shire recognises its records as a government owned asset and will ensure they are managed as such. Ownership and proprietary interest of records, created or collected during the course of business (including those from outsourced bodies or contractors) is vested in the Shire of Quairading.

### Creation of Records

All Elected members, staff and contractors will create full and accurate records, in the appropriate format, of the Shire of Quairading's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.

### Capture & Control of Records

All records created and received in the course of the Shire of Quairading's business are to be captured at the point of creation, regardless of format, with required metadata, into appropriate record keeping and business systems that are managed in accordance with sound record keeping principles.

**SHIRE OF QUAIRADING****POLICY****GOV.3 RECORDS MANAGEMENT POLICY**

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**Security & Protection of Records**

All Records are to be categorised as to their level of sensitivity and adequately secured and protected from violation, unauthorised access or destruction, and kept in accordance with necessary retrieval, preservation and storage requirements.

**Access to Records**

Access to the Shire of Quairading's records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire of Quairading's records by the general public will be in accordance with the *Freedom of Information Act 1992* and *Local Government Act 1995*. All such requests to be administered by the Chief Executive Officer or person designated to act in this position. Access to the Shire of Quairading's records by elected members will be via the Chief Executive Officer in accordance with the *Local Government Act 1995*.

**Appraisal, Retention & Disposal of Records**

All records kept by the Shire of Quairading will be retained and disposed of in accordance with the General Disposal Authority for Local Government Records, produced by the State Records Office of WA.

**GUIDELINES**

State Records Act 2000;

Freedom of Information Act 1992; and

Local Government Act 1995 – Section 5.41(h)

## GOV.4 MEMBER POLICY - COUNCIL FORUMS

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Department of Local Government Guideline Number 5 – Council Forums.

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Neville Hale (ACEO)	28 September 2017	56-17/18	New Policy	
02	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 1/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## SHIRE OF QUAIRADING

## POLICY

## GOV.4 MEMBER POLICY - COUNCIL FORUMS

## PURPOSE

Council may meet together with staff from time to time in meetings to be known as Council Forums as set out in the *Local Government Guideline Number 5 – Council Forums*.

## OBJECTIVE

This policy is designed to adopt rules and processes that are in line with Department of Local Government Guideline Number 5 – Council Forums.

## POLICY FRAMEWORK AND DEFINED TERMS

**"Council Forum Program"** is named as such so that a distinction can be made between a *Council Forum Program* where no decisions are made by Council and a *Council Meeting Agenda* where decisions are made by Council in the form of Council Resolutions.

**"Presentations"** is included *as a title* within the Council Forum Program for the purpose of (Consultants and/or the CEO and his Senior Management Team) making "presentations" in relation to *Matters for discussion* as described below. Note: "Presentations" means the act of presenting information on a particular topic.

**"Public Questions"** is included *as a title* within the Council Forum Program for the purpose of an individual member of the public using the opportunity to ask a question relating to a matter on the Council Forum Program. Public Questions may be made in accordance with Council's Public Question Time Information Sheet Guidelines.

**"Submissions"** is included *as a title* within the Council Forum Program for the purpose of an individual member of the public, who can demonstrate that they are affected (whether adversely or favourably) by a matter on the Council Forum Program making a submission. Public submissions may be made in accordance with Council's Public Submission Information Sheet Guidelines.

**"Agenda Forum"** is a heading on the Council Forum Program to provide opportunity for clarification about Agenda Forum Items.

No decisions (other than those to facilitate the Council Forum) are to be made as the Council Forum is not a decision-making forum. No debate is permitted, as this rightly belongs at the forthcoming formal Ordinary Meeting of Council. Notes are to be retained in respect to the business of the forum.

**"Agenda Forum Items"** included within the Council Forum Program are items that

- (a) provide an opportunity for Councillors to ask questions and seek additional information in respect to report items for the forthcoming Ordinary Meeting/s of Council;
- (b) Enable the Administration to make presentations on report items for the forthcoming Ordinary Meeting/s of Council;
- (c) provide an opportunity for members of the public (affected by the subject matter of a report item) to make submissions to Council.

**"Concept Forum"** is a heading on the Council Forum Program to provide opportunity to discuss Concept Forum Items.

No decisions (other than those to facilitate the Council Forum) are to be made as the Council Forum is not a decision-making forum. No debate is permitted, as this rightly belongs at the forthcoming formal Ordinary Meeting of Council.

**SHIRE OF QUAIRADING****POLICY****GOV.4 MEMBER POLICY - COUNCIL FORUMS**

Notes are to be retained in respect to the business of the forum.

To enable a free flow of communication, the Shire of Quairading Code of Conduct will be the guide in respect to the conduct of the forum.

**"Concept Forum Items"** included within the Council Forum Program are items that: -

- (d) provide an opportunity for the Chief Executive Officer and his Senior Management Team to inform Councillors of significant and strategic matters or projects being progressed by the Shire;
- (e) enable Councillors to identify matters for future consideration by Council;
- (f) enable Councillors to ask questions and seek additional information in respect to matters for future consideration by Council;
- (g) Enable the Administration to obtain guidance in respect to the early development of matters for future consideration by Council including obtaining the services of external Consultants to provide presentations to Council on matters for future consideration by Council;
- (h) Provide an opportunity to discuss, propose, formulate philosophies, ideas, strategies and concepts for the development of local government and the district that it serves.

**"Confidential Matters"** - both Agenda and Concept Forums may include Confidential Matters, which is dealt with according to Section 5.93 of the *Local Government Act 1995*.

**RULES**

1. The President is required to chair Council Forums. In the absence of the President the forum is to be chaired by the Deputy President. In the absence of both the President and the Deputy President those present are required to appoint an elected member to chair the meeting.
2. Elected members and staff are to disclose financial or proximity interests and interests affecting impartiality in relation to matters discussed at forums. Persons disclosing a financial or proximity interest are required to leave the room while the matter in which they have declared an interest is discussed;
3. Forums are not Council Meetings and may not make decisions nor resolutions;
4. All questions and discussions are to be directed through the chair. Forums may not be used to debate matters listed for resolution at a Council meeting.

**Objectives**

5. Council Forums may generally be open to the public, except when matters of a confidential nature are discussed. The President is to be guided by the principles set out in Section 5.23 of the *Local Government Act 1995* when determining when to go behind closed doors.
6. Notes are to be retained in respect to the business of the Council Forum. The Notes are to be distributed within five days following the Council Forum. The Notes are to be "received" by Council at its next Ordinary Meeting of Council.

**Quorums**

The quorum for a meeting of a council or committee is at least 50% of the number of offices (whether vacant or not) of members of the council or the committee in accordance with the *Local Government Act 1995*. This may also apply to meetings of the Council Forum.

**Council Forum Program**

As stated above, items for consideration at Council Forums may be designated as either an Agenda Forum Item or Concept Forum Item within the Council Forum Program. The program is to consist of the following headings:

1. **DECLARATION OF OPENING**
2. **RECORD OF ATTENDANCE/APOLOGIES**
3. **DECLARATIONS OF INTEREST**
4. **PRESENTATIONS**
5. **PUBLIC QUESTIONS (relating to the contents of the program)**
6. **PUBLIC SUBMISSIONS (relating to the contents of the program)**
7. **AGENDA FORUM MATTERS**
8. **CONCEPT FORUM MATTERS**
9. **CONFIDENTIAL MATTERS**
10. **STATUS REPORT**  
10.1 Project Follow up Status Report.
11. **MEETING CLOSURE**

**Distribution of Program**

The Council Forum Program is to be distributed to Elected Members at least three days prior to the meeting.

**Council Forum Schedule**

1. Council Forums are to be convened two weeks prior to a scheduled Ordinary Meeting of Council; and
2. Council may set the date, time and duration of Council Forums when adopting its meeting schedule for Ordinary Meetings of Council.

**GUIDELINES**

Department of Local Government Guideline Number 5 – Council Forums

Local Government Act 1995

## GOV.5 AUDIT & RISK COMMITTEE - TERMS OF REFERENCE

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995, Local Government (Audit) Regulations 1996, Local Government (Financial Management) Regulations 1996

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	26 October 2017	72-17/18	New Policy	
02	Graeme Fardon	30 November 2017	98-17/18	Revised	
03	Graeme Fardon			Annual Review	4/12/2018
04	A&R Committee	20 December 2018	117-18/19	Revised 12/12/2018	
05	A&R Committee	19 December 2019	96-19/20	Annual Review	10/12/2019
06	A&R Committee			Minor amendments	

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**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.5 AUDIT & RISK COMMITTEE - TERMS OF REFERENCE****PURPOSE**

To ensure that the audit of Council's financial and statutory functions have been undertaken in accordance with the provisions of the Local Government Act 1995 and associated Regulations.

The Committee will also undertake a Risk Management function to ensure adequate statutory compliance and best practice mitigation is occurring.

**OBJECTIVE**

The objective of the Committee is to assist Council in providing a transparent and independent process in its audit, risk and governance management to ensure accountability to the community in the governance and compliance framework and its financial and risk management responsibilities.

**POLICY**

The Audit & Risk Committee (the "Committee") is a formally appointed Committee of the Shire of Quairading, pursuant to a number of specific pieces of legislation. These include: -

*The Local Government Act 1995, The Local Government (Audit) Regulations 1996, the Local Government (Financial Management) Regulations 1996. The Local Government Act 1995, Section 7 deals specifically with the audit and process.*

The Committee does not have executive powers or authority to implement actions in areas where Management has the responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and is therefore independent from management.

The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate decision making by the Committee and Council in relation to the discharge of its responsibilities.

**1. MEMBERSHIP**

- 1.1 Members of the Committee are appointed by Council. The Committee is to consist of all Elected Members. The Elected Members are to vote and elect the Chairperson.
- 1.2 Only members of the Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member has to vote on every matter that is before the Committee for decision.
- 1.3 The Chief Executive Officer, Senior Management and other Administration Staff may attend any meeting as observers or be responsible for preparing papers for the Committee.
- 1.4 The Council's External auditors may be invited to attend meetings of the Committee.
- 1.5 Appointment of all members of the Committee will be for a term of two (2) years at the commencement of each Council term after a Council Election.
- 1.6 Committee members are paid meeting attendance fees in accordance with the requirements of the Local Government Act.

*SHIRE OF QUAIRADING**TERMS OF REFERENCE*

## GOV.5 AUDIT &amp; RISK COMMITTEE - TERMS OF REFERENCE

**2. SECRETARIAL/ADMINISTRATIVE RESOURCES**

- 2.1 The Chief Executive Officer is required to provide sufficient administrative resources to the Audit and Risk Committee to enable it to adequately carry out its functions.

**3. QUORUM**

- 3.1 The quorum necessary for the transaction of business shall be five (5) members of the Audit and Risk Committee.

**4. FREQUENCY OF MEETINGS**

- 4.1 The Committee may meet at least quarterly at a minimum or as determined by the Committee.
- 4.2 A schedule of ordinary meetings is determined by Council for the Year.
- 4.3 The Chief Executive Officer is delegated the authority to vary the meeting schedule after liaison with the Committee Chairperson.
- 4.4 The Chief Executive Officer is delegated not to call an ordinary meeting of the Committee should the Committee have no Matters for Consideration. Such Delegation to only be exercised after liaison with the Committee Chairperson.

**5. NOTICE OF MEETINGS**

- 5.1 Ordinary meetings of the Committee are to be held at dates/times determined by Council.
- 5.2 A Special Meeting of the Committee may be called with the approval of all the Committee members.
- 5.3 The Agenda of the Committee meetings, subject to any items that are discussed in confidence under Sections 5.22 and 5.23 of the Act and subsequently retained as confidential under Section 5.23 of the Act, are also required to be made available to the public.
- 5.4 The Notice of Meeting and Supporting Papers is to be lodged in the Document Centre on the Quairading Website no later than three (3) clear days prior to the date of the Meeting.

**6. MINUTES OF MEETINGS**

- 6.1 The Minutes of the Committee Meetings are to be in accordance with the provisions of the LG Act, LG Regulations and Departmental Guidelines.
- 6.2 Minutes of the Committee are to be lodged in the Document Centre on the Quairading Website within five (5) working days after a meeting.

**7. ROLES OF THE AUDIT COMMITTEE****7.1 Support Function**

The Committee will also support the Auditor as required and have functions to oversee: -

- the implementation of audit recommendations made by the Auditor, which have been accepted by ~~council~~Council; and
- accepted recommendations arising from reviews of local government systems and procedures ("Performance Audits").

**7.2 Financial Reporting**

The Committee is required to monitor the integrity of the financial statements of the Council, including its annual report, reviewing significant financial reporting issues and judgments which they contain.

The Committee is required to review and challenge where necessary: -

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.5 AUDIT & RISK COMMITTEE - TERMS OF REFERENCE**

- The consistency of, and any changes to, accounting policies both on a year on year basis;
- The methods used to account for significant or unusual transactions where different approaches are possible;
- Whether the Council has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditors;
- The clarity of disclosure in the Council's financial reports and the context in which statements are made; and
- All material information presented with the financial statement such as the operating and financial review and any corporate governance statement (in so far as it relates to audit and risk management).

**7.3 Internal Control & Risk Management Systems**

The Committee is required to: -

- Keep under review the effectiveness of the Council's internal controls and risk management systems;
- Monitor and advise the CEO in the reviews of certain systems as prescribed from time to time by the Audit and Financial Management Regulations.
- Review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management;
- Receive and review reports from the Chief Executive Officer on the activities of the Strategic Risk Management Plan and the Operational Risk Management Plan ("Risk Management Dashboard").

**7.4 Other Investigations**

The Committee, when necessary, propose and review the exercise of Council's powers under the Act, in relation to the conduct of audits that would not otherwise be addressed or included as part of an annual external audit.

**7.5 Internal Audit**

- (a) The Committee is required to monitor and review the effectiveness of Council's internal audit function in the context of the Council's overall risk management system. The Audit and Risk Committee can consider and make recommendations on the program and the adequacy of resources accordance with the relevant professional and legislative requirements and standards.
- (b) The Committee may receive executive summary reports on all internal audits and review and monitor managements responsiveness to the findings and recommendations of any such internal audit.
- (c) The Committee may meet with Management and any internal auditors at least twice per year to discuss any issue arising from any internal audits carried out.
- (d) The Committee is required to monitor and review the selection process for the External Auditor and any internal auditor (if appointed). Appointment of any internal auditor is the responsibility of management.

**7.6 External Audit**

- ~~(a) The Committee is required to monitor and review guidelines on the supply of non-audit services by the External Auditor, taking into account any relevant ethical guidance on the matter.~~
- ~~(b) The Committee may consider, and make recommendations to the Council, in relation to the appointee, reappointment and removal of the Council External Auditor. The Committee is to oversee the selection~~

## SHIRE OF QUAIRADING

## TERMS OF REFERENCE

## GOV.5 AUDIT &amp; RISK COMMITTEE - TERMS OF REFERENCE

~~process for a new External Auditor and if the External auditor resigns, the Committee endeavours to investigate the issues leading to the resignation and decide whether any action is required.~~

~~(e)(a)~~ The Committee is required to oversee the relationship with the ~~External Auditor~~Office of the Auditor General, including, but not limited to: -

- ~~• Recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;~~
- ~~• Recommending the approval of the external auditors terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;~~
- ~~• Consult with the External Auditor on any matters that the Committee seek to raise as an Audit focus.~~
- Assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Councils relationship with the auditor; ~~including the provision of any non-audit services;~~
- Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and the Council (other than in the ordinary course of business);
- ~~• Monitoring the external auditor's compliance with legislative requirements in the rotation of audit partner's and~~
- ~~• Assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process;~~
- ~~• Monitoring the external auditor's compliance with legislative review.~~
- Oversee the transition of the Audit Function to the Office of the Auditor General.

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~~(d)(b)~~ The Committee may review and make recommendation to the Annual Audit Plan and ensure that it is consistent with the scope of the engagement and relevant legislation and standards.

~~(e)(c)~~ 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)(d)~~ The Committee is to review any representation letter(s) requested by the Office of the Auditor General ~~External Auditor~~ before they are signed by Management.

~~(g)(e)~~ The Committee is to review the report to the Chief Executive Officer and Management's response to the Office of the Auditor General's ~~External auditor's~~ findings and recommendations.

## 7.7 CEO Performance Appraisal

The Committee is also responsible for facilitating / arranging Chief Executive Officer's Performance Review Process.

## 8. REPORTING RESPONSIBILITIES

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.5 AUDIT & RISK COMMITTEE - TERMS OF REFERENCE**

- 8.1 The minutes of the Committee are to be presented to the Council after every meeting to identify and present advice and [Committee](#) recommendations.

**9. OTHER MATTERS**

The Committee is to: -

- 9.1 Be provided with appropriate and timely training, both in the form of an induction program for new members and on an on-going basis for all members.
- 9.2 Give due consideration to laws and regulations of the *Local Government Act 1995*.
- 9.3 Oversee any investigation of activities which are within its Terms of Reference.
- 9.4 At least once per year, review its own performance, membership and Terms of Reference to ensure it is operating at a maximum effectiveness and recommend changes it considers necessary to the Council for approval.

**GUIDELINES**

Local Government Act 1995;

Local Government (Audit) Regulations 1996;

Local Government (Financial Management) Regulations 1996.

## GOV.6 STRATEGIC PLANNING COMMITTEE - TERMS OF REFERENCE

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	28 September 2017	56-17/18	New Policy	
02	Graeme Fardon	26 October 2017	72-17/18	New Committee Structures formed.	
03	Graeme Fardon	30 November 2017	98-17/18	Updated	
04	Graeme Fardon	25 October 2018	72-18/19	Annual Review 04/10/2018	
<u>05</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.6 STRATEGIC PLANNING COMMITTEE - TERMS OF REFERENCE****PURPOSE**

This Policy sets out the role, responsibilities, structure and processes of the Strategic Planning Committee.

**OBJECTIVE**

The Strategic Planning Committee will provide advice, recommendations and reports to Council on matters including strategic planning, new strategic projects, asset management; (including physical infrastructure and information technology), strategic human resources and other matters as determined by the Committee and by Council.

**POLICY**

The Strategic Planning Committee does not have executive powers or authority to implement actions in areas where Management has the responsibility and does not have any delegated financial responsibility. The Strategic Planning Committee does not have any management functions and is therefore independent from Management.

The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate decision making by the Committee and Council in relation to the discharge of its responsibilities.

**1. MEMBERSHIP**

- 1.1 Members of the Strategic Planning Committee are appointed by Council. The Committee is to consist of all Elected Members. The Elected Members are to vote and elect the Chairperson.
- 1.2 Only members of the Strategic Planning Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member has to vote on every matter that is before the Committee for decision.
- 1.3 The Chief Executive Officer, Senior Management and other administration staff may attend any meeting as observers or be responsible for preparing papers for the Strategic Planning Committee.
- 1.4 Appointment of all members of the Strategic Planning Committee will be for a term of two (2) years at the commencement of each Council term after a Council Election.
- 1.5 Strategic Planning Committee members are paid meeting attendance fees in accordance with the requirements of the Local Government Act.

**2. SECRETARIAL/ADMINISTRATIVE RESOURCES**

- 2.1 The Chief Executive Officer is required to provide sufficient administrative resources to the Strategic Planning Committee to enable it to adequately carry out its functions.

**3. QUORUM**

- 3.1 The quorum necessary for the transaction of business shall be five (5) members of the Strategic Planning Committee.

**4. FREQUENCY OF MEETINGS**

- 4.1 The Committee may meet quarterly at a minimum or as determined by the Committee.
- 4.2 A schedule of meetings is to be developed for the Year and agreed to by the members of the Strategic Planning Committee.

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.6 STRATEGIC PLANNING COMMITTEE - TERMS OF REFERENCE**

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- 4.3 The Chief Executive Officer is delegated the authority to vary the meeting schedule after liaison with the Strategic Planning Committee Chairperson.
- 4.4 The Chief Executive Officer is delegated not to call an ordinary meeting of the Strategic Planning Committee should the Committee have no Matters for Consideration. Such Delegation to only be exercised after liaison with the Strategic Planning Committee Chairperson.

**5. NOTICE OF MEETINGS**

- 5.1 Ordinary meetings of the Strategic Planning Committee may be held at times determined by Committee.
- 5.2 A Special Meeting of the Strategic Planning Committee may be called with the approval of all the Committee members.
- 5.3 The Agenda of the Strategic Planning Committee meetings, subject to any items that are discussed in confidence under Sections 5.22 and 5.23 of the Act and subsequently retained as confidential under Section 5.23 of the Act, are also required to be made available to the public.
- 5.4 The Notice of Meeting and Supporting Papers is to be lodged in the Document Centre on the Quairading Website no later than three (3) clear days prior to the date of the Meeting.

**6. MINUTES OF MEETINGS**

- 6.1 The Minutes of the Committee Meetings are to be in accordance with the provisions of the LG Act, LG Regulations and Departmental Guidelines.
- 6.2 Minutes of the Strategic Planning Committee are to be lodged in the Document Centre on the Quairading Website within five (5) working days after a meeting.

**7. ROLES OF THE STRATEGIC PLANNING COMMITTEE****7.1 Strategic Planning**

The Strategic Planning Committee is required to assist Council in promoting and advocating sound management within the Shire and provide advice to Council on strategic management issues. In particular, to advise Council on:

- How funding can be achieved for any major capital works project or program before Council makes a commitment to a project;
- Levels of service delivery in determining which services are to be provided and the standards of service with reference to best industry standards where applicable and internally agreed standards which will be determined by local expectations;
- Review of the Strategic Community Plan and Corporate Business Plan with a high priority being given to ensure that the plans are achievable in the long term;

**7.2 Budget**

The Strategic Planning Committee is required to: -

- Review, prepare and consider estimates, budgets and recommendations based on projects and recommendations emanating from officers and other sources in regard to considerations for long term financial planning.

**7.3 Asset Management including Capital Works**

The Strategic Planning Committee is required to: -

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.6 STRATEGIC PLANNING COMMITTEE - TERMS OF REFERENCE**

- Assess long term strategies, policies and plans in relation to the Asset Management Plan.
- Oversee and make recommendations to Council regarding roads, bridges and drainage taking the Ten Year Road Programme into consideration.
- Oversee and make recommendations to Council regarding plant and equipment taking the Ten Year Plant Replacement Programme into consideration.

**7.4 Integrated Planning**

The Strategic Planning Committee shall monitor and review the Corporate Business Plan, Community Strategic Plan, Workforce Plan, Transport Asset Management Plan, Building Asset Management Plan and Long Term Financial Plan annually in accordance with its schedule of milestones set by the Committee.

**8. REPORTING RESPONSIBILITIES**

The Strategic Planning Committee is to report to the Council after every meeting to identify and present advice and recommendations.

**9. OTHER MATTERS**

The Strategic Planning Committee is to: -

- 9.1 Have access to, at the Council's expense, legal or other professional advice on any matter within its Terms of Reference.
- 9.2 Give due consideration to all laws and regulations of the Local Government Act 1995 and other relevant Legislation.
- 9.3 The Committee may consider the formation of smaller working groups to address specific issues that are not necessarily in a strategic context. The request to form a working group will be made to Council.
- 9.4 At least once per year, review its own performance, membership and Terms of Reference to ensure it is operating at a maximum effectiveness and recommend changes it considers necessary to the Council for approval.

**GUIDELINES**

Local Government Act 1995

## GOV.7 SHIRE OF QUAIRADING BUSH FIRE ADVISORY COMMITTEE - TERMS OF REFERENCE

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Section 67 of the Bush Fires Act 1954.

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	CESM – Daniel Birleson	31 May 2018	214-17/18	New Policy	
02	BFAC Committee	24 April 2019	182-18/19	Reviewed	10 April 2019
<u>03</u>	<u>CEO – Graeme Fardon</u>			<u>Minor amendment</u>	

## STATEMENT

The Shire of Quairading Bush Fire Advisory Committee or QBFAC has been established pursuant to Section 67 of the Bush Fires Act 1954.

'67. *Advisory committees*

(1) *A local government may at any time appoint such persons as it thinks fit as a bush fire advisory committee for the purpose of advising the local government regarding all matters relating to the preventing, controlling and extinguishing of bush fires, the planning of the layout of fire breaks in the district, prosecutions for breaches of this Act, the formation of bush fire brigades and the grouping thereof under group brigade officers, the ensuring of co-operation and co-ordination of bush fire brigades in their efforts and activities, and any other matter relating to bush fire control whether of the same kind as, or a different kind from, those specified in this subsection.'*

## OUR VISION

Our vision is to make the Shire of Quairading a safe community by managing the risk of fire through the delivery and implementation of fire prevention, preparedness, response and recovery strategies.

It is the objective of the BFAC to: -

- Recommend and regularly review Council's Policies relating to the delivery of fire prevention, preparedness, response and recovery.
- To establish and maintain an operational command and control structure by developing procedures to enhance the ability of the Brigades to carry out operations, activities and training efficiently and effectively.
- To ensure co-operation and co-ordination between all Fire Brigades within the Shire of Quairading and between all other Fire Brigades and stakeholders in their efforts and activities.
- To advise Regional Officers in the area and any other relevant person or organisation on matters referred to the committee.
- To perform any other function assigned to the Committee under Section 67 of the Bush Fires Act, regulations or Council policy
- Provide advice to Council on Bush Fire and Bush Fire related items. Specifically, the BFAC will advise the Council on matters relating to:
  - The prevention, control, extinguishment and recovery from bush fire
  - The planning of and advise on the development of the Shire of Quairading Fire Break Order
  - Prosecutions for breaches of the Bush Fires Act 1954.
  - The formation of bush fire brigades
- Any other matter relating to bush fire control whether of the same kind, as, or a different kind from, those specified.

**SHIRE OF QUAIRADING****TERMS OF REFERENCE**

GOV.7 SHIRE OF QUAIRADING BUSH FIRE ADVISORY COMMITTEE - TERMS OF REFERENCE

**1. MEMBERSHIP**

The Shire of Quairading BFAC committee membership shall be as follows: -

- ~~One~~ Two (4)(2) Shire of Quairading Councillors
- One (1) Quairading VFRS Officer
- One (1) delegate or proxy representative from each of the Shire of Quairading Volunteer Bush Fire Brigades
- Nominated Fire Control Officers/Fire Weather Officers
- Chief Bush Fire Control Officer.
- Deputy Chief Bush Fire Control Officer

**2. ATTENDANCE BY GOVERNMENT AGENCIES**

The following are invited (non-voting) to attend meetings of the Shire of Quairading BFAC:

- DFES Representative

The following are invited (non-voting) to attend meetings of the Shire of Quairading BFAC when required:

- CBFCO's from neighbouring Local Governments.

**3. COMMITTEE CHAIRPERSON**

The Committee shall elect one of their number to be chairman thereof in accordance with the Bush Fires Act 1954 Section 67 (2)

**4. EXECUTIVE OFFICER**

The Shire of Quairading Community Emergency Services Manager will act as Executive Officer for the BFAC

**5. MEETINGS**

The Shire of Quairading BFAC will conduct two (2) meetings per year:

- Pre-Bush Fire Season (September/October)
- Post Bush Fire Season (March/April)

Dates of the meetings will be adjusted to the current season and timeframe of DOAC in each given year

**6. QUORUM**

At least 50% of the members of the Committee.

**7. MEMBERS INTERESTS TO BE DISCLOSED**

Members of the Committee are bound by the provisions of the *Local Government Act 1995, Section 5.65* with respect to disclosure of financial, impartiality or proximity interests.

*'A member who has an interest in any matter to be discussed at a council or committee meeting that will be attended by the member must disclose the nature of the interest – in a written notice given to the CEO before the meeting; or at the meeting immediately before the matter is discussed'*

**8. VOTING**

Shall be in accordance with the *Local Government Act 1995, Section 5.21*.

*'Each council member and each member of a committee who is present at a meeting of the council or committee is entitled to one vote'*

**SHIRE OF QUAIRADING****TERMS OF REFERENCE**


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 GOV.7 SHIRE OF QUAIRADING BUSH FIRE ADVISORY COMMITTEE - TERMS OF REFERENCE
 

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*'If the votes of members present at a council or a committee meeting are equally divided, the person presiding is to cast a second vote'*

**9. MINUTES**

A copy of the unconfirmed minutes shall be forwarded to all Shire of Quairading BFAC members within fourteen (14) days of the meeting for endorsement at the next meeting.

Shire of Quairading BFAC recommendations arising from the minutes shall be presented to Council in the next available Council agenda for endorsement and/or action.

The person presiding at the meeting at which the minutes are confirmed is to sign the minutes and certify confirmation.

**10. BRIGADE REPORTS**

Each member brigade shall provide a brigade report to the meeting.

**11. DEPUTATIONS**

The Shire of Quairading BFAC may invite persons or organisations to attend any meetings but such persons shall not be entitled to vote on any decision arising from such meetings.

**12. POWERS OF COUNCIL**

These terms of reference do not limit in any way the powers of Council.

## GOV.8 ELECTED MEMBERS CONTINUING PROFESSIONAL DEVELOPMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <a href="#">Under Review</a>
<b>Statutory Environment</b>	Local Government Act 1995 Part 5 Division 10 – Training & Development

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	26 March 2020	133-19/20	New Policy	
<a href="#">02</a>	<a href="#">Graeme Fardon</a>			<a href="#">Biennial Policy Review December 2020</a>	

**PURPOSE**

To ensure that Elected Members understand their obligations as Elected Members, make well informed decisions and effectively represent their constituents, and that the Shire provides support for Elected Members to attend conferences, seminars, training and other professional development opportunities in order to develop and enhance their knowledge pertaining to their role.

**OBJECTIVE**

The *Local Government Act 1995* requires all Elected Members to undertake compulsory training within 12 months of them being elected.

The Shire of Quairading is required under the *Local Government Act 1995* to adopt and report on training and continuing professional development for Elected Members of the Shire of Quairading.

**POLICY**

This policy applies to Elected Members of the Shire of Quairading (the Shire).

**1. Compulsory Elected Member Training**

Elected Members of the Shire have significant and complex roles that require a diverse skillset.

All Elected Members elected to Council following the 2019 Election are required under the *Local Government Act 1995* to complete the Council Member Essentials Course, unless they meet limited exemptions. The training is valid for five years so an Elected Member is only required to undertake the training at every second election. The course must be completed within 12 months of appointment to Council.

**2. Continuing Professional Development**

- 2.1 The Shire is committed to supporting the Continuing Professional Development of Councillors to the benefit of Council, the Shire and the community.
- 2.2 Continuing Professional Development can take several forms including formal qualifications, short-courses, seminars and conferences. Training must relate to the professional development of Councillors in their role as a Councillor.
- 2.3 In accordance with section 5.128 of the *Local Government Act 1995*, Elected Members are encouraged to identify their individual continuing professional development needs to enhance their effectiveness and address skill gaps as required.
- 2.4 As the needs of individual Elected Members may vary, each Elected Member is encouraged to seek the assistance of the CEO and Shire President in analysing their particular requirements and in identifying appropriate courses, seminars and training to meet those needs.
- 2.5 In determining the professional development activities for individuals, Elected Members should consider the current or future strategic direction and activities of the Shire and its priorities and the skills that will be needed to give effect to the direction.
- 2.6 Training that will exceed the allocated budget amount may only be approved by resolution of Council.

**3. Reporting**

The Shire is required to report annually on training undertaken by each Elected Member. Completed training for that financial year is to be published on the Shire's website within one month of the end of the financial year. This is to include the Council Member Essentials Course and any continuing professional development undertaken by Elected Members.

**GUIDELINES**

Part 5, Division 10 of the Local Government Act 1995

Part 10 of the Local Government (Administration) Regulations 1996

Under section 5.128 of the Local Government Act 1995 adoption and modification of this policy requires an Absolute Majority decision by Council.

Policy must be reviewed at least once after each ordinary election.

Policy may be reviewed at any other time.

## GOV.9 MEDICAL EXECUTIVE COMMITTEE (MEC) - TERMS OF REFERENCE

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	29 August 2013	43-13/14	New Policy	
02	Graeme Fardon	24 September 2020	54-20/21	Major Review	17 Sept 2020
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.9 MEDICAL EXECUTIVE COMMITTEE (MEC) - TERMS OF REFERENCE****PURPOSE/OBJECTIVE**

The MEC is established to:

- Oversee and monitor the operation of the Medical Practice Agreement dated the 5<sup>th</sup> September 2019
- Meet with the Medical Service Provider (Principal GP) in accordance with the Medical Practice Agreement
- Make recommendations to Council in regard to the future allocation of resources to the Practice.
- Ensure that Community thoughts / feedback are effectively communicated with the Medical Service Provider.
- Monitor medical/administrative matters in the Central Wheatbelt Region that may impact on the local Community and the Medical Practice and when necessary, report to Council on any matters.

**POLICY**

The Medical Executive Committee (the "MEC") is a formally appointed Committee of the Shire of Quairading, pursuant to the *Local Government Act 1995* and relevant *Local Government Regulations*.

The Committee does not have executive powers or authority to implement actions in areas where Management has the responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and is therefore independent from management.

The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference in order to facilitate decision making by the Council in relation to the discharge of its responsibilities.

**CODE OF CONDUCT**

The Committee Members must act in accordance with Council's Code of Conduct.

It is paramount that the proceedings of the MEC are strictly confidential amongst the membership, and not be disclosed except to the extent required of members to enable them to comply with Council's decisions and directions.

All minutes of the MEC will be submitted to Council for Noting or for Consideration, when there are MEC Recommendations.

**MEMBERSHIP**

The membership of the MEC will comprise the following Members: -

- 2x Councillors
- Principal General Practitioner (Medical Service Provider)
- CEO/or Executive Manager of Corporate Services (If delegated by the CEO)
- 1x Councillor (Proxy)

Council will determine the Councillors to sit on the MEC at Council's first Meeting following the Local Government Elections or at any other time, if a vacancy occurs.

The Appointment of all members of the Committee will be for a term of two (2) years at the commencement of each Council term after an Ordinary Council Election.

**SHIRE OF QUAIRADING****TERMS OF REFERENCE****GOV.9 MEDICAL EXECUTIVE COMMITTEE (MEC) - TERMS OF REFERENCE**

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**CHAIRPERSON**

The Chairperson is to be elected biennially by the MEC membership at the first MEC meeting following the Local Government Elections.

The Chairperson must be a Councillor.

**IN ATTENDANCE**

Other persons may be invited to attend meetings of the MEC in relation to a specific agenda item(s), and may be called to give presentations and advice on relevant matters as required.

**SECRETARIAL/ADMINISTRATIVE RESOURCES**

The Chief Executive Officer is required to provide sufficient administrative resources to the Medical Executive Committee to enable it to adequately carry out its functions.

**CONDUCT OF MEETINGS****Meetings**

The MEC is to meet at least quarterly throughout the year, or as required should any urgent matters arise.

Ordinary meetings of the Committee are to be held at dates/times determined by the Committee.

**Quorum**

A Quorum of 3 MEC Members, including the Medical Service Provider, is required to be in attendance to conduct or to continue a MEC Meeting.

**Agenda**

The Notice of Meeting and Supporting Papers is to be circulated to all Members of the MEC no later than three (3) clear days prior to the date of the Meeting.

The Minutes of the Committee Meetings are to be in accordance with the provisions of the LG Act, LG Regulations and Departmental Guidelines.

All Recommendations made at the MEC are to be recorded in the Minutes and submitted as Recommendations to the next Council Meeting.

**RECORDS**

The Secretariat is required to keep all records of the MEC in accordance with Council's Recordkeeping Plan.

**OTHER MATTERS**

The Committee is to: -

- Be provided with appropriate and timely training, both in the form of an induction program for new members and on an on-going basis for all members.
- Give due consideration to laws and regulations of the Local Government Act 1995 and other relevant legislation.
- Oversee any investigation of activities which are within its Terms of Reference.
- At least once per year, review its own performance, membership and Terms of Reference to ensure it is operating at a maximum effectiveness and recommend changes it considers necessary to the Council for approval.

# INFRASTRUCTURE

## INF.1 ASSET MANAGMENT POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	29 August 2013	50-13/14	New Policy	
02	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project – 6/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****INF.1 ASSET MANAGEMENT POLICY****PURPOSE**

This Asset Management Policy is to ensure that services delivered by the Shire continue to be delivered sustainably by ensuring that infrastructure assets are:

- i. managed in a systematic manner; and
- ii. in the most cost effective way over their lifecycle,

to optimise their performance and to realise the Goals of the Shire's Strategic Community Plan.

**OBJECTIVE**

To provide clear direction in the provision and management of all Council's assets within an Asset Management Framework to ensure sustainable outcomes and appropriate levels of service for present and future stakeholders.

**POLICY**

The Shire is required to manage its assets in a whole-of-life and economically, environmentally, culturally and socially sustainable manner in line with its Strategic Community Plan, and is to be achieved in accordance with the guidelines detailed below.

**GUIDELINES**

**Annexure A** – Principles

**Annexure B** – Asset Management

**Annexure C** – Effective Asset Management

**Annexure D** - Definitions

Linkage to the Strategic Community Plan, Corporate Business Plan and the Long Term Financial Plan.

Australian Accounting Standards (AASB 116 – Property, Plant and Equipment)

Risk Management Policy and Framework

Department of Local Government Integrated Planning and Reporting Framework and Guidelines.

**Annexure A – Principles**

The following principles shall apply: -

- Service delivery is the basis of Asset Management;
- New proposals will seek innovative and cost effective solutions;
- The development of Asset Management Plans by the Shire of Quairading which identify:
  - the strategic goals;
  - the Level of Service and performance standards;
  - the full cost of providing the service;
  - the future demand; and
  - monitoring and improvement strategies.
- The introduction of a new service/Asset accompanied with a Business Case/Planning Report including a full Lifecycle Cost analysis and risk assessment.

**Annexure B – Asset Management**

- To develop current and future clearly defined Levels of Service in consultation with the Community;
- To develop and maintain Asset Management Plans which consider financial, environmental and social sustainability, legislation and Levels of Service;
- To adopt pro-active maintenance programs to ensure that the lowest Lifecycle Cost is achieved while maintaining agreed Levels of Service;
- To adopt best practice Asset Management techniques;
- To assess and monitor the Asset risks periodically to minimise or eliminate the risk which the failure of Assets may pose;
- To link Asset Management Plans to the Shire of Quairading's Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan.

**Annexure C – Effective Asset Management**

An effective Asset Management approach will provide the following benefits: -

- Strong governance and accountability by providing a transparent and auditable basis for making service/risk/price trade-offs decisions;
- More sustainable decisions by ensuring all lifecycle costs are included in decision processes, so that the emphasis is on sustainable efficiencies not unsustainable short-term gains;
- Enhance customer service through improved understanding of service requirements and options;
- Effective risk management by understanding the risks related to asset management and service delivery and applying a framework to prioritise risk mitigation; and
- Improved financial efficiency by recognition of all costs of owning/operating assets over the lifecycle of the assets.

This Asset Management approach will be supported and achieved through the implementation of Asset Management Strategy and Asset Management Plans for the Shire of Quairading.

The implementation of this Asset Management Policy will assist the Shire to meet community expectations by providing services in a sustainable manner.

#### **Annexure D – Definitions**

**Asset** means a resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

**Asset Management** means the systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

**Asset Management Plan** means Long-term plans (usually 10-20 years or more for infrastructure assets) that outline the asset activities and programmes for each service area and resources applied to provide a defined Level of Service in the most cost effective way.

**Asset Management Strategy** means the high level long-term approach to asset management including Asset Management action plans and objectives for managing the assets.

**Business Case/Planning Report** means a Business Case demonstrates the advantage and value of a new service/asset and a Planning Report details the alternative delivery methods and the recommended option.

**Level of Service** means Levels of Service statements describe the outputs or objectives an organisation or activity intends to deliver to customers.

**Lifecycle Cost** means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

## INF.2 PRIVATE ENTRANCES - PIPE CROSSING (RURAL) POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	JA Martin	21 May 1992	602/92	New Policy	
02	Graeme Fardon/ Allan Rourke	27 September 2018	41-18/19	Policy Review Project – 7/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

**SHIRE OF QUAIRADING****POLICY**

DRAFT POLICY MANUAL REVIEW 2020 2

**PURPOSE**

The Policy is to provide clarity on the responsibility of the construction, installation and maintenance of a rural piped crossovers.

**OBJECTIVE**

The primary policy objective is to provide clarity to property owners in relation to their responsibility for the construction/installation and maintenance of a rural crossover pipes to ensure they are installed in accordance with Australian Standards and to Council technical specifications.

**POLICY**

Council is required to pay half of both the material cost and installation cost (as estimated by Council) of one standard pipe crossing to a rural property, up to a limit of 9.6 metres.

The above limits in size are considered adequate for normal operations and works in excess of these limits are to be charged entirely to the Landowner.

**GUIDELINES**

Local Government Act 1995

**Annexure A – Approval and Construction**

1. A person wishing to construct, install or alter a rural piped crossover, is required to submit an application and obtain Council approval prior to the works commencing;
2. All vehicular rural piped crossovers ~~is~~ are to be constructed/installed in accordance with Australian Standards and Council technical specifications. Where there is no kerb or gutter it must be impervious to all weather conditions (rain wash out, erosion etc.).
3. The Pipe Crossing is to be constructed to enable vehicles to enter and exit the property safely;
4. The infrastructure is to have a safe and even surface for pedestrians where crossings and pedestrian paths intersect;
5. Driveway rural piped crossover is not to interfere with other public infrastructure service provider's equipment/structures.
6. The responsibility for the ongoing maintenance and condition of a rural piped crossover (including the internal cleaning of the pipe) remains with the property owner.
7. Property owners, contractors, and builders are to ensure they minimise impact to the local environment and potential damage to public and private property associated with the construction, installation, maintenance to a crossover and stormwater drainage.

## INF.3 VERGE IMPROVEMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Activities in Thoroughfares and Trading in Thoroughfares And Public Places Local Law 2016

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	JA Martin	15 October 1992	189/93	New Policy	
02	Graeme Fardon /Allan Rourke	27 September 2018	41-18/19	Policy Review Project – 7/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PURPOSE

This Policy outlines the Shire of Quairading's scope of activities in the road verge and clarifies the property owner's requirements regarding improvements and maintenance of this public land.

Residents are encouraged to maintain the verge area, directly in front of their property, to contribute to the community's amenity. In most instances, this may include mowing of lawn grass and maintenance of their driveway crossing.

Council will only undertake works on the verge to ensure public safety, make capital improvements (e.g. install pathway) or undertake maintenance of the Council drainage system (excluding roof water lines).

## OBJECTIVE

To ensure that street verges within the Shire of Quairading are developed to an appropriate and consistent standard, with due regard to aesthetics and public safety.

## POLICY

The Shire supports the efforts of residents and property owners within the Shire designated townsites to develop and maintain verges that contribute to the aesthetic presentation of streetscapes and a sustainable quality environment for the community, in accordance with the guidelines detailed below.

All verge treatments are to be in accordance with Council's Local Laws and works can only be undertaken after approval by Chief Executive Officer.

## GUIDELINES

To be read in conjunction with the Shire's Activities in Thoroughfares and Trading in Thoroughfares and Public Places Local Law 2016.

**Annexure A – Verge Treatment & Maintenance**

**Annexure A - Verge Treatment & Maintenance**

It is a requirement under the Local Government Act 1995 that permission is sought from a local government before any private works are undertaken on a public thoroughfare or local government land.

A written application to the Chief Executive Officer, supported by a sketch plan of their intention (where appropriate) is required to be submitted, and approved in writing before any modification using these materials commences.

When undertaking any modification on a verge area adjoining a property, the property owner must ensure these works comply with Shire of Quairading's Activities in Thoroughfares and Trading in Thoroughfares and Public Places Local Law 2016 and this Policy.

The following general conditions apply for verge improvements: -

1. The landholder accepts responsibility for removal or relocating the plants if required by any Public Utility.
2. The verge is maintained at a positive gradient up from the top of the kerb, to the frontage of the property abutting the carriageway.
3. The plants are kept clear of the roadway or any footpath where applicable.
4. The landscape scheme is to be of such a nature as not to create any undue hazard to road users or pedestrians.
5. No plants taller than one (1) metre in height are to be planted on verges at a road junction or intersection.
6. Reticulation sprinklers are not to spray water on a footpath or road, and watering is to be restricted to time where inconvenience to pedestrians, cyclists and motorists is at a minimum.
7. Any gravel is to be compacted so as not to allow loose material to be spread on to the road, footpath or neighbouring properties.
8. The landholder agrees to maintain the area so as not to cause a hazard.
9. Should the verge become a hazard, the ratepayer agrees to remove the treatment at their expense e.g. obscured sight distance.
10. The landholder agrees to indemnify Council against all claims which may arise as a result of the treatment.

## INF.4 URBAN CROSSOVER POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Section 9.1 (7) Local Government (Uniform Local Provisions) Regulations 1996, Regulation 15

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	25 June 2009	333-08/09	New Policy	
02	Graeme Fardon/ Allan Rourke	27 September 2018	41-18/19	Policy Review Project – 5/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

**SHIRE OF QUAIRADING****POLICY**

DRAFT POLICY MANUAL REVIEW 2020 2

**PURPOSE**

To provide appropriate standard for the construction of crossovers in the Shire of Quairading and to ensure the correct allocation of crossover subsidies as per schedule 9.1 (7) of the Local Government Act 1995.

**OBJECTIVE**

- To provide design criteria that is uniform and practical;
- To provide safe access for vehicle and pedestrian traffic with minimal impact to road infrastructure assets and streetscape aesthetics;
- To ensure best practice for storm water management;
- To outline compliance requirements for subsidy eligibility.

**POLICY**

1. All new crossovers are to be constructed in accordance with the Shire of Quairading Specifications for Crossovers.
2. Council ~~may~~will subsidise: -
  - (i) One (1) standard crossover per single lot.
  - (ii) One (1) standard crossover for each individually titled lots.
  - (iii) A subsidy may be provided for the reconstruction of bituminous crossovers in concrete or brick paving, subject to the works complying with the Shire's specifications.
  - (iv) A further subsidy will not be payable where Council has previously subsidised one (1) standard concrete or brick paved crossover to a single residential property or if Council has previously subsidised one (1) standard concrete or brick paved crossovers for each individually titled lots.
  - (v) Maintenance of Crossovers is the responsibility of the landowner.

**GUIDELINES**

Legislation – Schedule 9.1 (7) of the Local Government Act 1995

**Annexure A** – Specifications for Crossovers.

**Annexure A - Specifications for Crossovers**

The crossover can be constructed using the following types of materials: -

- i. Concrete
- ii. Bitumen
- iii. Brick paving

The following conditions are required to be followed for the construction of a crossover using one of the three different materials -

**Concrete**

- must be 100mm thick minimum
- compacted sub grade of sand/similar, minus any rubbish or organic matter
- must have non slip/brushed finish.

**Bitumen**

- compacted sub grade of sand/ similar, minus any rubbish or organic matter
- 150mm compacted gravel, limestone or road base
- gravel to be primed with bituminous primer (7mm blue metal)
- minimum 25mm asphalt
- sealed crossover to be bordered by either brick paving or concrete kerbing.

**Brick paving**

- compacted sub grade of sand/similar, minus any rubbish or organic matter
- pavers to be laid in either 90 or 45-degree herringbone pattern, with stretcher bond or soldier header coarse
- must use trafficable pavers, minimum 50mm laid on 20mm sand bedding
- edges of paving to have minimum 100mm wide haunch.

**1. Levels**

The final grade from the top of the kerb to the finished level at the boundary line should equal 2%. (e.g. 6m wide verge would require levels at boundary line to be 120mm above top of kerb). Where kerbing has been removed, crossover to be at top of kerb height (minimum) at 2.0m from edge of road pavement and have kerb wings placed or manufactured on site to protect integrity of kerb drain.

Under extreme circumstances, where it is believed this level cannot be followed, alternative levels need to be approved by Council, prior to works commencing.

**2. Dimension**

The minimum width of a residential crossover is 3.0 metres and the maximum width is 6.0 metres with 1.5 metre splayed sections at roads edge. The width at roads edge can be no longer than 9.0 metres.

Any variance to these dimensions is by Council approval only.

**3. Costs for Construction**

Costs for construction of first vehicle crossing to properties, are as set out in Local Government (Uniform Local Provisions) Regulations 1996, Regulation 15. Council's contribution will be one half of the cost of a standard crossing (as estimated by Council).

**4. Total Cost of Construction – Additional Crossover**

The total cost of construction of a second or any subsequent vehicle crossing is to be borne by the landholder.

**5. Crossing Repairs**

Crossing repairs may be executed by Council and costs charged at full cost to the landholder.

**6. Subsidy for Residential Crossovers Upgrade**

A subsidy of \$300 is offered for existing residential crossovers when upgrading crossovers from gravel or earth to bitumen, concrete or brickpaving, subject to it being the first crossover upgraded and that it is constructed to Council's specification.

## INF.5 RURAL ROADSIDE TREE PLANTING POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	25 September 1997	106-97/98	New Policy	
02	Graeme Fardon / Allan Rourke	27 September 2018	41-18/19	Policy Review Project – 5/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

**SHIRE OF QUAIRADING****POLICY**

DRAFT POLICY MANUAL REVIEW 2020 2

**PURPOSE**

The purpose of this Policy is to outline the Shire's expectations in relation to rural roadside tree planting within the road reserve.

**OBJECTIVE**

To ensure appropriate management of road reserves with regard to the planting of verge Trees.

**POLICY**

Council supports the planting of suitable species of trees/shrubs along Rural Road Reserves, in accordance with the below Guidelines.

**GUIDELINES****Annexure A – Tree Planting**

1. The Shire encourages the planting of ~~appropriate trees, particularly~~ trees native to Western Australia, throughout the Shire.
2. Any vegetation proposed to be planted on a road reserve with a constructed gravel road is to be planted at least three metres back from the water table.
3. Any vegetation proposed to be planted on a road reserve with a sealed road [by an adjoining landowner](#) is to be referred to Council for consideration.

## INF.6 UNSEALED ROADS - STANDARDS POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995

Record of Policy Review					
<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Neville Hale (ACEO)	29 June 2017	205-16/17	New Policy	
02	Graeme Fardon/ Allan Rourke	27 September 2018	41-18/19	Policy Review Project -7/09/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**PURPOSE**

This Policy aims to provide guidance to the Shire Works Team and the Community on the level of service that Council is required to provide in managing and maintaining Unsealed Roads.

**OBJECTIVE**

To construct and maintain safe roads throughout the District.

**POLICY**

Council roads are to be constructed and maintained in accordance with the guidelines set out in the **Unsealed Roads Manual** produced by the *Australian Road Research Board*.

**GUIDELINES**

Unsealed Roads Manual produced by the Australian Road Research Board.

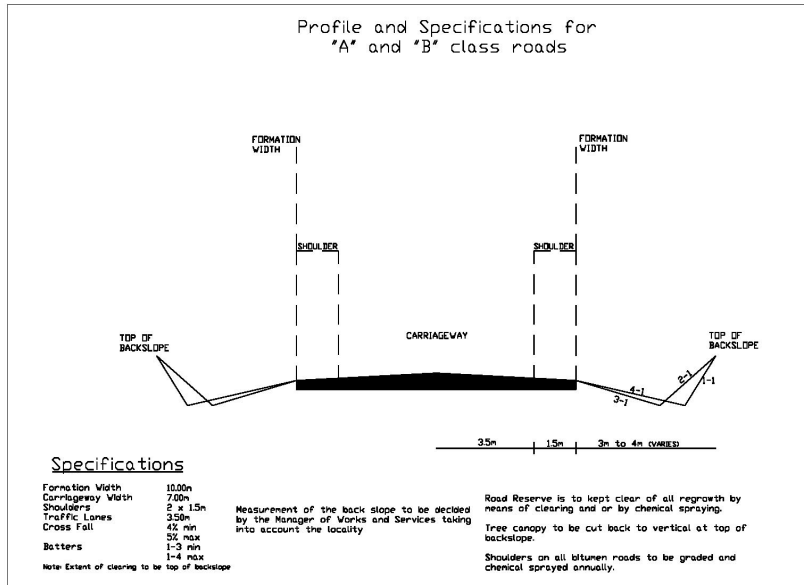
See Attachment 1.1(a): Road Profile and Specifications for "A" & "B" Class Roads.

See Attachment 1.2(b): Road Profile and Specifications for "C" Class Roads.

Where Class A & B are sealed and/or unsealed roads of greater width to accommodate heavy vehicles and higher usage rates and Class C is for local traffic of lesser lower usage rates.

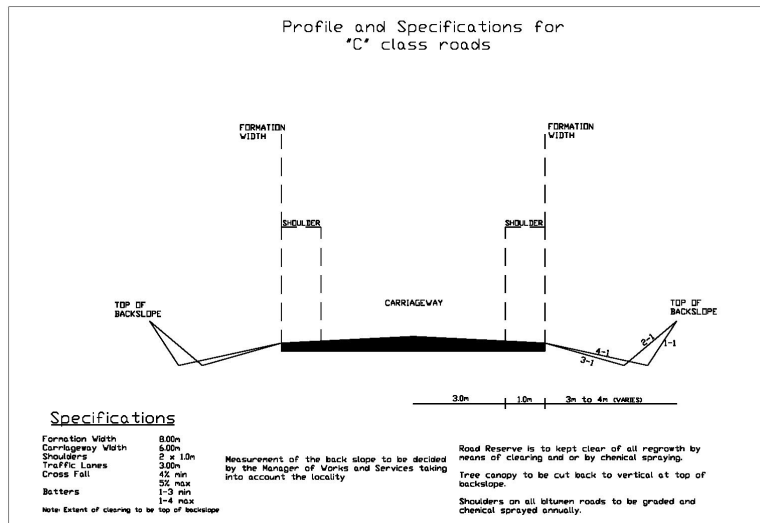
## ATTACHMENT 1.1(a)

## UNSEALED ROADS - ROAD PROFILE AND SPECIFICATIONS "A" &amp; "B" CLASS ROADS



## ATTACHMENT 1.2(b)

## UNSEALED ROADS - ROAD PROFILE AND SPECIFICATIONS "C" CLASS ROADS



## PLANNING

### 10.7 LOCAL PLANNING POLICY – OUTBUILDINGS

<b>Document Status</b>	Adopted
<b>Statutory Environment</b>	

Record of Policy Review					
<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	17 December 2015	109-15/16	New Policy	

## 1. Background

Residents of the Shire of Quairading have different needs to those in metropolitan Perth, therefore this Policy recognises the need to vary the usual Residential Design Code recommendations by increasing outbuilding space (areas and heights) for garaging of vehicles, storage of boats, caravans and other items, domestic workshops, games rooms, studios, stables, etc. As a general rule people expect to be able to have larger outbuildings on larger lots.

Many local residents are downsizing and/or moving from farms and require larger and higher storage needs, as long as there are no adverse impacts on neighbours, the streetscape or amenity of the area, it is acceptable for Council to vary the provisions of the R-Codes that is a one-size fits all State-wide policy.

## 2. Purpose

- To provide a framework for the approval of outbuildings in the Shire of Quairading.
- To provide flexibility for outbuilding size, construction and materials to meet the needs of local residents.
- To ensure that outbuildings are constructed and located in such a way as to minimise their impact on the amenity of the locality.
- To provide direction and clarity on the application of the Performance Criteria with regard to Clause 6.10.1 – Outbuildings of the Residential Design Codes (R-Codes).

## 3. Objectives

To achieve a balance between providing for the various legitimate needs of residents for outbuildings and minimising any adverse impacts that such outbuildings may have on neighbours, a street, a neighbourhood, locality or the Shire as a whole.

## 4. Scope

Clause 3 of the Planning and Development (Local Planning Schemes) Regulations 2015 provides for the preparation of local planning policies to apply generally or to a particular class or classes of matters and throughout the Scheme area or in one or more parts of the Scheme area.

This policy will apply to the construction of outbuildings throughout the Scheme area (i.e. the whole of the Shire of Quairading) but does not apply to sea containers that are regulated separately.

Outbuildings for the purposes of this Policy are defined as any Class 10a building under the Building Code of Australia which is not substantially connected to a dwelling. It is important to note that outbuildings are 'ancillary' buildings and therefore must be constructed in conjunction with another permitted land use such as a house.

A Local Planning Policy is not part of the Scheme and does not bind the local government in respect of any application for planning approval but the local government is to have due regard to the provisions of the Policy and the objectives which the Policy is designed to achieve before making its determination.

It is not intended that a policy be applied rigidly, but each application be examined on its merits, with the objectives and intent of the policy the key for assessment.

The Shire encourages applicants to produce innovative ways of achieving the stated objectives and acknowledges that these may sit outside the more traditional planning and architectural approaches. In these instances the local government is open to considering (and encourages) well-presented cases having due

regard to the outcome of any public consultation undertaken and the orderly and proper planning of the locality.

This Policy when adopted will supersede any previous policies regulating outbuildings in the Shire of Quairading in accordance with Clause 3(4) of the Planning and Development (Local Planning Schemes) Regulations 2015.

## 5. Policy Provisions

### Exempt Development

The following development is exempt from this Policy and therefore does not require planning approval:

- a. residential outbuildings that comply with the requirements of State Planning Policy 3.1 – Residential Design Codes and are an ancillary structure to an existing dwelling;
- b. Pre-fabricated garden sheds, kennels and other animal enclosures (such as aviaries) less than 20m<sup>2</sup> in aggregate area and less than 2.4 metres in height are exempt from this policy.
- c. garden structures (i.e. structures without a solid roof - pergolas with shade cloth and arbours) are considered exempt from the provisions of the policy; and
- d. farm buildings used in conjunction with an approved use in the Farming Zone setback no less than 15 metres from the primary road frontage and 10 metres from side and rear boundaries.

### Development Requirements

#### Outbuildings in the Residential & Townsite Zones

#### *Objective*

The objective of these development requirements is to achieve a balance between:

- providing for the legitimate garaging, storage and other domestic needs of people living in residential and townsite areas; and
- minimising the adverse impacts the use and appearance of outbuildings may have on the amenity and character of residential neighbourhoods, and on neighbours.

#### *Residential Design Codes*

The acceptable development criteria for outbuildings on R-Coded land are set out in Clause 6.10.1 as follows:

"Outbuildings that:

- i. are not attached to the dwelling;
- ii. are non-habitable;
- iii. collectively do not exceed 60 sq m in area or 10 per cent in aggregate of the site area, whichever is the lesser;
- iv. do not exceed a wall height of 2.4 m;
- v. do not exceed a ridge height of 4.2 m;
- vi. are not within the primary street setback area;
- vii. do not reduce the amount of open space required in table 1; and
- viii. comply with the siting and design requirements for the dwelling, but do not need to meet rear setback requirements of table 1."

Where a proposed development for an outbuilding does not comply with the acceptable development criteria of the R-Codes, a development can be assessed against the performance criteria.

The Performance Criteria of Clause 6.10.1 for outbuildings states:

*"Outbuildings that do not detract from the streetscape or the visual amenity of the residents or neighbouring properties."*

If the proposed outbuilding meets the following criteria, it is considered that the proposal meets the performance criteria of Clause 6.10.1 of the R-Codes and accordingly, does not require planning consent:

#### **General Criteria**

- Must be for legitimate residential purposes.
- Use of outbuildings for commercial/business uses is not permitted except where planning approval has been granted for a home based business.
- Use of outbuildings for human habitation is not permitted.

#### **Setbacks**

As per provisions of the State Planning Policy 3.1 – Residential Design Codes.

#### **Size**

- Maximum aggregate area of outbuilding(s) per lot:
  - 10% of site area where lot 1,000m<sup>2</sup> or less;
  - 100m<sup>2</sup> where lot is greater than 1,000m<sup>2</sup>.
- Maximum wall height – 3.0 metres
- Maximum ridge height – 4.2 metres

#### **Materials**

- Second-hand materials will generally not be supported.
- Outbuildings in excess of 10m<sup>2</sup> in that part of Quairading south of Suburban Road should be constructed in brick or colourbond.
- Outbuildings in excess of 37m<sup>2</sup> in that part of Quairading north of Suburban Road should be constructed in colourbond.
- Materials of low-reflectivity should be used to ensure that the structure does not adversely impact on neighbours.

#### **Outbuildings in the Rural Residential Zone**

##### **Objective**

The objective of these development requirements is to achieve a balance between:

- Providing for the legitimate garaging, storage and other domestic needs of people living in rural residential areas; and
- Minimising the adverse impacts the use and appearance outbuildings may have on the amenity and character of the rural residential area.

If the proposed outbuilding meets the following criteria, planning approval is not required:

**General Criteria**

- Must be for legitimate residential purposes.
- Use of outbuildings for commercial/business uses is not permitted except where planning approval has been granted for a home based business.

**Setbacks**

As per Table 2 of the Quairading Town Planning Scheme No. 2, 15 metres from the primary street frontage and 10 metres from side and rear boundaries, unless special provisions apply in the Scheme.

**Size**

- Maximum aggregate area of outbuilding(s) per lot – 200m<sup>2</sup>.
- Maximum wall height – 4.5 metres
- Maximum ridge height – 6.0 metres

**Materials**

- Second-hand materials will generally not be supported.
- Materials of low-reflectivity should be used to ensure that the structure does not adversely impact on neighbours.

## LOCAL PLANNING POLICY - SEA CONTAINERS

<b>Document Status</b>	Adopted
<b>Statutory Environment</b>	

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	25 June 2015	228-14/15	New Policy	

**SHIRE OF QUAIRADING****POLICY****LOCAL PLANNING POLICY - SEA CONTAINERS****Background**

In recent years there has been an increased use of sea containers for storage purposes within the Shire of Quairading. Sea containers provide a cheap and secure way of storing goods, but have the potential to affect the amenity of an area, given their industrial design and often poor location and maintenance.

**Purpose**

Local Planning Policies are guidelines used to assist the local government in making decisions under the Scheme. The Scheme prevails should there be any conflict between this Policy and the Scheme.

It is not intended that a policy be applied rigidly, but each application be examined on its merits, with the objectives and intent of the policy the key for assessment.

The Shire encourages applicants to produce innovative ways of achieving the stated objectives and acknowledges that these may sit outside the more traditional planning and architectural approaches. In these instances the local government is open to considering (and encourages) well-presented cases having due regard to the outcome of any public consultation undertaken and the orderly and proper planning of the locality.

**Objectives**

The objectives of this policy are as follows:

- a. To establish clear guidelines for the placement of sea containers used for storage purposes within the Shire;
- b. To ensure that any sea container does not detract from an existing (or reasonably desired) streetscape; and
- c. To achieve a balance between providing the legitimate need for sea containers as an affordable and secure storage option, and minimising any impact on neighbours, streetscape, the amenity of the neighbourhood or locality and of the Shire as a whole.

**Scope**

Clause 8.8 of the Quairading Town Planning Scheme No. 2 provides for the preparation of local planning policies to apply generally or to a particular class or classes of matters and throughout the Scheme area or in one or more parts of the Scheme area.

This policy will apply to the use and installation of 'sea containers' and throughout the Scheme area, that is the whole of the Shire of Quairading. For the purposes of this Policy, a Sea Container is a large metal container originally manufactured to carry goods on a sea vessel.

A Local Planning Policy is not part of the Scheme and does not bind the local government in respect of any application for planning approval but the local government is to have due regard to the provisions of the Policy and the objectives which the Policy is designed to achieve before making its determination.

This Policy when adopted will supersede any previous policies regulating sea containers in the Shire of Quairading in accordance with Clause 8.8.3 of the Quairading Town Planning Scheme No, 3.

## Policy Provisions

### 1. Exemptions from Planning Approval

- a. A single sea container does not require Planning Approval when located on a property zoned Industrial, Rural Residential, Farming or Agricultural Industrial by the Scheme, provided it meets with the General Requirements set out below.
- b. For properties zoned Farming the placement and use of two sea containers used in conjunction with farming activities does not require Planning Approval.
- c. Sea container(s) fully enclosed within a building do not require Planning Approval.
- d. Sea container(s) placed temporarily on the property for the purposes of furniture and/or goods removal or delivery do not require Planning Approval where they are located on a property for seven (7) days or less.
- e. Notwithstanding other requirements of this policy, a sea container may be placed on a lot for the temporary storage of building materials and/or equipment during construction works, where:
  - i. Building approval for the construction works has been issued and remains valid.
  - ii. The sea container is not placed on site more than two weeks prior to the commencement of construction or associated preparatory works.
  - iii. The sea container is removed from site within four weeks of the conclusion of construction works and prior to occupation of the building.
- f. Where a sea container is proposed to be modified for a dwelling, commercial or industrial building, it will be required to be assessed against the requirements of the Quairading Town Planning Scheme No. 2 and is to be modified to meet the requirements of the Building Act 2011 and any other relevant building and health legislation. Once a sea container is modified, it is no longer considered a sea container for the purposes of this policy.

### 2. General Requirements

- a. Sea container(s) are to comply with the criteria set out in Table 1 of this policy.
- b. Sea container(s) may not be placed on a road, verge, footpath or other public area.
- c. Sea container(s) are to be suitably screened and/or fenced from the road frontage, public space and neighbouring properties. Where a sea container has high visibility from a public space, the installation of screening to a minimum height equal to that of the sea container may be required.
- d. Sea container(s) shall not compromise or obstruct vehicle or pedestrian sight lines, thereby creating a public safety concern.
- e. Sea container(s) shall not be located over on-site effluent disposal infrastructure or other utilities and shall be located on a flat, compacted area.
- f. Sea container(s) shall be adequately ventilated, in good repair and painted a uniform colour to complement the building to which it is ancillary.
- g. Sea container(s) will not be permitted on vacant land in the Residential, Town Centre, and Rural Townsite zones unless for the purposes of storage for construction purposes as outlined in 1(d).

**3. Application Requirements**

- a. A site plan to scale shall be submitted with the application indicating the proposed location of the sea container.
- b. Photographs of the sea container shall be submitted with the application showing that it is in good condition. If the container is in poor condition, the application may be approved with conditions requiring cladding, painting and/or screening.
- c. Details of the use of the sea container shall be submitted with the application.
- d. The application shall be accompanied by details of how it is proposed to comply with any applicable Special Requirements outlined in Table 1.

**4. Advisory Note**

All sea containers should be fitted with an internal emergency door release.

## SHIRE OF QUAIRADING

## POLICY

## LOCAL PLANNING POLICY - SEA CONTAINERS

Table 1 – Sea container Requirements

Zoning	Setback	Requirements	Special Requirements
Residential	<p>In accordance with the requirements of the R-Codes.</p> <p>Shall be located to the rear of the dwelling and shall not be visible from the street.</p>	<p>Only one standard 20-foot sea container is permitted per property.</p> <p>The sea container is considered part of the permitted maximum outbuilding floor area and shall not reduce open space requirements.</p> <p>The sea container to be used for domestic storage purposes only.</p> <p>The sea container shall not be located over septic tanks, leach drains or utilities.</p>	<p>The sea container shall be painted in a colour that is similar to or complementary to the colour of existing buildings on the property.</p> <p>The sea container shall be fitted with a pitched roof.</p> <p>Applicants shall obtain the written consent of surrounding neighbours.</p> <p>The sea container shall be screened from view of the street, including secondary streets and adjoining properties.</p>
Town Centre & Rural Townsite	<p>The sea container to be located in accordance with the provisions of the Quairading Town Planning Scheme No. 2 for the zone and any building envelope provisions.</p> <p>The sea container shall not be located in front of the building setback.</p>	<p>Only one standard 40-foot sea container is permitted per property.</p> <p>The sea container is to be used in association with the approved use of the property.</p>	<p>The sea container shall be painted in a colour that is similar to or complementary to the colour of existing buildings on the property.</p> <p>The sea container shall be screened from view of the street, including secondary streets and adjoining properties.</p> <p>Sea container(s) shall not compromise or obstruct vehicle access ways, vehicle truncations, access to parking areas or the parking bays provided on a site.</p>
Rural Residential	<p>The sea container to be located in accordance with the provisions of the Quairading Town Planning Scheme No. 2 for the zone and any building envelope provisions.</p> <p>The sea container shall not be located in front of the building setback.</p>	<p>Only one standard 20-foot sea container is permitted per property.</p> <p>The sea container to be used for domestic storage purposes only.</p>	<p>The sea container shall be painted in a colour that is similar to or complementary to the colour of existing buildings on the property.</p> <p>The sea container shall be screened from view of the street, including secondary streets and adjoining properties.</p>

*SHIRE OF QUAIRADING**POLICY*

## LOCAL PLANNING POLICY - SEA CONTAINERS

Zoning	Setback	Requirements	Special Requirements
Industrial & Agricultural Industrial	The sea container to be located in accordance with the provisions of the Quairading Town Planning Scheme No. 2 for the zone.	Generally, up to two sea containers are permitted per property. Where it is proposed to utilise multiple sea containers, the application will be considered on its merits.	The temporary storage of containers associated with an approved transport or storage premises is exempt from the above requirements.
	The sea container shall not be located in front of the building setback.	The sea container is to be used in association with the approved use of the property.	Sea container(s) shall not compromise or obstruct vehicle access ways, vehicle truncations, access to parking areas or the parking bays provided on a site.
Farming	The sea container to be located in accordance with the provisions of the Quairading Town Planning Scheme No. 2 for the zone.	Up to two sea containers are permitted per property.	Where the sea container is visible from a public place or neighbouring property, it shall be screened or painted a colour complementary to its surroundings.
	The sea container shall not be located in front of the building setback.	Where it is proposed to utilise more than 2 sea containers, the application will be considered on its merits.  The sea container is to be used in association with the approved use of the property.	

## 10.8 LOCAL PLANNING POLICY – TREE FARMS

<b>Document Status</b>	Adopted
<b>Statutory Environment</b>	

<b>Record of Policy Review</b>					
<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	17 December 2015	108-15/16	New Policy	

## 1. Background

Under the Shire of Quairading Town Planning Scheme No. 2 ('the Scheme') planning approval is required to use Farming zoned land as a tree farm.

This Policy has been developed as a guide for applicants and Council.

It should be noted that Council will have significant regard for the provisions of the Local Planning Policy however it is a guideline only.

## 2. Policy Basis

Regulation 3 of the *Planning and Development (Local Planning Schemes) Regulations 2015* provide for local government to prepare Local Planning Policies. This Policy has been prepared in accordance with the provisions of the Regulations.

## 3. Statutory Environment

Council has the discretion under the Scheme to consider 'tree farms' within the 'Farming' zone.

Clause 4.14.4 of the Scheme lists specific issues that Council will have regard for in assessing 'tree farms'. These are listed and discussed in Section 8 of this policy.

Clause 4.14.4(b) of the Scheme outlines conditions that Council may impose on applications relating to fire management measures and compliance with the Code of Practice.

Clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015* outlines the general matters that local governments must consider when assessing any application.

It should be noted that the Regulations and Scheme contain statutory requirements, and this Policy expands on and complements these requirements. The Policy cannot override any aspect of the Regulations or Scheme.

## 4. Policy Statement

This Policy applies to all 'Farming' zoned land in the Shire of Quairading.

## 5. Policy Objectives

1. To actively encourage the integration of tree farms with existing agricultural uses over the Shire as a ancillary and complementary use.
2. To facilitate retention of traditional agriculture as the predominant use on the land.
3. To support applications that actively integrate tree farms with broad-hectare farming activities in recognition of the economic, environmental and social benefits.
4. To encourage planting areas with linkages to existing remnant vegetation on the same lot or adjacent lots. Where appropriate encourage linkages with vegetation on adjacent reserves however consult with the relevant reserve authority or manager.
5. To protect and enhance native vegetation, wetlands and water courses and assist in the reduction of salinity, waterlogging and erosion.
6. To support continuing broad acre agriculture and production as the primary and priority land use in the Farming zone.

**SHIRE OF QUAIRADING****POLICY****10.8 LOCAL PLANNING POLICY – TREE FARMS**

7. To generally discourage the use of whole farms for plantations (particularly where it contains a dwelling) unless the applicant has clearly demonstrated extenuating circumstances or provided significant justification warranting support for a variation to any aspect of the Policy.
8. To achieve plantation designs which do not compromise the fire safety of the local community or of biodiversity conservation and management of reserves.
9. To minimise the potential for any loss of population or agricultural land through the use of whole farms for plantations and encourage plantations that provide a supplementary income to farmers.
10. To achieve high quality fire management plans which are independent and self-sufficient unless the relevant authority managing land outside of the application has endorsed a FMP which relies on external fire management methods (such as major protective burning of adjacent reserves).
11. To encourage the selection of tree species that are complimentary to native remnant vegetation will assist in maintaining landscape function.

**6. Policy Aims**

1. To clearly outline the existing Scheme requirements, land use definitions and assist applicants by providing general guidelines.
2. To assist Council in determining applications for tree farms setting out matters Council will have regard for in assessing applications.
3. To streamline the planning process in the longer term for applications that propose integration of plantings with existing farms / agricultural uses and that comply with the Scheme and local planning policy.

**7. Planning Approval****7.1 Need for Planning Controls**

There has been some concern raised by some community members that landowners should be able to pursue agroforestry and/or plantations on their land without interference by local governments as they would normally do for any cropping or revegetation for land rehabilitation.

Whilst 'Extensive' Agriculture is a permitted use in the 'Farming' zone, there are planning controls over other Farming uses including and not limited to Intensive Agriculture, Abattoirs and Extractive Industries. This is appropriate so that the Shire can examine relevant planning considerations such as the objectives of the zone, land use compatibility, buffers, amenity and other relevant planning issues.

There are land use and community implications associated with tree farms uses that are controlled through the planning process such as impacts on local roads for harvesting plantations, fire management, visual impact on any scenic routes, social impacts and concern over potential loss of prime agricultural land.

With new emerging plantations for carbon sequestration there has been Council and community concern over the potential to develop significant areas or whole farms. Some applicants propose long term harvesting whilst other may not nominate to harvest at all (meaning the land may never revert back to agricultural uses.)

This policy aims to encourage an integrated approach of plantings with more traditional farming or agricultural uses.

## 7.2 Statutory Requirements

Under Clause 60 of the Planning and Development (Local Planning Schemes) Regulations 2015 all development on zoned land requires prior approval of the local government, unless specifically exempted under Clause 61 of the Regulations.

A planning application is required to be lodged for any proposed planting of trees for commercial use exceeding a one hectare area and would be construed as a 'tree farm', regardless of whether the trees are proposed to be harvested or not.

This Policy proposes to process long-term plantations the same as the more traditional 'plantations', as both are almost identical, and the only difference is that some applicants may not propose harvesting, or may only propose harvesting in the longer term (so it may be a more permanent land use change).

Planning approval is not required for the planting of trees for land rehabilitation, salinity affected area, wind belts etc. which are not proposed to be used for any commercial use, production or carbon sequestration.

An application checklist has been developed for all tree farm applications, and must be lodged with all application forms. Refer to Attachment 1 of this Policy.

## 8. Definitions

'Farm' means the lots comprising the farming operations in a single ownership in a single locality that are bounded by unrelated lots.

'Lot' has the same meaning as in the Planning and Development Act 2005.

'Tree farm' means land used commercially for tree production where trees are planted in blocks of more than one hectare, including land in respect of which a carbon right is registered under the Carbon Rights Act 2003 section 5.

Note: Tree farms are also commonly known as agroforestry and plantations. It is a generic term used to describe land uses that centre on the planting of trees to generate economic return and/or environmental benefits.

## 9. Scheme Provisions

Under the provisions of the Shire of Quairading's Town Planning Scheme No. 2, tree farms are an 'A' use in the Farming zone and are considered to be an ancillary use to broad-hectare agricultural activities in the Shire.

The provisions of the Scheme will be considered in conjunction with the provisions of this Policy.

## 10. Policy Requirements

In assessing any application for a tree farm Council will have regard for the following matters in addition to the provisions of the Scheme:

### 10.1 Continuing Agricultural Activities

Traditional agricultural activities such as cropping, grazing and food production should generally remain the predominant land use with the tree farm as an ancillary and complementary use.

This Policy does not attempt to introduce maximum planting areas by means of a percentage of the lot area, simply because some flexibility needs to be afforded. As a general rule the Shire will assess if a plantation area is 'ancillary' having regard for:

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1. The area of each lot.
2. The proportion or percentage of the plantation area on a lot by lot basis. Generally, the trees should cover no more than 40% of the farm's productive land area, although each application will be assessed on its merits on a 'case by case' basis.
3. The extent of existing remnant vegetation areas.
4. Whether a significant portion of each lot can continue to be used for agriculture.

Council will be able to clearly identify whether agriculture remains as the primary use, simply because detailed site plans are lodged for all applications and show the extent of planting areas.

This Policy aims to actively encourage the integration of tree planting with agricultural farms. Whilst there are other factors contributing towards reductions of farming population, the Shire wishes to ensure that new land uses do not exacerbate an existing ongoing problem.

Council will not generally support the planting of whole lots or farms for tree planting due to the potential for the displacement of agricultural pursuits and loss of agricultural land.

**10.1.1 Variations**

In dealing with this matter Council will have regard for any specific circumstances where a variation to this criteria 10.1 may be warranted, however in those cases the onus will be on the applicant to demonstrate the particular merits of a proposal or justification for an assessment on a 'whole farm' basis.

If an applicant seeks any variation or support for plantation areas on a 'whole farm' basis then the application should be accompanied by justification such as:

1. Land Capability Studies;
2. Farm Management Plan;
3. Soil or water test results demonstrating areas not suitable for agriculture;
4. Photographs showing shallow soils or rocky areas which visually demonstrate that the land is not suitable for agriculture; and
5. Demonstration that planting areas will have local environmental benefits for the specific location (refer 10.4). For example, larger planting areas may be warranted as block planting adjacent to a creek line, or for salinity prone areas. Note: More detailed information would be required to be submitted to justify such an application.

**10.2 Location and Compatibility with Adjacent Land Uses**

The larger scale plantations are encouraged to locate in Farming areas located away from any main townsites; areas with smaller lot sizes that have potential for dwellings; and Rural Residential / lifestyle lots. Plantations should avoid locations near areas earmarked for future residential or tourist development.

To reduce potential adverse impacts from inappropriate siting and development of tree farms, Council will consider the following matters:

1. The proximity to any land zoned or earmarked for residential development, Farming residential development or smaller lots with potential for dwelling development.
2. Separation distances between the proposed use and any commercial properties, or other areas such as public reserves, which may be sensitive to the exposure of pesticides (mainly if any aerial spraying is proposed).

3. Where harvesting is proposed, the suitability of the location in terms of the road network capabilities.
4. The visual impact if the plantation has potential to interrupt scenic views (particularly along main tourist routes). Scenic views should be protected, particularly along tourist routes or of specific landscape features, such as the ocean.
5. Any strategic plan contained in a planning strategy or townsite expansion strategy.
6. Impact on any tourist and recreation uses.
7. Proximity to conservation areas and reserves. Any plantation in close proximity to a reserve under the care and management of an authority (such as the Water Corporation, Department for Environment and Conservation or the like) will be referred to the relevant authority for comment. Council will have regard for the advice of the relevant authority.

### 10.3 Economic Benefits

Council will have regard for the economic benefits associated with tree farms. Most tree planting ventures are commercial propositions therefore the majority will result in some economic benefits.

It is often difficult to quantify the extent of any economic benefits or long term local economic impact. It is also impractical to assess in a balanced way the economic benefits of a large plantation versus the economic benefits of a continued agricultural/ farm use.

It is a complex issue due to the many influencing factors such as type of products produced, prices available for products, changing economic climate, demand, expenditure in the local area, extent or use of local persons for employment, how much employment is generated by a use, whether local suppliers are used, extent of employment (may be for short specific periods), transport etc.

Detailed business plans, clear measurable evidence of economic benefits or expert economic analysis are generally not provided to the Shire.

The Shire can only consider economic benefits in the broader sense and an integration of land uses will likely maximise potential for retention of farmers/population, diversification of farming land uses, assist agricultural productivity and often provide a secondary income to farmers.

### 10.4 Environmental Benefits

Council recognises that there are a variety of broad environmental benefits associated with tree planting that have the potential to contribute to the security and quality of water resources and salinity management.

Tree farms can benefit water resources by improving water quality in catchments affected by saline surface water, reversing dryland salinity and waterlogging by controlling groundwater levels and assisting in the control of soil erosion.

In considering any variation to the Policy, Council will have positive regard for any specific environmental benefits to the development land and any application that:

1. Uses plantings on site to assist to mitigate salinity affected areas and demonstrates through soil analysis/mapping that there are salinity affected areas on the application land.
2. The use of native species is encouraged.

It is recognised that species that are native to Australia are often used (such as Mallees) for carbon sequestration, due to their growth rates, stock resistance, ability to survive in medium to low rainfall areas and minimal ongoing management needs.

Where feasible (taking into account continuing agricultural activities), the incorporation of some endemic local species plantings is encouraged particularly in areas such as:

- Along watercourses including natural drainage lines and creeks.
- For revegetation of areas that do not qualify as forest sinks.
- For rehabilitation of land unsuitable for agriculture, or to provide connections between existing remnant vegetation areas remaining on site.
- As a buffer or to expand / complement native vegetation corridors along Rivers.
- Along plantation edges adjoining conservation reserves or other Crown land.

The use of local native species is not compulsory however the Shire actively encourages applicants to investigate opportunities to introduce species endemic to the area, especially for rehabilitation of creek lines and watercourses. Where feasible, the introduction of some areas of local native vegetation is also encouraged as part of each application.

3. The use of planting areas to provide vegetation corridors, linkages to remnant vegetation or assist to protect remaining cropping/grazing areas on the same property from wind erosion.
4. The use of planting areas to protect or enhance water courses, reduce waterlogging in affected areas and improvements to an existing situation (such as fencing of watercourses from stock).
5. The identification and protection of any existing local native vegetation.
6. Where commercially possible a mixture of planting species is encouraged even if it is only for a portion of the overall planting area. For example, the predominant planting areas may be Sandalwood but a mixture of local native species may be used along a creek line, as a wind break or adjacent to conservation / reserves areas.

#### 10.5 Code of Practice for Timber Plantations WA

In accordance with the Scheme Council will have regard for compliance with the Code of Practice for Timber Plantations in WA ('the Code') which sets out goals and guidelines for specific areas, including management plans, planning and design, plantation roads, weed and pest control, waterway protection, drainage, harvesting, fire prevention and control, research and development, safety and investment.

This Policy does not attempt to reiterate all of the requirements in the Code and therefore should be addressed by each applicant.

All plantation applications will be required to meet the minimum standards as outlined in the Code and will be assessed having regard for the Code's general principles.

#### 10.6 Fire Management Plans

Fire Management is an important issue which needs to be addressed as part of any new proposal, and applicants need to recognise that the Shire has limited resources when dealing with strategic Fire Management.

In accordance with the Code of Practice for Timber Plantations WA, a Fire Management Plan will be required for all tree farm proposals.

As a minimum all Fire Management Plans shall be compiled by a suitable qualified or experienced fire consultant, and:

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## 10.8 LOCAL PLANNING POLICY – TREE FARMS

1. Address the requirements of Bushfires Act, the FESA Guidelines for Plantation Fire Protection and the local government firebreak notices.
2. Generally, follow the format of the 'Model Fire Management Plan' contained in the FESA Guidelines, together with:
  - A bushfire hazard assessment using the methodology of 'Planning for Bushfire Protection' or detailed analysis of the risk of ignition.
  - A fire suppression response examining the ability of the local fire brigade to respond to a fire on the property, having regard for distance, existing available local equipment and the location of on-site water supply.
  - Outline the owners' responsibilities, neighbour responsibilities, applicant responsibilities and Shire responsibilities.
  - Where land is owned by an 'absentee owner', implementation of the fire management plan needs to be addressed.
  - Owners may need to consider providing on site water trucks for use in the event of a fire having regard for the property location, and realistic fire suppression response.
3. Include a location/ context plan examining the surrounding land uses and identifying:
  - Other existing or approved plantations within the immediate vicinity.
  - Any significant surrounding industries or land uses which may impact on fire management such as Farming Industry (hay storage), wood stockpiling, fuel storage etc.
  - Identify any residential, Farming residential or built up townsites located within 1 kilometre.
  - Identify nearby well vegetated areas or sources which may increase the risk of fire.
4. Include a site plan within the Fire Management Plan addressing the guidelines for 'fire prevention and suppression' contained in the Code and clearly show:
  - Compartments and compartment sizes.
  - Water supply / points
  - Location of any powerlines passing through planting areas or in close proximity to planting areas and / or proposed firebreaks.
  - Location of fire breaks. The site plan is to clearly distinguish between boundary firebreaks, strategic firebreaks, compartment breaks, fire breaks along public roads and fire breaks along powerlines using a colour coded legend.
  - Turnaround areas for emergency vehicles.
  - Location for emergency signage. All signage to be in accordance with the specifications / sizes outlined in 'Planning for Bushfire Protection' – AS 3.4.3(x).
  - Emergency access / egress points and internal accessways.
  - Existing or proposed gates where firebreaks/emergency accesses intersect with fencing that can accommodate a 3.4 fire appliance.
5. Identify the location of any existing structures and need for low fuel areas. FESA guidelines recommend:
  - A 50 metre distance between a planted area and any structure.

- further 50 metre pruned area and reduced ground fuel levels for 100 metres.
  - These are to be clearly shown in the Fire Management Plan or on the development site plan.
6. Comply with the minimum fire break standards outlined in the existing FESA 'Guidelines for Plantation Fire Protection' which are outlined below:
- 15 metres on the boundary of plantations;
  - 6 metres between compartments of up to 30 hectares;
  - 10 metres for compartments over 30 hectares;
  - 15 metres for firebreaks adjoining public roads; and
  - Fire breaks adjacent to powerlines to meet Western Power specifications.
7. Involve consultation with the relevant authorities (such as Department of Environmental Regulation; Water Corporation, the Shire or the like) where the land is adjacent to a reserve, conservation area or crown land. Fire Management Plans should be independently managed unless there is a formal written agreement from an adjacent reserve owner over issues such as major burning of land outside of the application.

#### 10.7 Water Quality and Buffers to Watercourses

Adequate buffers are required between any plantation and watercourses on private land where the end use is not for public water supply. Buffers play an important role in maintaining water quality, protecting ecological values of waterways and preventing erosion or sediment movement.

The Code of Practice for Timber Plantations WA recognises the need to protect water quality and cites that non planted buffers of 6 metres should be maintained from the edge of a watercourse. A 6 metre buffer is relatively minimal and is not considered adequate.

Council will have regard for the recommended buffers by Department of Water and may refer any applications for advice where deemed appropriate.

#### 10.8 Plantation Management Plan

The Council requires the preparation of a Plantation Management Plan to accompany applications in accordance with the protocol of the Code of Practice for Timber Plantations WA.

Appendix 1 of the Code provides a detailed description of matters to be addressed so will not be replicated in this policy (e.g. establishment and maintenance plan, fire management plan, weed control, planting details, native vegetation management etc.).

#### 10.9 Suitability of the Current and Future Road Systems

Council needs to consider the adequacy of the existing road infrastructure to service any future harvest and will require the applicant to outline the preferred haulage routes to be used on public roads as part of the planning application.

In accordance with Appendix 3 of the Code of Practice for Timber Plantations WA, a Plantation Harvest Plan is generally produced in accordance with the haulage-management notification.

In considering adequacy of the existing road structure and harvest plan, Applicants and the Council shall have regard for any proposed use of local roads and any relevant policy relating to heavy transport. Roads currently not permitted for this type of vehicle may be required to be upgraded to conform to the relevant standards prior to access by this type of vehicle being permitted.

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Council may also require a report on the general pre-condition of the main haulage roads as part of a Plantation Harvest Plan, and payment of a bond to cover any potential road damage.

Any application or Harvesting Plan that is considered to have potential impacts on the State road network will be referred to Main Roads WA for comment during the assessment process.

**Attachment 1**

<b>Shire of Quairading</b> <b>APPLICATION CHECKLIST FOR TREE FARM APPLICATIONS</b>
<b>FORMS</b>
A formal application must be lodged and signed by: <ul style="list-style-type: none"> <li><input type="checkbox"/> The owner of the land as registered on the Certificate of Title.</li> <li><input type="checkbox"/> If the land is owned by a company, then it needs a minimum of one Director's signature and company seal (if a sole Director); or a minimum of 2 Directors signatures.</li> </ul>
<b>CERTIFICATE OF TITLE</b>
<input type="checkbox"/> If there are any encumbrances registered on the Certificate of Title, then a copy of the Certificate of Title must be lodged with the application. Encumbrances may include conservation covenants, easements, rights of carriageway, reciprocal rights of access, caveats and notifications. Titles can be obtained from Landgate.
<b>PLANNING APPLICATION FEES</b>
<input type="checkbox"/> Is the estimated cost of the development indicated? <input type="checkbox"/> Is the estimated cost of development based on whole life costs? <input type="checkbox"/> If the estimated cost of development exceeds \$10 million, then the application is a compulsory DAP application. Have the additional fees been paid?
<b>PLAN REQUIREMENTS</b>
<b>Location / Context Plan</b>
Three (3) copies of a location plan which clearly shows: <ul style="list-style-type: none"> <li><input type="checkbox"/> The boundaries of all lots included in the application indicating the lot and plan numbers.</li> <li><input type="checkbox"/> If the lot is part of a number of other lots as one farm operation, then the plan should outline the whole farm boundary and the written submission should list all farm lots.</li> <li><input type="checkbox"/> All existing roads abutting the lot and the names of the roads.</li> <li><input type="checkbox"/> A north point.</li> <li><input type="checkbox"/> Identification of any major or nearby sensitive landuses such as Farming industries, residential, townsites within 1 kilometre, other plantations or any commercial landuses.</li> </ul>
<b>Copies of Site Plan</b>
<input type="checkbox"/> Four (4) copies of a site plan drawn to scale. All plans to be a minimum of A3 size. <input type="checkbox"/> If the lot(s) contain any water features then the plan must include clear dimensions / setbacks between plantation areas and creek lines, swamps or watercourses.
<b>Site Plan Requirements – Details to be shown on the Site Plan</b>
The site plan is to show:

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- ☐ The boundaries of all lots included in the application indicating lot and plan numbers.
- ☐ If the lot is used with other lots as one farm operation, then this should be reflected on the plan or explained in the written submission.
- ☐ The dimension of each lot boundary to be clearly marked in metres.
- ☐ The site plan to clearly show all existing roads abutting the lot and the names of the roads.
- ☐ A north point.
- ☐ Contours at such intervals to adequately depict the landform of the area overlaid on aerial photography.
- ☐ Existing physical features such as rock outcrops, watercourses etc.
- ☐ All existing trees or groups of trees with a clear indication of retention or proposed clearing.
- ☐ The location and type of all existing structures such as dwellings and sheds (and clearly marked 'existing' or 'to be removed').
- ☐ An indication of any existing agricultural pursuits operating on the land (e.g. existing grazing area to be retained – 500 cattle; existing olive tree plantation to be retained – 100 trees). If this cannot be shown on the plan it should be explained in the written information.
- ☐ Existing and proposed driveway location and all proposed internal accessways (must show trafficable access to water points, turnaround bay for fire access and gates for firebreaks crossing any fencing).
- ☐ Existing and proposed crossovers.
- ☐ All proposed compartments/sections are to be clearly numbered on the plan with a legend listing the total planting area in each compartment. The plans to clearly show the form of planting (i.e. block or belts).
- ☐ All existing dams, watercourses, main drainage lines and areas subject to inundation.

**WRITTEN INFORMATION****Detailed Submission**

A detailed written submission or covering letter in support of the proposed application. The detailed submission should include information on:

- ☐ Description of existing agricultural activities conducted on the land, explanation of how the proposed planting areas have been selected and details on how the application complements continued agricultural activities.
- ☐ Address the objectives and provisions of the Shire's Local Planning Scheme applicable to Farming zoned land.
- ☐ Explanation of how the application complies with the Shire's Local Planning Policy and the Code of Practice for Timber Plantations in WA. If proposing any variation to the Policy, Code of Practice or FESA Guidelines, detail the proposed variation and explain why the Shire should support a variation (i.e. provide justification).
- ☐ A detailed land capability report if it is proposed to develop a whole farm or substantial portion of the farm.

OR

- ☐ A report by a suitably qualified farm management consultant demonstrating why the land is preferred for plantation as opposed to ongoing agricultural uses. This should be accompanied by soil analysis / mapping.

**Management & Harvest Plan**

- ☐ A Plantation Management Plan that complies with Appendix 1 of the Code of Practice for Timber Plantations in WA (e.g. establishment and maintenance plan, fire management plan, weed control, planting details, native vegetation management etc).
- ☐ A Plantation Harvest Plan including a clear map of the preferred haulage route. If harvesting is proposed as a long term option, then submission of a harvesting plan may be included as a condition at Councils discretion.

**Photographs of the site (Preferred Requirement)**

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## 10.8 LOCAL PLANNING POLICY – TREE FARMS

- ☐ General photographs of the existing agricultural areas, proposed planting areas, main access in and water sources for firefighting. Whilst photographs are optional they assist in the assessment of the application and provide a visual image of the property. Photographs also assist Councillors to gain a visual understanding of the property as site inspections to each lot are not feasible.

Please lodge this checklist with your application. Applications lodged without a checklist may be returned to the applicant.

\_\_\_\_\_  
Name of person who completed checklist

\_\_\_\_\_  
Date

# ORGANISATIONAL

## ORG.1 SENIOR EMPLOYEES POLICY

<b>Document Status</b>	<del>Adopted</del> Under Review
<b>Statutory Environment</b>	Local Government Act 1995

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	August 1996	071-96/97	New Policy	Adopted
02	Graeme Fardon	26 February 1998	315-97/98	Reviewed	
03	Graeme Fardon	27 September 2018	41-18/19	Policy Review Project - 6/09/2018	
<u>04</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****ORG.1 SENIOR EMPLOYEES POLICY****PURPOSE**

To ensure the Shire of Quairading complies with the Local Government Act 1995 in relation to Employee appointments.

**OBJECTIVE**

To recognise the Senior Employee designations under the current Organisation Structure.

**POLICY**

Under the provisions of Sections 5.37 (1) of the Local Government Act 1995, Council has designated the following positions to be classified as 'Senior Employees' for the purpose of the Act: -

- Chief Executive Officer
- Executive Manager of Corporate Services
- Executive Manager of Works & Services

**GUIDELINES**

Sections 5.37 of the Local Government Act 1995.

## ORG.2 LEAVE MANAGMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government (Long Service Leave) Regulations National Employment Standards Local Government Industry Award 2010 Fair Work Act 2009.

Record of Policy Review					
Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	24 November 2016	89-16/17		
02	Graeme Fardon	20 December 2018	115-18/19	Policy Review Project – 5/12/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****ORG.2 LEAVE MANAGEMENT POLICY****PURPOSE**

The purpose of this Policy is to provide a consistent application of the Leave Provisions in the Local Government Industry Award by: -

- Facilitating consistency throughout the Shire of Quairading in administering the leave provisions for employees.
- Provide Management with direction to effectively manage the annual and long service leave entitlements of employees.
- Encouraging Employees to take leave by reinforcing the positive benefits of taking leave when it becomes due.

**OBJECTIVE**

To ensure Employees are familiar with the process for accessing their leave accruals in accordance with the National Employment Standards and the provisions of the Local Government Industry Award.

**POLICY & PROCEDURE**

This Policy applies to all Employees who are employed on a full time or part time basis, but does not apply to employees employed on a casual basis (apart from long service leave which does apply to casuals).

- Employees are entitled to annual and long service leave consistent with the provisions of the National Employment Standards and the Local Government Industry Award: -
  - Full Time Employees are entitled to four weeks leave per annum
  - Part Time Employees accrue annual leave on a pro rata basis
  - Annual leave accrues progressively and accumulates from year to year
  - The entitlement is 13 weeks of long service leave for every ten years of continuous service (for a Full time Employee) Part Time and Casual Employees long service leave is based on the hours they have worked in the 12 months prior to their Anniversary date.
- All employees are required to take long service leave within one year from the date in which it is accrued, subject to any approval of deferred long service leave by the CEO.
- In the case of the CEO, Council is to consider an Application for the deferral of long service leave.

**1. Approvals and Obligations**

- Leave applications forms are required to be completed and submitted for approval to the relevant Manager/Supervisor.
- Leave applications may be considered in the context of needs of the employee, operational requirements and the Team Leave Roster (in particular, if there are multiple employees seeking leave).
- Managers are required to consider how the duties and responsibilities of the position are to be delivered in the absence of the employee on leave.
- After approval by the Chief Executive Officer, leave forms are forwarded to the Senior Finance Officer for processing.

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- It is the obligation of individual employees, in conjunction with their Manager/Supervisor, to determine whether there is a need to communicate their impending absence to other employees.
- As a general rule, Managers should advise all employees of the absence and what acting arrangements, if any, have been put in place during the period of leave.

Where coverage is not possible to accommodate all leave applications submitted, it is the responsibility of the Manager and the Chief Executive Officer to consult the affected employees regarding the situation to enable a resolution to be achieved.

**2. Taking of Leave**

The Manager or Supervisor is required to manage the taking of leave and maintain a leave roster ensuring that adequate coverage of functions is maintained.

- Council and Chief Executive Officer as the Employer, will endeavour to approve leave applications to meet the convenience of the employee, however the operational needs of the Local Government must be considered.
- Leave application forms should be signed by the applicant and signed by the responsible Manager and Final Sign Off by the Chief Executive Officer. All leave application forms need to be forwarded to the Senior Finance Officer for action.
- Where an employee requires a period of personal leave, such as for injury or illness while on annual leave they may apply to have the leave reversed in line with the Notice and Evidence requirements set out in the *Fair Work Act 2009 (Cth)* (which requires a Doctor's Certificate stating the Employee is unfit to perform their usual duties)

**3. Leave Rosters**

- Executive Staff are required to develop and maintain leave rosters that identify proposed relief/coverage arrangements for all employees within their area of responsibility.
- Where Relief is required, this is to be negotiated by the relevant Manager with the Chief Executive Officer and recruitment to be undertaken by the Administration.
- To encourage effective workforce planning, teams are to monitor the leave roster to ensure that sufficient employees are available to cover for peak workload periods and Holiday Periods.
- Supervisors should regularly monitor the leave taken to ensure that the total accrued leave does not exceed this policy.

**4. Excess Leave**

NES Standards for Excessive Accruals and Annual Leave are: -

- An Employee has an excess leave accrual if the employee has accrued more than 8 week's paid annual leave
- Annual leave is taken by agreement, but the employer may not unreasonably refuse an employee's request to take annual leave.
- Provided 4 weeks' Notice is given, a Local Government may require an Employee to Take Annual Leave:-
  - As part of a close-down of its operation (such as over the Christmas/ New Year period)

- Where more than 8 week's leave is accrued provided the employee retains a balance of at least 6 weeks
- Employees should be informed that under the provisions of the *Local Government (Long Service Leave) Regulations* (please see below for more detail):

*"Where the commencement of long service leave has been postponed to meet the convenience of the employee beyond a period of six months, the rate of payment for or in lieu of that leave shall be at the rate applicable to the employee for ordinary time (excluding allowances) at the end of the period of 6 months unless otherwise agreed in writing between the Local Government and employee."*

#### 5. Cashing out of Annual Leave

- An employee may request to cash out up to 2 weeks' annual leave every 12 months, as long as they maintain a balance of 4 weeks annual leave.

#### 6. Deferral of Long Service Leave

- Within six months of long service leave becoming due, Managers/Supervisor are to be advised by the Chief Executive Officer and the Senior Finance Officer of employees within their team who have not cleared long service leave for that year, if the entitlement has become due.
- Employees are required to formally seek approval from the Chief Executive Officer to defer long service leave. This deferral request is to be in writing and clearly identify the amount of leave accrued, at what date it will be cleared and why it has not been cleared.
- Where the commencement of long service leave has been postponed to meet the convenience of the employee beyond a period of six months, the rate of payment for or in lieu of that leave is to be at the ordinary time rate payable to the employee (excluding allowances) at the end of the period of six months unless otherwise agreed in writing between the Shire of Quairading and the employee.

#### 7. Variation to Policy

This policy may be cancelled or varied from time to time at the discretion of Council. All of the Shire of Quairading's employees are to be notified of any variation to this policy in writing.

### GUIDELINES

Local Government (Long Service Leave) Regulations

National Employment Standards

Local Government Industry Award 2010

Fair Work Act 2009.

## ORG.3 RISK MANAGEMENT POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Local Government Audit Regulation

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	29 November 2014	100-14/15	New Policy	
02	Graeme Fardon/ LGIS Consultant	20 December 2018	115-18/19	Policy Review Project – 5/12/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**SHIRE OF QUAIRADING****POLICY****ORG.3 RISK MANAGEMENT POLICY****PURPOSE**

The Shire of Quairading ("the Shire") Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives.

**RISK MANAGEMENT OBJECTIVES**

- Optimise the achievement of Council's vision, experiences, strategies, goals and objectives.
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations.

**POLICY**

It is the Shire's Policy to achieve best practice (aligned with ISO 31000:2018 Risk Management-Guidelines), in the management of all risks that may affect the Shire, its customers, employees, assets, functions, objectives, operations or members of the public.

Risk Management is to form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Shire's Integrated Planning Framework.

The Senior Management Team are to communicate the Risk Management Policy, Objectives and Procedures, as well as direct and monitor Implementation, Practice and Monitoring performance.

Every Employee, Elected Member, Volunteer and Contractor with the Shire is recognised as having a role in risk management.

**Risk Appetite**

Council defines its risk appetite through the development and endorsement of the Shire's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedures and are subject to ongoing review by Council in conjunction with this Policy.

All organisational risks reported at a corporate level are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisation's appetite and are to be noted within the individual risk assessment and approved by a member of the Senior Management Team.

**Roles, Responsibilities & Accountabilities**

Council's role is to -

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria. (Appendix A)

**SHIRE OF QUAIRADING****POLICY****ORG.3 RISK MANAGEMENT POLICY**

- Assist and Support Council's External Auditors to enable them to report on Council's Annual Financial Statements.
- Establish and maintain an Audit Committee in terms of the Local Government Act.

The CEO is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures (Operational Document).

**Monitor & Review**

The CEO is to implement and integrate a Monitor and Review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

The Executive Management Team are responsible for the ongoing monitoring and review of the Risk Management Procedures and Outcomes.

This policy is to be formally reviewed by Council annually as part of Council's overall Policy Review.

**GUIDELINES****Appendix A - Risk Assessment & Acceptance Criteria****Definitions from ISO 31000:2018(E)**

Risk: Effect of uncertainty on objectives.

An effect is a deviation from the expected – positive or negative.

Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisational, project, product or process).

Risk Management: Coordinated activities to direct and control an organisation with regard to risk.

Risk Management Process: Systematic application of policies, procedures and practices to the activities of communicating and consulting, establishing the context, and assessing, treating, monitoring, reviewing, recording and reporting risk.



## 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	Project TIME	Project COST
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 \$1,000	Exceeds deadline by 10% of project timeline	Exceeds project budget by 10%
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	\$1,000 to 10,000	Exceeds deadline by 15% of project timeline	Exceeds project budget by 15%
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	\$10,001 to \$100,000	Exceeds deadline by 20% of project timeline	Exceeds project budget by 20%
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	\$100 000 to \$500,000	Exceeds deadline by 25% of project timeline	Exceeds project budget by 25%
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	Exceeds deadline by 30% of project timeline	Exceeds project budget by 30%



## 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 Likelihood		Insignificant	Minor	Moderate	Major	Extreme
		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. (More than what a reasonable person would expect in these circumstances)	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. (What a reasonable person would expect in these circumstances)	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. (Less than what a reasonable person would expect in these circumstances)	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.

## ORG.4 OCCUPATIONAL HEALTH AND SAFETY POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Occupational Health and Safety Act 1984 Occupational Safety and Health Regulations 1996

Record of Policy Review					
<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	30 March 2016	159-15/16	Adopted	
02	Graeme Fardon	30 March 2017	153-16/17	Adopted	
03	OHS Committee			Policy Review Project	20/09/2018
04	A&R Committee	20 December 2018	115-18/19	<i>Revised 12/12/2018</i>	
<u>05</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**PURPOSE**

The Shire of Quairading is committed to continuously improve the occupational safety and health standards within the workplace, its safety and health management systems and to reduce hazards and the risks of incidents in the workplace that may harm others.

**OBJECTIVE**

The Shire of Quairading is committed to managing occupational safety and health including the development and implementation of an Occupational Safety and Health Management System that complies with or exceeds legislative requirements including the Act, Regulations, Codes of Practice, Guidance Notes and Australian Standards.

The Shire aims to meet their objectives by:

- i. Providing and maintaining workplaces, plant, and systems of work such that, so far as is reasonably practicable, exposure to hazards is minimised;
- ii. Providing such information, instruction, and training to, and supervision of, employees to enable them to perform their work so that hazards exposure is minimised;
- iii. Consulting and cooperating with Safety and Health Representatives and other employees at the workplace regarding occupational safety and health issues;
- iv. Providing employees with personal protective clothing and equipment to assist protect them against those hazards;

Employees, including contractors, volunteers and work experience students are obligated to meet their duty of care by:

- i. Taking care for his or her own safety and health and avoid adversely affecting the safety or health of any other person;
- ii. Complying with safety and health instructions given by the employer, including the direction to wear personal protective clothing or equipment;
- iii. Reporting and assisting in the control of hazards, accidents (injuries) and incidents (near misses) in the workplace.

**A safe and efficient place of work is our goal, and we must all be committed to reach this outcome.**

**POLICY**

The Shire of Quairading is to ensure that all levels of employees, including senior management, employees, contractors, volunteers and work experience students understand their roles and responsibilities in accordance with legislative requirements.

**GUIDELINES**

Occupational Health and Safety Act 1984  
Occupational Safety and Health Regulations 1996.

## ORG.5 RELATED PARTY DISCLOSURE POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Australian Accounting Standards Board (AASB) 124 Related Party Disclosures Accounting Standard (Annexure 'A') Form 'Attachment A' - Related Party Transactions Notification by Key Management Personnel Form 'Attachment B' - Privacy Collection Notice

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Tony Merillo	29 June 2017	221-16/17	New Policy	
02	Tony Merillo	27 September 2018	41-18/19	Policy Review Project - 10/08/2018	
<u>03</u>	<u>Graeme Fardon</u>			<u>Minor amendment</u>	

## PURPOSE

The Related Party Disclosure Policy aims to assist Council in complying with the disclosure requirements and the level of reporting within the Financial Statements as per AASB 124 – Related Party Disclosures. It aims to define the parameters for related party transactions and the level of disclosure and reporting.

## OBJECTIVE

To ensure that the Shire of Quairading ('the Shire') Financial Statements contain disclosures necessary to comply with the Australian Accounting Standard Board (AASB) Standard 124 - Related Party Disclosures, which draw attention to the possibility that the Shire's Financial position and profit or loss may have been affected by the existence of transactions with a related party and outstanding balances and commitments with such parties.

## POLICY & PROCEDURE

The Shire complies with the requirements of AASB124 – Related Party Disclosure.

## SCOPE

The Policy is to be applied in: -

- (a) identifying and recording related parties and related party relationships;
- (b) identifying and recording related party transactions and their terms and conditions;
- (c) assessing materiality and or significance of these transactions;  
identifying the circumstances in which disclosure of points 1 and 2 is required;
- (d) determining the disclosures to be made about points 1 and 2; and
- (e) disclosing relevant information in the Financial Statements.

## DEFINITIONS

- (a) **Related Party:** A person or an entity that is related to Council, referred to as the 'reporting entity'. Examples of related parties of Council are: -
  - (i) Council Subsidiaries;
  - (ii) Key Management Personnel ('KMP');
  - (iii) Close family members of Key Management Personnel;
  - (iv) Entities that are controlled or jointly controlled by key management personnel or their close family members.
- (b) **Key Management Personnel (KMP):** A person or persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including any manager (executive or otherwise) of that entity. In the case of the Shire of Quairading, KMP will include, but is not limited to, Councillors, Chief Executive Officer, Executive Manager of Corporate Services and Managers.
- (c) **Close Members of the Family:** Those are family members who may be expected to influence or be influenced by those individuals' dealings with Council and include:
  - (i) Children and spouse or domestic partner

- (ii) Children of that person's spouse or domestic partner
- (iii) Dependents of that person or that persons spouse or domestic partner

Under AASB 124, close members of family could also include extended members of family such as parents, siblings, grandparents, uncles/aunts or cousins if they could be expected to have influence or be influenced by the KMP in their dealings with Council.

- (d) **Related Party Transactions:** These are a transfer of resources, services or obligations between Council and a related party, regardless of whether a price is charged.
- (e) **Ordinary Citizen Transaction:** These are transactions that an ordinary citizen would undertake with Council, which would be undertaken at arm's length and in the ordinary course of carrying out Council's functions and activities. They would not be seen as material in nature.

Example of ordinary citizen transactions would be:

- (i) The paying of rates and charges
- (ii) The use of Council public facilities after paying the corresponding fees.
- (f) **Control:** power to govern the financial and operating policies of any entity to obtain benefits from its activities.
- (g) **Significant Influence:** The power to participate in the financial and operating policy decision of an entity but not to control those policies.

#### Responsibilities:

Key Management Personnel will include, but not limited to, Councillors, Chief Executive Officer, Executive Manager of Corporate Services, Executive Manager of Works & Services, IPR and Strategic Projects Officer and Electrician.

#### Recommended Practices:

From 1 July 2016, AASB 124 Related Party disclosures will apply to Council. This will mean that Council will be required to disclose information about related parties and Council transactions with those related parties in the 2016-17 financial statements and onwards. In the context of transactions, this means cash and non-cash transactions.

As the disclosures will form part of the financial statements, they will be subject to audit by the external auditors.

Key Management Personnel (KMP) will be identified and the position they hold with Council. They will be required to complete a disclosure Notification, which at minimum will require details of the related party, (family members and/or entities) that may have existing transaction potential with Council and the relationship.

As per paragraph 17 AASB 124, Council shall disclose compensation in total provided to KMP, and for each of the following categories,

- (a) Short term employee benefits;
- (b) Post-employment benefits;
- (c) Other long-term benefits;
- (d) Termination benefits; and
- (e) Share based payments.

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For disclosure requirements of AASB 124, Council shall implement a process to capture related party transactions for reporting in the financial statements and the following will be collected through each year;

- (a) Related parties to the KMP;
- (b) Relationship to KMP;
- (c) Transactions that are monetary and/or non-monetary;
- (d) The value of the transaction if monetary;
- (e) The benefit if non-monetary;
- (f) The value of outstanding balances;
- (g) Details of commitments and/or guarantees;
- (h) Recognition for the provision of doubtful debts related to outstanding balances of related parties.

KMP who no longer holds that role in Council will still be subject to disclosure requirements up until their status as KMP is no longer applicable. The same will apply for KMP who acquires the role in that year.

Once the related party transactions have been identified, they will be assessed and a determination will be made regarding the materiality of the transaction. This will include assessment of Ordinary Citizen Transactions and whether the terms and conditions differ from normal practice, which would then exclude them from being Ordinary Citizen Transactions.

If a Councillor believes a transaction may constitute a related party transaction, they must notify the Chief Executive Officer who will discuss the matter with the Executive Manager of Corporate Services.

If an Employee believes a transaction may constitute a related party transaction, they must notify their supervisor or manager who will discuss the matter with the Executive Manager of Corporate Services.

The Finance Department will be responsible for the maintenance of a register that captures all related party transactions of the KMP.

**Privacy:** Council will endeavour to ensure that only those senior staff involved in the preparation of the related party disclosures and the external auditors will have access to the Related Party Disclosures - Declarations. ~~[FORM 9.21 'Attachment A' - Related Party Transactions Notification by Key Management Personnel Form]~~ and ~~related party transactions form~~.

## ORG.6 RECOGNITION OF SERVICE POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 Section 5.50

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	20 December 2018	115-18/19	New Policy on advice from WALGA – Section 5.50 LG Act	
<u>02</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

*SHIRE OF QUAIRADING**POLICY*

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**PURPOSE**

This policy has been prepared to enable the Shire to recognise employees with long service, and satisfy the provisions of Section 5.50 of the Local Government Act 1995.

**OBJECTIVE**

To ensure all Local Government staff are familiar with the legislative requirements regarding gratuities and for presenting the formal recognition of satisfactory and extended service by Local Government employees.

**POLICY**

The Shire may recognise long serving employees with more than 10 years of service during their employment and on their resignation or retirement from the Shire.

Pursuant to s. 5.50 of the Act, this gratuity policy outlines that there are to be no Monetary Gratuity Payments made to an employee.

**GUIDELINES**

Local Government Act 1995 s5.50,

**Annexure A** – Eligibility to Gratuity Payments and Presentations

**Annexure A – Eligibility to Gratuity Payments and Presentations**

It is the Policy position of Council that when an employee's services are ceasing with the Local Government for any of the reasons identified below, the employee will be entitled to Recognition of the Officer's Service as outlined within this policy based on the completed years of service:

- Resignation (not as a result of any performance management or investigation being conducted by the Local Government);
- Retirement; or
- Redundancy.

**On Resignation or Retirement**

Ex-Gratia Cash payments, in recognition of extensive or exemplary service, shall not be made to a staff member upon their termination of employment from the Shire, whether as a result of retirement or resignation or redundancy.

This policy does not apply to an employee who has been dismissed by the Local Government for any reason other than redundancy.

The Shire may recognise employees with over 10 years continuous service on resignation, retirement or redundancy by way of a Sundowner or other suitable Function.

The Officer will be provided with a framed Certificate of Appreciation indicating the Years of Service. The cost of holding such a Function is to be contained within the "Functions and Catering/Refreshments" Cost Centre Budget and arranged by the CEO in conjunction with the Shire President.

**Determining Service**

For the purpose of this policy, continuous service shall include:

- a) Any period of absence from duty of annual leave, long service leave, accrued paid bereavement leave, accrued paid personal leave and public holidays.
- b) Any period of authorised paid absence from duty necessitated by sickness of or injury to the employee but only to the extent of three months in each calendar year but not including leave without pay or parental leave.
- c) Any period of absence that has been supported by an approved workers compensation claim up to a maximum absence of one year.

For the purpose of this policy, continuous service shall not include:

- a) Any period of unauthorised absence from duty unless the Local Government determines otherwise.
- b) Any period of unpaid leave unless the Local Government determines otherwise.
- c) Any period of absence from duty on Parental Leave unless the Local Government determines otherwise.

**Payments/Presentation in addition to this Policy**

The Local Government agrees not to make any Payment or Presentation in addition to that contained within this policy until the Policy has been amended to reflect the varied amount and caused local public notification to be given in relation to the variation pursuant to Section 5.50 of the Local Government Act.

**Variation to Policy**

This policy may be varied or cancelled from time to time by Council.

Council is committed to taking reasonable action to ensure that any variation or cancellation to this policy is notified to all employees prior to the variation taking effect, including (but not limited to) notifying all employees via normal correspondence of the variation including the proposed reasons for such variation.

## ORG.7 ATTENDANCE AT EVENTS POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	Local Government Act 1995 S5.90A

### Record of Policy Review

Version	Author	Council Adoption	Resolution	Reason for Review	Review Date
01	Graeme Fardon	27 February 2020	112-19/20	New Policy – Legislative Requirement	
<u>02</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

## PURPOSE

The Shire of Quairading is required under the Local Government Act 1995 to approve and report on attendance at events for Elected Members and the Chief Executive Officer.

This policy addresses attendance at any events, including concerts, conferences, functions or sporting events, whether free of charge, part of a sponsorship agreement, or paid by the local government. The purpose of the policy is to provide transparency about the attendance at events of Elected Members, the Chief Executive Officer (CEO) and all Employees of the Shire of Quairading.

## OBJECTIVE

The policy provides guidance to Elected Members and Employees when an invitation to an event or function, or other hospitality occasion, ticketed or otherwise, is offered free of charge.

Attendance at an event in accordance with this policy will exclude the gift holder from the requirement to disclose an interest if the ticket is above \$300 and the donor has a matter before Council. Any gift received that is less than \$300 (either one gift or cumulative over 12 months from the same donor) also does not need to be disclosed as an interest. Receipt of the gift will still be required under the gift register provisions.

## POLICY

This policy applies to Elected Members, the Chief Executive Officer and all Employees of the Shire of Quairading (the Shire) in their capacity as an Elected Member or Employee of the Shire.

Elected Members, the Chief Executive Officer and Executive Managers and Managers occasionally receive tickets or invitations to attend events to represent the Shire to fulfil their leadership roles in the community. The event may be a paid event or a ticket/invitation may be gifted in kind, or indeed it may be to a free / open invitation event for the community in general.

### Provision of tickets to events

#### 1. INVITATIONS

- 1.1 All invitations or offers of tickets for an Elected Member, CEO or employee to attend an event should be in writing and addressed to the CEO.
- 1.2 Any invitation or offer of tickets not addressed to the CEO is not captured by this policy and must be disclosed in accordance with the gift and interest provisions in the Act.
- 1.3 A list of events and attendees authorised by the local government in advance of the event is at Annexure A – Pre-Approved Events and Annexure B – Example Register.

#### 2. APPROVAL OF ATTENDANCE

- 2.1 In making a decision on attendance at a non-pre-approved event, the council will consider:
  - a) who is providing the invitation or ticket to the event,
  - b) the location of the event in relation to the local government (within the district or out of the district),
  - c) the role of the Elected Member or CEO when attending the event (participant, observer, presenter) and the value of their contribution,
  - d) whether the event is sponsored by the local government,
  - e) the benefit of local government representation at the event,

f) the number of invitations / tickets received, and

g) the cost to attend the event, including the cost of the ticket (or estimated value of the event per invitation) and any other expenses such as travel and accommodation.

2.2 Decisions to attend non pre-approved events in accordance with this policy will be made by simple majority of Council.

### 3. PAYMENTS IN RESPECT OF ATTENDANCE

3.1 Where an invitation or ticket to an event is provided free of charge, the local government may contribute to appropriate expenses for attendance, such as travel and accommodation, for events outside the district if the council determines attendance to be of public value.

3.2 For any events where a member of the public is required to pay, unless previously approved and listed in Annexure A, the Council will determine whether it is in the best interests of the local government for an Elected Member, CEO or another Officer to attend on behalf of the Council.

3.3 If the Council determines that an Elected Member or CEO should attend a paid event, the local government will pay the cost of attendance and reasonable expenses, such as travel and accommodation.

3.4 Where partners of an authorised local government representative attend an approved event, any tickets for that person will be paid by Council.

## GUIDELINES

Local Government Act 1995 S50.9A

### Definitions

Elected Members includes the Shire President and all Councillors.

In accordance with Section 5.90A of the Local Government Act 1995 an event is defined as a:

- Concert
- Conference
- Function
- Sporting event
- Occasions prescribed by the Local Government (Administration) Regulations 1996.

Annexure A – Pre-Approved Events

Annexure B – Example of Register of Events Approved by Council (by Simple Majority decision)

**Annexure A – Pre-Approved Events**

The Shire approves attendance at the following events by Elected Members, the Chief Executive Officer and employees of the Shire: -

- (a) Advocacy lobbying or Ministerial briefings (Elected Members, the Chief Executive Officer and Executive Management only);
- (b) Meetings of clubs or organisations within the Shire of Quairading;
- (c) Any free event held within the Shire of Quairading;
- (d) Australian or West Australian Local Government events;
- (e) Events hosted by Clubs or Not for Profit Organisations within the Shire of Quairading to which the Shire President, Elected Member, Chief Executive Officer or employee has been officially invited;
- (f) Shire hosted ceremonies and functions;
- (g) Shire hosted events with employees;
- (h) Shire run tournaments or events;
- (i) Shire sponsored functions or events;
- (j) Community art exhibitions;
- (k) Cultural events/festivals;
- (l) Events run by a Local, State or Federal Government;
- (m) Events run by the Quairading District High School;
- (n) Major professional bodies associated with local government at a local, state and federal level;
- (o) Opening or launch of an event or facility within the Shire of Quairading;
- (p) Recognition of Service events
- (q) RSL events; and
- (r) Where Shire President, Elected Member or Chief Executive Officer representation has been formally requested.

**Annexure B – Register of Events Approved by Council (by Simple Majority decision)**

Event	Date of Event	Approved Attendee/s	Approved local government contribution to cost	Date of Council resolution

## ORG.8 LEAVE ARRANGEMENTS DURING A PANDEMIC POLICY

<b>Document Status</b>	<del>Adopted</del> <u>Under Review</u>
<b>Statutory Environment</b>	OSH Act 1984 Local Government Industry Award 2010 National Employment Standards

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01	Graeme Fardon	26 March 2020	136-19/20	New Policy	
<u>02</u>	<u>Graeme Fardon</u>			<u>Biennial Policy Review December 2020</u>	

**PURPOSE**

To determine the conditions for payment to employees who are absent from work during a pandemic.

**OBJECTIVE/BACKGROUND**

It is acknowledged that during a Pandemic there are likely to be 'waves' of infection and it is reasonable to anticipate that high numbers of employees may need to take extended periods of leave due to personal ill health or in order to care for vulnerable family members.

This practice identifies requirements for employees attending work, entitlements for employees who are absent from work due to ill health or caring responsibilities. Also identified are possible options to address extenuating circumstances where leave entitlements have been exhausted and where leave without pay would result in hardship.

**POLICY**

Under its general duty of care, the Shire is required to ensure that all employees attending work are fit to undertake the duties and responsibilities of their position. Managers may require an employee to leave the workplace if they believe the employee is not fit for work and/or to obtain a medical certificate to confirm fitness to return to work following a period of ill health or absence to care for family members (to avoid transmission of infection).

Employees who are absent due to ill health or caring responsibilities will be paid in accordance with the relevant industrial instrument and Shire Policy, Practice or Procedure. These options include:

1. Personal (Sick or Carer's) leave entitlements.
2. Accrued annual or long service leave entitlements.
3. Additional hours accrued in lieu of overtime or through flexible working arrangements.
4. Pro-rata annual leave (up to four weeks' maximum, pro-rata for part time employees).
5. Leave without pay (Sickness Benefits may be available via Centrelink).
6. Work from home in accordance with Shire Procedures (subject to review at the end of two weeks).

When all leave entitlements have been exhausted and/or working from home arrangements are not reasonable or practical, the employee may be granted leave without pay. Alternatively, where the employee can demonstrate that taking unpaid leave will result in hardship, other (discretionary) options may be considered.

In relation to discretionary options, the Chief Executive Officer (CEO), or a person appointed by the CEO, will determine applications on a case by case basis.

Discretionary options may include:

1. Taking annual or sick leave in advance (up to a maximum of two weeks, pro-rata for part time employees) to be deducted from future accrual until repaid or deducted from the termination pay where the employee ceases employment prior to accruing sufficient entitlements.
2. Other arrangements as determined by the CEO or a person appointed by the CEO.

**GUIDELINES**

<sup>1</sup> A vulnerable family member may include pre-school or school age children, or family members who are frail or aged or have a disability.

Where flexible working arrangements are in place, the maximum number of allowable debit hours will be determined by the Executive Manager and the CEO on a case by case basis.



## SIGNIFICANT ACCOUNTING POLICIES

<b>Document Status</b>	Adopted
<b>Statutory Environment</b>	Local Government Act 1995 Local Government (Financial management) Regulations 1996 Australian Accounting Standards

### Record of Policy Review

<i>Version</i>	<i>Author</i>	<i>Council Adoption</i>	<i>Resolution</i>	<i>Reason for Review</i>	<i>Review Date</i>
01	Graeme Fardon	27 August 2015	24-15/16	New Policy	
02	Tony Merillo	31 August 2016	SCM4-16/17	Revised	
03	Tony Merillo	24 August 2017	28-17/18	Revised	
04	Graeme Fardon	27 September 2018	41-18/19	<i>Policy Review Project – 5/09/2018</i>	

## PURPOSE

To provide direction for the preparation of financial transactions and financial reporting.

## OBJECTIVE

To Adopt Full Accrual Accounting and all other applicable Accounting Standards.

To clearly identify the basis upon which Council's financial statements are prepared.

## POLICY & PROCEDURE

### SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government 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 budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget 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.

#### Critical Accounting Estimates

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

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

#### The Local Government Reporting Entity

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements.

### Australian Accounting Standards – Inconsistency

#### Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire.

## Revenue and Expenses

### Grants, Donations and Other Contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 15. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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.

## Investments

### Classification and subsequent measurement

#### (i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

#### (ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

#### (iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

**Impairment**

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Shire becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or at cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, (if any), between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Shire no longer has any significant continual involvement in the risks and benefits associated with the asset.

**Trade and other receivables**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for 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.

**Classification and subsequent measurement**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**Inventories****General**

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

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

**Land held for sale**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for sale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

**Fixed Assets**

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

**Initial recognition and measurement between mandatory revaluation dates**

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at 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 Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

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

**Revaluation**

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

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

**Land under control**

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

**Depreciation**

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

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

## Depreciation Rates

Major depreciation periods used for each class of depreciable asset are:

Land	0%	Not Depreciated
Buildings	2-3%	30-50 Years
Plant & Equipment		
- Heavy (eg Loaders)	7-20%	5-15 Years
- Medium (eg Light Trucks)	10-20%	5-10 Years
- Light (eg Chainsaws)	20-40%	3-5 Years
Furniture & Equipment	10-25%	4-10 Years
Computer & Electronic Equipment	33-45%	2-3 Years
Unsealed Roads	3-4%	25-30 Years
Sealed Roads and Streets - Original Surfacing & Major - Re-surfacing		
- Aggregate Surfaces	3%	30 Years
- Asphalt Surfaces	3%	30 Years
- Pavement Surfaces	2.5%	40 Years
Drainage Systems	1.3%	75 Years
Clearing & Formation	0%	Not Depreciated
Culverts/Floodways	2%	50 Years
Concrete Footpaths	3%	30 Years
Footpaths Other	4%	25 Years
Kerbing	2%	50 Years
Bridges	1.3%	75 Years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

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

## Capitalisation Threshold

Expenditure on items of equipment under \$10,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

## Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire of Quairading becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

## Borrowing

### Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another

party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

### **Borrowing costs**

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

## **Employee Benefits**

### **Short-term employee benefits**

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

### **Other long-term employee benefits**

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

### **Provisions**

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

## **Capital Commitments**

### **Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

## Joint Arrangements

### Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

## Investment in Associates

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate. When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

## Rating Information

### Rates

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**OTHER SIGNIFICANT ACCOUNTING POLICIES****(a) Goods and services tax (GST)**

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

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

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

**(b) Current and non-current classification**

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

**(c) Rounding Off Figures**

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

**(d) Comparative figures**

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

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

**(e) Budget comparative figures**

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

**(f) Superannuation**

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

**(g) Fair value of assets and liabilities**

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

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

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

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

#### **(h) Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

##### **Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

##### **Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

##### **Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

#### **Valuation techniques**

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

##### **Market approach**

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

##### **Income approach**

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

##### **Cost approach**

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

#### **(i) Impairment of assets**

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

FIN.3 SIGNIFICANT ACCOUNTING POLICIES

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

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

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

**GUIDELINES**

Local Government Act 1995

Local Government (Financial management) Regulations 1996

Australian Accounting Standards

## 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**                      8<sup>th</sup> December 2020

**Responsible Officer**              EMCS Nathan Gilfellow

**Reporting Officer**                SFO Jodie Yardley

**Attachments**                      Nil

**Owner/Applicant**                Shire of Quairading

**Disclosure of Interest**          Nil

### OFFICER RECOMMENDATION

**MOVED Cr \_\_\_\_\_**      **SECONDED Cr \_\_\_\_\_**

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

Council receive the report on the Shire's Leave Liabilities.

**CARRIED \_\_\_\_/\_\_\_\_**

**VOTING REQUIREMENTS** – Simple Majority

### IN BRIEF

- Since 2017, Council has requested that excess Annual Leave and Long Service Leave be reported to the Audit and Risk Committee
- Council receive the report on the Shire's Leave Liabilities.

### 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 as when the Employee has accrued more than eight weeks paid annual leave.

### STATUTORY ENVIRONMENT

*Local Government Act 1995*

Local Government (Long Service Leave Regulations)

Local Government Industry Award 2010

The Industry Award defines Excess Leave as -

*"An Employee has an **excess leave accrual** if the employee has accrued more than eight weeks 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 30<sup>th</sup> November 2020 is \$206,349.

The Annual Budget treats Current Leave as Accruals.

The Annual and Long Service Leave Reserve funds any prior year Leave entitlements taken by Staff or paid out.

The current Liability for both types of Leave (if all Claimed on 30<sup>th</sup> November 2020) is calculated at \$262,515.

## 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 30<sup>th</sup> November 2020, no employee has excess annual leave.

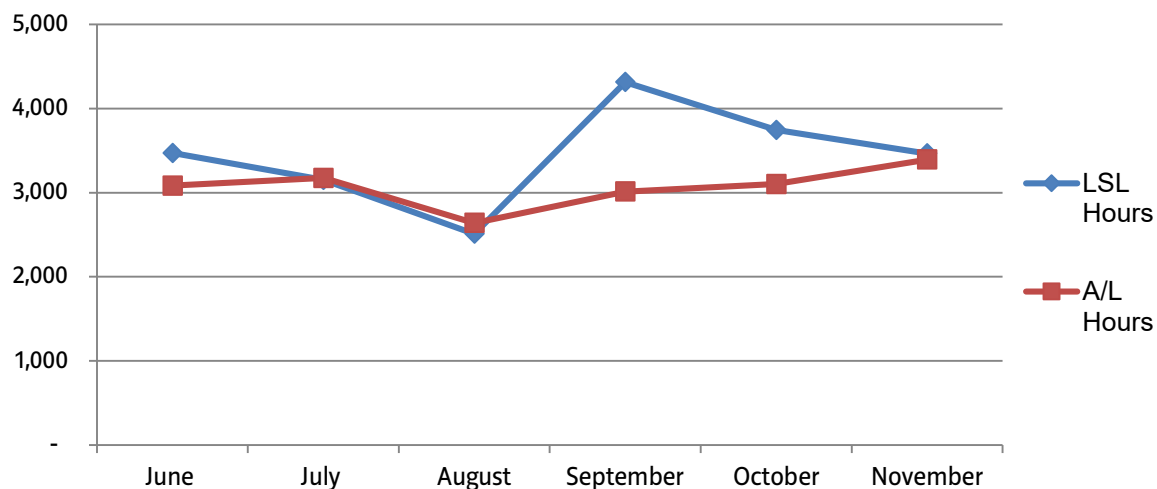
Since August 2020, there has been an increase of 19.9% (in Dollar Value) in the Annual Leave Liability. This is likely due to natural increase during a period where little leave is taken.

The Long Service Leave Liability has increased 8% (in Dollar Value) since August 2020. This is due to two employees using their leave entitlement and two employees becoming entitled to their leave entitlements.

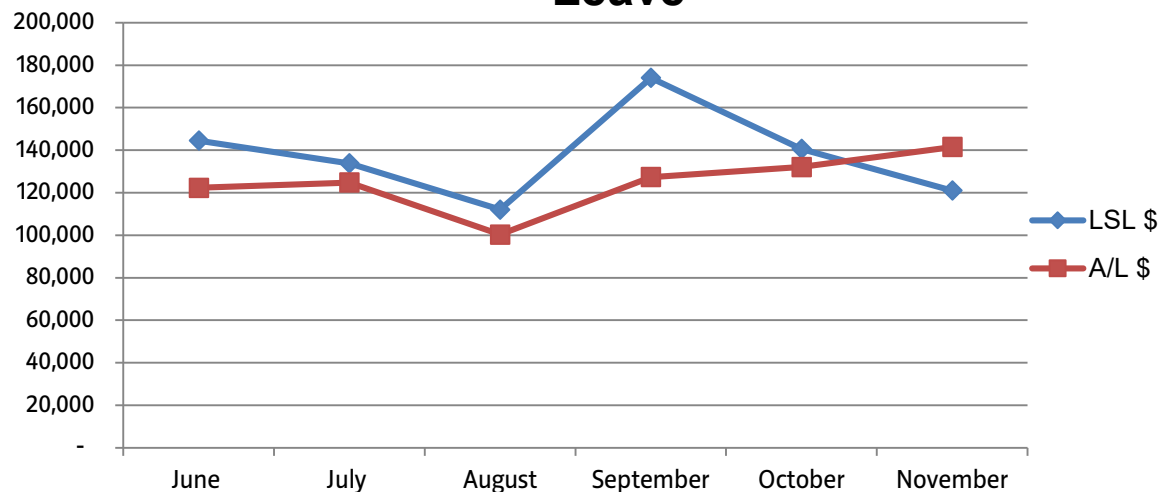
	<i>LSL Hours</i>	<i>LSL \$</i>	<i>AL Hours</i>	<i>AL \$</i>
<i>May</i>	3,472	144,506	3,141	131,346
<i>June</i>	3,472	144,506	3,293	137,579
<i>July</i>	3,152	133,795	3,396	141,026
<i>August</i>	2,511	112,029	2,879	117,983

<i>September</i>	<i>4,315</i>	<i>174,057</i>	<i>3,013</i>	<i>127,3612</i>
<i>October</i>	<i>3,746</i>	<i>140,599</i>	<i>3,102</i>	<i>132,103</i>
<i>November</i>	<i>3,465</i>	<i>121,016</i>	<i>3,393</i>	<i>141,499</i>

### Accumulated Hours of Leave



### Outstanding Accumulated Dollar Value of Leave



## ITEM 11      STANDING ITEMS – OTHER

*Audit & Risk Committee - Terms of Reference 9.2 & 9.5*

### 11.1    Review of Committee Terms of Reference and Performance

<b>Meeting Date</b>	8 <sup>th</sup> December 2020
<b>Responsible Officer</b>	CEO Graeme Fardon
<b>Reporting Officer</b>	CEO Graeme Fardon
<b>Attachments</b>	(i) GOV.5 Audit & Risk Committee – Terms of Reference December 2019 Revised (Refer to Item 9.1 Attachment (i))
<b>Owner/Applicant</b>	Audit & Risk Committee
<b>Disclosure of Interest</b>	Nil

### OFFICER RECOMMENDATION

**MOVED** \_\_\_\_\_ **SECONDED** \_\_\_\_\_

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

1. Council adopt the revised Audit and Risk Committee Terms of Reference.
2. Committee to assess its performance in 2020 – For discussion.

**CARRIED** \_\_\_\_/\_\_\_\_

**VOTING REQUIREMENTS** – Simple Majority

### IN BRIEF

- This Report recommends that the Committee's Terms of Reference be reviewed to reflect the changing legislative requirements of the Audit and Risk Committee.
- Committee was established by Council in October 2017 for a 2-year term coinciding with the Election Cycle.
- Council has re-established the Committee on the 31<sup>st</sup> October 2019 with all Councillors being Members of the Committee.
- The Administration have reviewed the Terms of Reference and made suggested tracked changes to the current Terms of Reference to be considered by Committee before Recommendation to Council.
- The major significant change to the Policy is in Part 7.6 relating to the External Audit which will be conducted by the Auditor General from the 2020/2021 Financial Year.

### MATTER FOR CONSIDERATION

The Review of the Audit & Risk Committee Terms of Reference

### BACKGROUND

The primary purpose of an Audit & Risk Committee is to provide oversight of the financial reporting processes, the audit process, the Shire's system of internal controls and compliance with legislation and regulations.

In 2017, amendments to the Local Government Act 1995 were passed by State Parliament enabling the Auditor General to audit local government finances and performance. This Amendment also provided more detail on the role and responsibilities of the Audit Committee.

The amendments to the Act have been supported by changes to the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996* which were gazetted on the 26th June 2018.

The State Government have not passed Legislation in regard to requiring an Independent Qualified person to also sit on the Audit Committee. However, this has been strongly mooted in the current Review of the Local Government Act.

## STATUTORY ENVIRONMENT

### Local Government Act 1995

### Local Government (Audit) Regulations 1996

#### Reg16. Functions of audit committee

An audit committee has the following functions –

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

- (g) to perform any other function conferred on the audit committee by these regulations or another written law.

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

## POLICY IMPLICATIONS

In accordance with clause 9.5 of the Audit & Risk Committee Terms of Reference, the committee is required to, at least once a year, to review its own Performance and Terms of Reference to ensure it is operating at maximum effectiveness and recommend changes it considers necessary to the Council for approval.

## FINANCIAL IMPLICATIONS

Nil.

## 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

Public consultation was not relevant to the development of this report.

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

Financial - Risk Matrix Rating is assessed as Low. Councillors Meeting Fees are provided for in Council's Budget. Auditor Fees are provided for in Council's Budget.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. Reputational Risk is Mitigated with the effective operation of Council's Risk and Audit Committee and sound Governance and Financial management in place.

Operation – Risk Matrix Rating is assessed as Low. The annual review process provides a mechanism to ensure good governance of Council's Audit & Risk Committee. The Review process and Committee Structure is part of Council's normal operations.

Natural Environment – Risk Matrix Rating is assessed as Low.

## **11.2 Governance Training and Support**

### *Audit and Risk Committee – Terms of Reference 9.1*

The WALGA Governance Team are available to provide additional Training and Support on Governance for Elected Members and for Senior Staff.

The CEO has discussed availability of WALGA Presenters for a ½ day Update on Governance trends and emerging LG Compliance issues (LG Act Review, Model Codes of Conduct etc.).

WALGA will also be able to provide the Committee with information on the experiences of the LGA's that are already Audited by the Office of the Auditor General and how best to prepare for the transition to the OAG.

Provisionally this Training/Update Session has been scheduled for Friday 12<sup>th</sup> February 2020.

Information submitted for Councillor's Diary purposes.

## ITEM 12 COUNCILLORS' EMERGING ISSUES

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

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*No matters for consideration.*

## ITEM 14      NEXT MEETING DATE

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The next Audit & Risk Committee Meeting is scheduled to take place on Tuesday 9<sup>th</sup> March 2021, commencing at 5.00 pm on at the Council Chambers, 10 Jennaberring Road, Quairading.

## ITEM 15      CLOSURE

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