



## ORDINARY MEETING OF COUNCIL

**PUBLIC**

**AGENDA**

**17 December 2020**



PO Box 42, 14 White Street, Brookton WA 6306



9642 1106



[mail@brookton.wa.gov.au](mailto:mail@brookton.wa.gov.au)



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





## NOTICE OF MEETING

**17 December 2020**

**14 White Street  
Brookton, WA 6306**

Dear Councillor, Resident or Ratepayer,

Notice is hereby given that the Ordinary Meeting of the Brookton Shire Council will be held on Thursday 17 December 2020 in the Council Chambers at the Shire Administration Centre commencing at 6.00 pm.

The business to be transacted is shown in the Agenda.

**Ian D'Arcy**  
**CHIEF EXECUTIVE OFFICER**  
11 December 2020

### DISCLAIMER

*The recommendations contained in the Agenda are subject to confirmation by Council. The Shire of Brookton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Brookton for any act, omission or statement or intimation occurring during a Council meeting.*

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#### **1.12.20 USE OF COMMON SEAL – NOVEMBER 2020**

The Table below details the Use of Common Seal under delegated authority for the month of November 2020.

##### **Use of Common Seal Register**

<b>File Ref:</b>	<b>Purpose</b>	<b>Date Granted</b>
Nil.		

#### **2.12.20 DELEGATED AUTHORITY – ACTIONS PERFORMED – NOVEMBER 2020**

The Table below details the actions of Council performed under delegated authority for the month November 2020.

Shire of Brookton, Delegation Register, 1.46 Building Matters – Permits, Certificates & Orders

##### **BUILDING**

<b>Application No.</b>	<b>Lot &amp; Street</b>	<b>Type of Building Work</b>	<b>Date Granted</b>
09.20-21	245 Simmons Road, Brookton	Shed	17 Nov 2020
10.20-21	91 Copping Road, Brookton	Shed	19 Nov 2020

Shire of Brookton, Delegation Register, 1.41 Specific Provisions under the Town Planning Scheme No. 4.

##### **PLANNING**

<b>File Ref</b>	<b>Application Ref</b>	<b>Subject Land (incl. Scheme No.)</b>	<b>Purpose</b>	<b>Date Granted</b>
Nil.				

#### **3.12.20 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

On behalf of Council I would like to acknowledge that this meeting is being held on the traditional lands of the Nyoongar People and pay respect to all Elders, past, present and emerging. I wish to acknowledge and respect local people's continuing culture and the contribution they make to Country and it's life.

#### **4.12.20 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

#### **5.12.20 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

#### **6.12.20 PUBLIC QUESTION TIME**

#### **7.12.20 APPLICATIONS FOR LEAVE OF ABSENCE**

#### **8.12.20 PETITIONS/DEPUTATIONS/PRESENTATIONS**

<b>9.12.20</b>	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS</b>
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<b>9.12.20.01</b>	<b>ORDINARY MEETING OF COUNCIL – 19 NOVEMBER 2020</b>
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*That the minutes of the Ordinary meeting of Council held in the Shire of Brookton Council Chambers, on 19 November 2020, be confirmed as a true and correct record of the proceedings.*

<b>9.12.20.02</b>	<b>SPECIAL MEETING OF COUNCIL – 03 DECEMBER 2020</b>
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*That the minutes of the Special meeting of Council held in the Shire of Brookton Council Chambers, on 03 December 2020, be confirmed as a true and correct record of the proceedings.*

<b>9.12.20.03</b>	<b>LOCAL EMERGENCY MANAGEMENT COMMITTEE – 01 DECEMBER 2020</b>
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*That the minutes of the Local Emergency Management Committee (LEMC) meeting held in the Shire of Brookton Council Chambers, on 01 December 2020, be received by Council.*

<b>9.12.20.04</b>	<b>AUDIT AND RISK COMMITTEE – 10 DECEMBER 2020</b>
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*That the minutes of the Audit and Risk Committee meeting held in the Shire of Brookton Council Chambers, on 10 December 2020, be received by Council.*

<b>10.12.20</b>	<b>ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION</b>
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<b>11.12.20</b>	<b>DISCLOSURE OF INTERESTS</b>
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*Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.*

**Disclosure of Financial & Proximity Interests**

- a. Members must disclose the nature of their interest in matters to be considered at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*).
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the *Local Government Act 1995*).

**Disclosure of Interest Affecting Impartiality**

- a. Members and staff must disclose their interest in matters to be considered at the meeting in respect of which the member or employee has given or will give advice.

## 12.12.20 TECHNICAL & DEVELOPMENT SERVICES REPORTS

### 12.12.20.01 DRAFT ASSET MANAGEMENT STRATEGY 2020

<b>File No:</b>	ADM 0402
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	Shire of Brookton
<b>Name of Owner:</b>	Shire of Brookton
<b>Author/s:</b>	Mikel Haramboure – Manager Infrastructure and Emergency Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	Ian D’Arcy – Chief Executive Officer
<b>Declaration of Interest:</b>	The author and authorising officer do not have an interest in this item
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	N/A

#### Summary of Item:

Asset Management Strategy provides the core link between our Asset Management Policy and Asset Management Plans and Programs.

Broadly speaking, the draft Strategy provided as **Attachment 12.12.20.01A** provided under separate cover seeks to inform stakeholders on:

- What assets the Shire currently has;
- What our current asset management position/status is;
- What our future desired asset management position status is; and
- How we will close this gap and achieve the desired position/status of current assets.

#### Description of Proposal:

The Scope of the Strategy is generally in alignment with the Department of Local Government’s Asset Management Framework, published in May 2011. The Framework relates to local government assets of significant value which are used to deliver services and/or activities.

The Strategy provides the outline on how the Shire’s portfolio of assets will meet the service delivery needs of our community and visitors. The focus is not only on current delivery, but also long-term need to ensure that a whole of lifecycle approach is taken. Whilst the outcomes are strongly influenced by the Asset Management Guidelines for Western Australian Local Governments, the Strategy provides a basis from which prioritised improvement can occur.

The Strategy has been developed to integrate with many of the Shire’s other key corporate documents. However, it should be noted that at present, some of these documents either do not exist or require revision. It is the Shire’s intention to ensure that all these documents exist in a completed format within the short to medium term. The Strategy is firmly focused on building and enhancing the Shire’s asset management capability to ensure that service delivery supports the goals and objectives set out in the Strategic Community Plan.

#### Background:

The community relies on the Shire of Brookton to deliver services. The Shire has finite resources and limited income streams to fund the delivery of these services which need to be aligned with the Community’s aspirations as identified in the BROOKTON Strategic Community Plan.

To ensure that resources are optimally allocated, decisions need to be made in an informed manner considering the acquisition, ongoing ownership, management and disposal of assets. The Shire also needs to continuously consider whether it needs to provide and/or own assets in order to deliver services or whether it can simply facilitate the provision of the service by a third party.

#### **Consultation:**

This Asset Management Strategy has partially been presented for noting at the Council's October and November 2020 Corporate Briefing Forum (CBF).

#### **Statutory Environment:**

In 2010, the Integrated Planning and Reporting (IPR) Framework and Guidelines were introduced in Western Australia as part of the State Government's Local Government Reform Program. All local governments were required to have their first suite of IPR documents in place by 1 July 2013. This Advisory Standard complements the legislative requirement for planning for the future under Section 5.56 (1) of the *Local Government Act 1995* and the regulations under Section 5.56 (2) of the Act that outline the minimum requirements to achieve this.

Asset management ensures that robust Long-Term Financial Plans and Annual Budgets are developed and that local governments have the financial capacity to deliver their strategic priorities into the future.

#### **Relevant Plans and Policy:**

Fundamentally, this document provides a strategic vision towards the maintenance and ultimately the refurbishment or replacement of community owned assets and strongly aligns to the Council's:

- Asset Management Policy 2.11
- Asset Management Plans (various - yet to be prepared)
- Asset Management Programs
- Corporate Business Plan 2020
- Long Term Financial Plan (yet to be prepared)

#### **Financial Implications:**

There are no direct financial implications in regard to this item. However, on the endorsement of this Strategy the Council will incur significant cost in preparation and implementation asset management plans for the various asset classes from roads to buildings. This cost will broadly be reflected in a Long-Term Financial Plan and more specifically in annual budgets.

#### **Risk Assessment:**

Should the Council not support this item, the organisation wouldn't have any direction and established priorities as part of Asset Management objectives nor would it meet compliance obligations applicable to its asset ratios and long-term financial forecasting and performance. Therefore, the risk is assessed a 'High'.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

### **Community & Strategic Objectives:**

This proposal relates to the delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the draft policy aligns to:

*Function 9 - Asset Management*

### **Comment:**

Of importance is an acknowledgement that the Asset Management is far from complete and will continue to be an evolving process. Furthermore, the financial data used in the elaboration of this strategy is based on theoretical models created by a valuer for the 'fair value' of each asset over \$5,000 which is mainly used for depreciation and insurance processes, and does not inaccurately reflect the current value of maintaining, refurbishing and replacing the asset over time.

More accurate costs and subsequent adjustment of this Strategy will occur on a continuum as the individual asset plans for each class is prepared and routinely reviewed. To this end, the Asset Management Strategy incorporates a performance monitoring process which will improve the quality of data and bring indicators, ratios and target measure to more accurate results as further works is performed.

Also, in line with the Asset Management Vision included in the Strategy, it is intended to keep the Council informed of the review of the Strategy and preparation of subsidiary plans as new data is collected and results evolves.

To reflect this the following chart provides a fundamental understanding of the process to be followed while a Gap Analysis assessment of where the Asset Management Framework currently sits forms part of the Draft Asset Management Strategy provided in **Attachment 12.12.20.01A**.

### **OFFICER RECOMMENDATION**

***That Council in accordance with Sections 5.56(1), 5.56(2) of the Local Government Act 1995 adopts the Shire of Brookton "Asset Management Strategy 2020" as a living document, as shown as Attachment 12.12.20.01A to this report.***

### **Attachments – Provided under separate cover**

Attachment 12.12.20.01A



## 13.12.20 COMMUNITY SERVICES REPORTS

### 13.12.20.01 INTEGRATED PLANNING AND REPORTING – COMMUNITY ADVISORY GROUP NOMINATIONS

<b>File No:</b>	ADM 0666
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	N/A
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Debbie Spinks – Projects and Grants Officer
<b>Authorising Officer:</b>	Ian D'Arcy – Chief Executive Officer
<b>Declaration of Interest:</b>	Neither the Author nor the Authorising Officer have a specific interest in this matter
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	N/A

#### Summary of Item:

This item relates to selecting Community members to participate within the Council's updated Integrated Planning and Reporting community advisory group, namely, the restructured Community Enterprise Advisory Group (CEAG).

Of note, the existing Business Enterprise Advisory Reference Group (BEAR) structure remains intact, apart from one additional corporate business representative joining the group at Council's request.

#### Description of Proposal:

As above.

#### Background:

The Shire of Brookton conducted a review of the Integrated Planning and Reporting, in accordance with Regulation 19DA(6) of the Local Government (Administration) Amendment Regulations (No. 3) 2011, Division 3 Planning for the Future in October 2020. As a consequence of the review, Councillor's establish an adjusted framework for the Innovations Pathway. The framework variations, set to aid the community-driven fluid decision-making process, is intended to guide the desired outcomes of the Next Generation BROOKTON Strategic Community Plan (SCP) 2027>.

The altered Innovations framework saw three previous Advisory Groups reduced to two fundamental working groups with the charter of assessing the innovative ideas and proposals promoted by members of the Community, and determine the suitability of each idea against the BROOKTON 20 (being the Community's aspirations outlined in the SCP). These two new groups consist of the CEAG and BEAR, each with specific reference terms. The groups are formed as part of the Innovations Pathway and preform respective community and economic functions. The CEAG group, in operation for over two years and recently reviewed in October 2020 pursuant to the Local Government regulations, is now awaiting Council's assessment of the various nominees received to ensure CEAG has a comprehensive range of demographics to represent the broader Brookton population.

The review resulted in the President nominating the internal Shire membership, subsequently sanctioned by Council at its October 2020 meeting. Over the past two months, expressions of interest were sought from community members seeking to participate within CEAG's committee.

This report now seeks to put forward for nomination those members of the Community who sent applications

for Council's consideration, and request confirmation of the representative structure of CEAG.

### **Consultation:**

The Shire of Brookton attainment of Community members was initiated via multiple advertising opportunities such as social media, inclusive of Facebook, the Brookton Telegraph, the Shire website, and Community E-News, as well as word of mouth.

The result has yielded Expressions of Interest (EOI) from the following people to participate on the CEAG, with those underlined being previous members:

### CEAG

- Charlene Hayden
- Megan Nelson
- Kim Mills
- Dannielle Keatley
- Rosalie Pech Eva
- Jo Walters

Of note, only some of the nominations have been received in writing with others being verbal through discussion with the Shire President and/or the Projects and Grants Officer.

For the BEAR one additional corporate business member has been canvassed.

### **Statutory Environment:**

The CEAG and BEAR do not constitute a Committee of Council and therefore have not statutory parameters, but in any event are guided by a terms of reference as determined by Council.

### **Relevant Plans and Policy:**

The Innovation Pathway, inclusive of both Advisory Groups, sits between The Next Generation BROOKTON Strategic Community Plan > 2027 and the Next Generation Shire of Brookton Corporate Business Plan <2021.

### **Financial Implications:**

There are no financial implications to the Shire concerning the nomination and selection of external Advisory Group members.

### **Risk Assessment:**

It is essential to achieve a broad mix of representation for the Advisory Group to align with their designated charter. The overall blend can involve variation in the expression of Community interest, including a variation in gender and age/demographic. The combination then allows differing perspectives and exchange in points of view being a factor in discussion and forming recommendations for the Council's consideration of a particular proposal or project. Therefore, this is a 'Medium' risk that should the composition of an Advisory Group not afford variation in membership; then Council may not receive the best advice or outcome arising from the Innovations Pathway process.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

### Community & Strategic Objectives:

This proposal relates to the delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the formation of Community Enterprise Advisory Groups aligns to:

*Business Function 3. – Integrated Planning and reporting*

*Action 3.6 – Conduct Advisory Group Meetings*

### Comment

Following is the current makeup of CEAG taken from the applicable Terms of Reference, where Council is requested to assess the suitability of the six EOIs for the CEAG Group, acknowledging the importance of achieving a solid mix of representation.

On assessment all external nominees afford a broad mix of representation and therefore should be appointed.

### CEAG

Councillor (Chair)	Cr Katrina Crute
Councillor	Cr Tamara Lilly
Councillor	Cr Barry Watts
Councillor	Cr Chris Hartyl
Community Representative	
Community Representative	
Community Representative	
Community Representative	
Community Representative	
Community Representative	
Manager Corporate & Community	Kellie Bartley
Projects & Grants Officer	Debbie Spinks

## **OFFICER RECOMMENDATION**

*That Council endorses the following representation for the Innovations Pathway Advisory Groups for the period February 2021 to February 2023, with correspondence on Council decision forwarded to all who expressed an interest and those corporate partners on the Business Economic Advisory Reference Group to provide details of their representatives:*

### **a) Community Enterprise Advisory Group**

<b><i>Councillor (Chair)</i></b>	<b><i>Cr Katrina Crute</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Tamara Lilly</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Barry Watts</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Chris Hartyl</i></b>
<b><i>Community Representative</i></b>	<b><i>Charlene Hayden</i></b>
<b><i>Community Representative</i></b>	<b><i>Megan Nelson</i></b>
<b><i>Community Representative</i></b>	<b><i>Kim Mills</i></b>
<b><i>Community Representative</i></b>	<b><i>Dannielle Keatley</i></b>
<b><i>Community Representative</i></b>	<b><i>RosaliE Pech Eva</i></b>
<b><i>Community Representative</i></b>	<b><i>Jo Walters</i></b>
<b><i>Manager Corporate &amp; Community</i></b>	<b><i>Kellie Bartley</i></b>
<b><i>Projects &amp; Grants Officer</i></b>	<b><i>Debbie Spinks</i></b>

### **b) Business Economic Advisory Reference Group**

<b><i>Councillor (Chair)</i></b>	<b><i>Cr Katrina Crute</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Neil Walker</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Theresa Fancote</i></b>
<b><i>Councillor</i></b>	<b><i>Cr Gail Macnab</i></b>
<b><i>CBH Representative</i></b>	<b><i>Brad Bootsma</i></b>
<b><i>Balco Representative</i></b>	<b><i>Kevin D'Alton</i></b>
<b><i>Baptistcare Representative</i></b>	<b><i>Amanda Vivian</i></b>
<b><i>ARH Representative</i></b>	<b><i>Holly Netto</i></b>
<b><i>Bendigo Bank Representative</i></b>	<b><i>Peter Keoh</i></b>
<b><i>Seabrook Aboriginal Corp. Representative</i></b>	<b><i>TBA</i></b>
<b><i>Brookton Business Advisory Group Representative</i></b>	<b><i>Gavin Pepper</i></b>
<b><i>Chief Executive Officer</i></b>	<b><i>Ian D'Arcy</i></b>
<b><i>Projects &amp; Grants Officer</i></b>	<b><i>Debbie Spinks</i></b>

## 14.12.20 CORPORATE SERVICES REPORT

### 14.12.20.01 LIST OF ACCOUNTS FOR PAYMENT

<b>File No:</b>	N/A
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	N/A
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Charlotte Cooke – Finance Administration Officer
<b>Authorising Officer:</b>	Ian D’Arcy – Chief Executive Officer
<b>Declaration of Interest:</b>	The author has no financial interest in this matter.
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	19 November 2020

#### **Summary of Item:**

The list of accounts for payment to 30<sup>th</sup> November 2020 are presented to Council for inspection.

#### **Description of Proposal:**

To approve the accounts for payment.

#### **Background:**

In accordance with *Local Government (Financial Management) Regulations 1996 Clause 13 (1)* schedules of all payments made through Council’s bank accounts are presented to Council for inspection. Please refer to the separate attachment.

#### **Consultation:**

N/A

#### **Statutory Environment:**

Local Government (Financial Management) Regulations 1996; Clause 13 – List of Accounts.

#### **Relevant Plans and Policy:**

The Chief Executive Officer, under relevant delegation is authorised to arrange purchase of specific items in the budget, which do not require calling tenders, providing that it is within the approved and adopted budget.

#### **Financial Implications:**

There are no financial implications relevant to this report.

#### **Risk Assessment:**

No risks identified as this is an operational reporting requirement.

#### **Community & Strategic Objectives:**

This activity is contained in the Corporate Compendium.

#### **Comment**

Totals of all payments from each of Councils bank accounts are listed below. The payment schedule is provided to Councilors’ separately and not published on the Shire of Brookton website to mitigate against the potential of fraudulent activity that can arise from this practice. Members of the public can obtain the schedule from the Shire of Brookton Administration Office.

To 30<sup>th</sup> November 2020

***Municipal Account***

Cheque	\$ 0
Direct Debits	\$ 125,848.53
EFT	\$ 242,310.68

***Trust Account***                \$ 300.00

***Bond Account***                \$ 1,680.00

**OFFICER RECOMMENDATION**

***That with respect to the list of accounts for payment, Council note the payments authorised under delegated authority and detailed below and in the List of Accounts 30<sup>th</sup> November 2020:***

**Municipal Account**

Cheque	\$ 0
Direct Debits	\$ 125,310.53
EFT	\$ 242,310.68

***Trust Account***                \$ 300.00

***Bond Account***                \$ 1,680.00

**Attachments**

Attachment 14.12.20.01A

Members of the public can obtain a copy of the List of Accounts by contacting the Shire Administration Office.

**14.12.20.02 STATEMENT OF FINANCIAL ACTIVITY FOR PERIOD ENDED 30 NOVEMBER 2020**

<b>File No:</b>	N/A
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	Shire of Brookton
<b>Name of Owner:</b>	Shire of Brookton
<b>Author/s:</b>	Kelly D'Arcy – Senior Finance Officer
<b>Authorising Officer:</b>	Kellie Bartley – Manager Corporate & Community
<b>Declaration of Interest:</b>	The authors have no financial interest in this matter
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	There is no previous meeting reference

**Summary of Item:**

The Statement of Financial Activity for the period ended 30 November 2020 is presented to Council.

**Description of Proposal:**

That Council receives the Statement of Financial Activity for the period ended 30 November 2020, as presented.

**Background:**

In accordance with regulation 34 of the *Local Government (Financial Management) Regulations 1996*, the Shire is to prepare a monthly Statement of Financial Activity for approval by Council.

**Consultation:**

Reporting officers receive monthly updates to track expenditure and income.

**Statutory Environment:**

Section 6.4 of the *Local Government Act 1995*.

Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

Section 6.8 of the *Local Government Act 1995*

**Relevant Plans and Policy:**

There is no Council Policy relevant to this issue.

The Next Generation Brookton Corporate Compendium (May 2018) - Finance Activities.

**Financial Implications:**

The Budget is regularly monitored on at least a monthly basis, by the CEO, and in the absence of a Manager Corporate & Community the Senior Finance Officer. Responsible Officers are also required to review their particular line items for anomalies each month, with a major review required by law, between 1 January and 31 March of each year pursuant to the *Local Government (Financial Management) Regulations 1996* (Regulation 33A).

**Risk Assessment:**

No risk identified as this is a reporting statement only in accordance with the regulations.

**Community & Strategic Objectives:**

Responsible financial management is critical to deliver on the Strategic Community Plan.

The Corporate Business Plan determines the local government's resource allocations which form the construction of the Annual Budget. The financial statements thus measure performance against the Corporate

Business Plan by providing comparatives against the Annual Budget.

**Comment**

The Monthly Financial Report has been prepared in accordance with statutory requirements.

**OFFICER RECOMMENDATION**

*That Council receives the Monthly Statements of Financial Activity for the period ending 30 November 2020, as presented in Attachment 14.12.20.02A.*

**Attachments**

**Attachment 14.12.20.02A**



**Shire of Brookton**  
**MONTHLY FINANCIAL REPORT**  
**For the Period Ended 30 November 2020**

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**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 30 November 2020**

	Note	Adopted Annual Budget	Current Budget	YTD Budget (a)	This Month	YTD Actual (b)	Var. \$ (b)-(a) (c)	Var. % (b)-(a)/(b) 9	Var.
<b>Operating Revenues</b>		\$		\$		\$	\$	%	
Governance		43,050	43,050	12,356	2,830	14,634	2,278	18.44%	
General Purpose Funding		1,196,326	1,196,326	298,992	122,564	327,188	28,196	9.43%	
Law, Order and Public Safety		288,876	288,876	164,391	658	166,939	2,548	1.55%	
Health		300	300	125	0	0	(125)	(100.00%)	
Education and Welfare		68,982	68,982	28,740	5,024	28,532	(208)	(0.72%)	
Housing		87,278	87,278	36,360	7,195	35,600	(760)	(2.09%)	
Community Amenities		423,838	423,838	403,821	242	381,685	(22,136)	(5.48%)	
Recreation and Culture		39,131	39,131	16,290	5,680	36,759	20,469	125.66%	▲
Transport		684,343	684,343	282,720	0	85,010	(197,710)	(69.93%)	▼
Economic Services		53,150	53,150	22,140	2,717	23,666	1,526	6.89%	
Other Property and Services		45,700	45,700	19,035	179	21,679	2,644	13.89%	
<b>Total (Excluding Rates)</b>		<b>2,930,974</b>	<b>2,930,974</b>	<b>1,284,970</b>	<b>147,089</b>	<b>1,121,692</b>	<b>(163,278)</b>	<b>(12.71%)</b>	
<b>Operating Expense</b>									
Governance		(534,766)	(534,766)	(263,950)	(13,730)	(191,686)	72,264	27.38%	▲
General Purpose Funding		(347,370)	(236,417)	(92,285)	(13,960)	(76,613)	15,772	16.98%	▲
Law, Order and Public Safety		(508,549)	(508,549)	(222,099)	(21,541)	(134,919)	87,180	39.25%	▲
Health		(22,031)	(22,031)	(9,460)	(1,214)	(757)	(757)	(8.00%)	
Education and Welfare		(169,146)	(169,146)	(62,192)	(14,998)	(55,810)	6,382	10.26%	
Housing		(198,455)	(197,861)	(82,089)	(11,940)	(65,922)	16,167	19.70%	▲
Community Amenities		(558,565)	(570,460)	(267,037)	(32,191)	(202,822)	64,215	24.05%	▲
Recreation and Culture		(914,001)	(930,401)	(431,630)	(54,479)	(348,556)	83,074	19.25%	▲
Transport		(2,975,508)	(3,016,508)	(1,381,912)	(243,183)	(1,509,864)	(127,952)	(9.26%)	
Economic Services		(183,296)	(183,296)	(64,581)	(8,487)	(54,209)	10,372	16.06%	▲
Other Property and Services		(476,035)	(476,035)	(242,552)	(2,540)	(218,025)	24,527	10.11%	▲
<b>Total</b>		<b>(6,887,722)</b>	<b>(6,845,470)</b>	<b>(3,119,787)</b>	<b>(418,264)</b>	<b>(2,868,643)</b>	<b>251,144</b>	<b>8.05%</b>	
<b>Funding Balance Adjustment</b>									
Add back Depreciation		2,781,490	2,781,490	1,158,954		1,270,357	111,403	9.61%	
Adjust (Profit)/Loss on Asset Disposal	6	91,789	91,789	38,245		113,755	75,509	197.43%	▲
<b>Net Operating (Ex. Rates)</b>		<b>(1,083,469)</b>	<b>(1,041,217)</b>	<b>(637,618)</b>		<b>(362,839)</b>	<b>274,778</b>	<b>(43.09%)</b>	
<b>Capital Revenues</b>									
Proceeds from Disposal of Assets	6	145,000	145,000	133,000		133,000	0	0.00%	
Proceeds from New Debentures	5	0	0	0		0	0	0.00%	
Self-Supporting Loan Principal		22,801	22,801	(11,400)		0	11,400	(100.00%)	
Transfer from Reserves	5	3,887,306	3,887,306	1,619,711		306,306	(1,313,405)	(81.09%)	▼
<b>Total</b>		<b>4,055,107</b>	<b>4,055,107</b>	<b>1,741,311</b>		<b>439,306</b>	<b>(1,302,005)</b>		
<b>Capital Expenses</b>									
Land and Buildings	6	(226,000)	(226,000)	(79,000)		(16,750)	62,250	78.80%	▲
Plant and Equipment	6	(559,500)	(559,500)	(523,330)		(499,743)	23,587	4.51%	
Furniture and Equipment	6	(12,000)	(12,000)	(6,000)		(5,310)	690	11.50%	
Infrastructure Assets - Roads & Bridges	6	(1,123,247)	(1,123,247)	(488,209)		(122,206)	366,003	74.97%	▲
Infrastructure Assets - Sewerage	6	(373,000)	(373,000)	(31,000)		(30,084)	916	2.96%	
Repayment of Debentures	7	(125,429)	(125,429)	(62,713)		(61,716)	997	1.59%	
Principal elements of finance lease payments	7	(1,372)	(1,372)	0		0			
Transfer to Reserves	5	(3,287,089)	(3,287,089)	(1,369,620)		(68,559)	1,301,062	94.99%	▲
<b>Total</b>		<b>(5,707,637)</b>	<b>(5,707,637)</b>	<b>(2,559,872)</b>		<b>(804,368)</b>	<b>1,755,504</b>	<b>(68.58%)</b>	
<b>Net Capital</b>		<b>(1,652,530)</b>	<b>(1,652,530)</b>	<b>(818,562)</b>		<b>(365,062)</b>	<b>453,500</b>	<b>(55.40%)</b>	
<b>Total Net Operating + Capital</b>		<b>(2,735,999)</b>	<b>(2,693,747)</b>	<b>(1,456,179)</b>		<b>(727,901)</b>	<b>728,278</b>	<b>50.01%</b>	
Rate Revenue		2,323,415	2,323,565	2,325,125		2,325,893	768	0.03%	
Opening Funding Surplus(Deficit)		412,583	412,583	412,583		412,583	0	0.00%	
<b>Closing Funding Surplus(Deficit)</b>	3	<b>0</b>	<b>42,401</b>	<b>1,281,529</b>		<b>2,010,574</b>	<b>729,046</b>		

**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**Program by Nature and Type**  
**For the Period Ended 30 November 2020**

NOTE	2020/21 Adopted Budget \$	2020/21 Current Budget \$	2020/21 YTD Budget \$	2020/21 YTD Actual \$	Variance YTD Budget vs YTD Actual \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>					
Rates	2,323,565	2,323,715	2,325,125	2,325,893	768
Operating Grants, Subsidies and Contributions	1,167,520	1,167,520	180,423	327,561	147,138
Fees and Charges	682,778	682,778	513,401	494,490	(18,911)
Interest Earnings	130,111	130,111	37,540	81,497	43,957
Other Revenue	197,836	91,396	27,726	43,485	15,759
	4,501,810	4,395,520	3,084,215	3,272,926	188,711
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>					
Employee Costs	(1,911,012)	(1,892,516)	(795,961)	(680,822)	115,139
Materials and Contracts	(1,531,907)	(1,563,722)	(714,483)	(559,241)	155,242
Utilities	(177,631)	(176,631)	(61,265)	(48,759)	12,506
Depreciation	(2,781,490)	(2,781,490)	(1,248,895)	(1,270,357)	(21,462)
Interest Expenses	(76,411)	(76,411)	(35,087)	(20,996)	14,091
Insurance	(193,031)	(193,031)	(193,013)	(174,637)	18,376
Other Expenditure	(112,453)	(1,500)	(1,205)	(78)	1,127
	(6,783,935)	(6,685,301)	(3,049,909)	(2,754,888)	295,021
	(2,282,125)	(2,289,781)	34,306	518,037	483,732
Non-Operating Grants, Subsidies & Contributions	740,579	740,579	520,880	174,659	(346,221)
Profit on Asset Disposals	12,000	12,000	5,000	-	(5,000)
Loss on Asset Disposals	(103,789)	(103,789)	(1,100)	(113,755)	(114,855)
<b>NET RESULT</b>	<b>(1,633,335)</b>	<b>(1,640,991)</b>	<b>559,086</b>	<b>578,942</b>	<b>17,656</b>

## **Note 1: MAJOR VARIANCES**

### **Comments/Reason for Variance**

---

#### **OPERATING REVENUE (EXCLUDING RATES)**

##### **4 Governance**

Within variance threshold of \$10,000 or 10%

##### **3 General Purpose Funding**

Within variance threshold of \$10,000 or 10%

##### **5 Law, Order and Public Safety**

Within variance threshold of \$10,000 or 10%

##### **7 Health**

Timing issue will correct over time.

##### **8 Education and Welfare**

Within variance threshold of \$10,000 or 10%

##### **9 Housing**

Within variance threshold of \$10,000 or 10%

##### **10 Community Amenities**

Timing issue will correct over time.

##### **11 Recreation and Culture**

Great than anticipated useage of Shire facilities. Grant funding for Australia Day celebrations not included in budget.

##### **12 Transport**

First 40% from RRG not yet claimed, budgeted to claim in August. Has been claimed in December so should correct with December report.

##### **13 Economic Services**

Within variance threshold of \$10,000 or 10%

##### **14 Other Property and Services**

Property refund from 2019/2020 year due to sale of Kalkarni.

#### **OPERATING EXPENSES**

##### **4 Governance**

Wages under due to vacant positions

##### **3 General Purpose Funding**

Less expenditure than anticipated in the ABC allocations due to underspend in operations

##### **5 Law, Order and Public Safety**

Timing issue, will correct over time.

##### **7 Health**

Within variance threshold of \$10,000 or 10%

##### **8 Education and Welfare**

Within variance threshold of \$10,000 or 10%

##### **9 Housing**

Timing issue, will correct over time.

##### **10 Community Amenities**

Less expenditure than anticipated in the ABC allocations due to underspend in operations

##### **11 Recreation and Culture**

Less expenditure than anticipated in the ABC allocations due to underspend in operations

##### **12 Transport**

Timing issue, will correct over time.

##### **13 Economic Services**

Timing issue, will correct over time.

##### **14 Other Property and Services**

Timing issue, will correct over time.

## **CAPITAL REVENUE**

### **Proceeds from Disposal of Assets**

Within variance threshold of \$10,000 or 10%

### **Self-Supporting Loan Principal**

Invoice not issued to recoup self supporting loan

### **Transfer from Reserves**

Timing issue, will correct over time. Transfers are only carried out when capital projects fully expended.

## **CAPITAL EXPENSES**

### **Land and Buildings**

Works commenced, variance is a timing issue and will correct over time

### **Plant and Equipment**

Within variance threshold of \$10,000 or 10%

### **Furniture and Equipment**

Within variance threshold of \$10,000 or 10%

### **Infrastructure Assets - Roads & Bridges**

Works commenced, variance is a timing issue and will correct over time

### **Infrastructure Assets - Sewerage**

Within variance threshold of \$10,000 or 10%

## **Note 1: MAJOR VARIANCES**

---

### **Comments/Reason for Variance**

## **OPERATING REVENUE (EXCLUDING RATES)**

### **4 Governance**

#### **Repayment of Debentures**

Within variance threshold of \$10,000 or 10%

#### **Transfer to Reserves**

Timing issue, will correct over time.

## **OTHER ITEMS**

### **Rate Revenue**

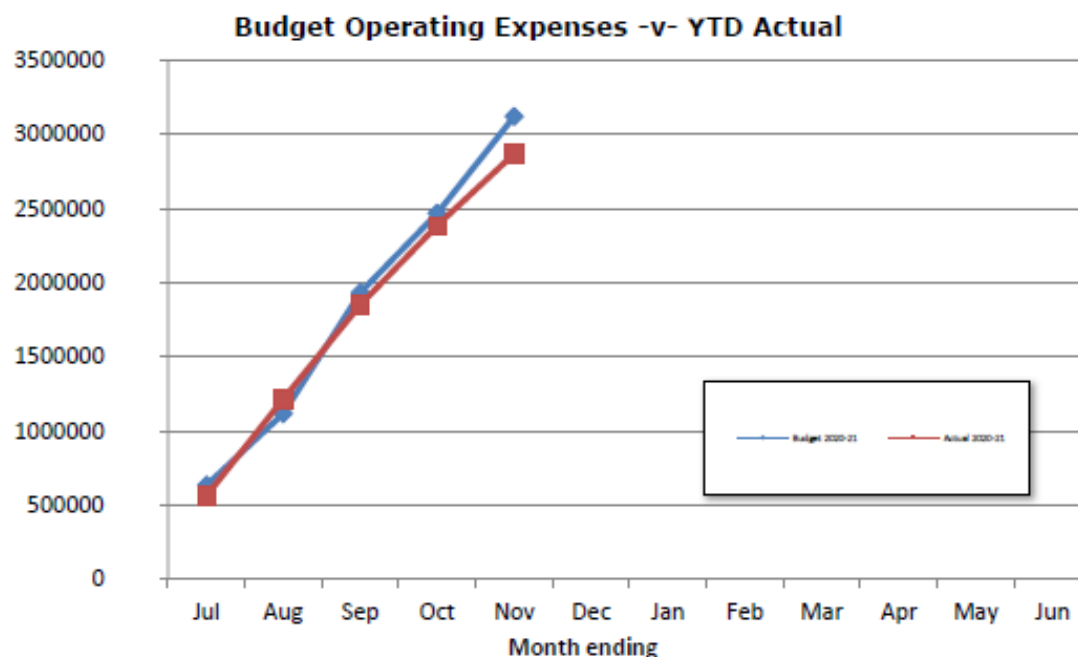
Will adjust as payments are made.

### **Closing Funding Surplus (Deficit)**

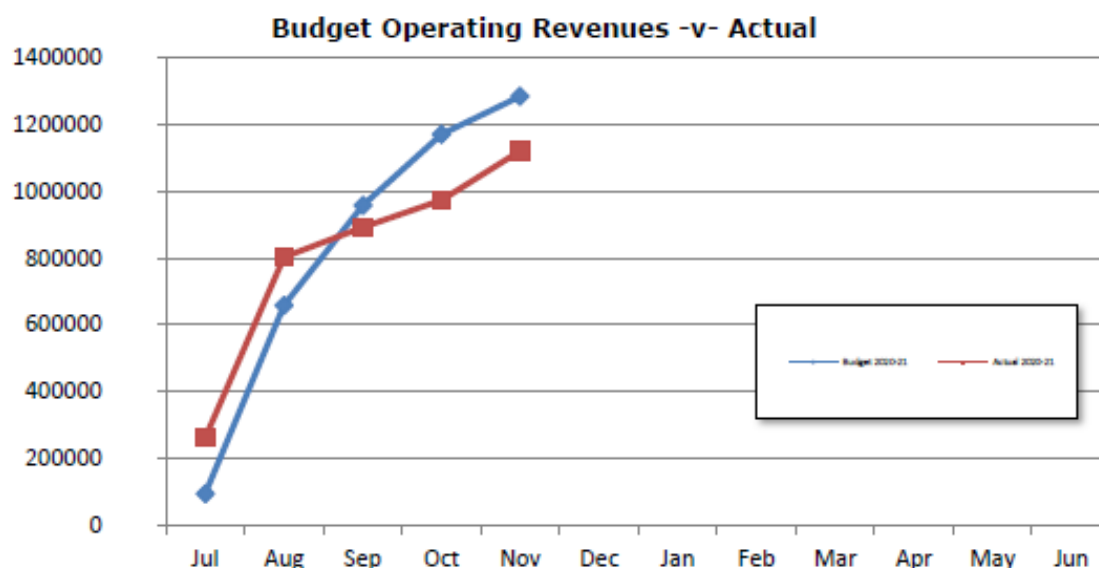
Will adjust as income and expenditure occur over the year

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 2 - Graphical Representation - Source Statement of Financial Activity**



**Comments/Notes - Operating Expenses**

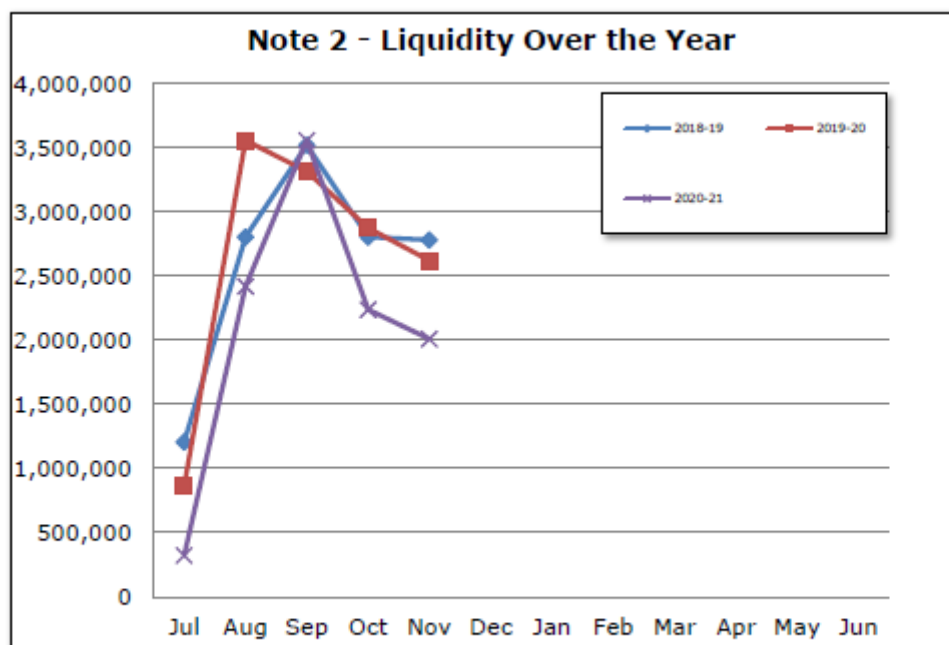


**Comments/Notes - Operating Revenues**

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 3: NET CURRENT FUNDING POSITION**

		Positive=Surplus (Negative=Deficit)		
		2020-21		
Note	This Period	Same Period	Same Period	Surplus C/F 1
	\$	2019/20	2018/19	July 2020
	\$	\$	\$	\$
<b>Current Assets</b>	<b>Nov 2020</b>	<b>Nov 2019</b>	<b>Nov 2018</b>	
Cash Unrestricted	1,688,700	2,081,663	2,453,491	810,922
Cash Restricted	11,895,503	5,280,644	4,834,942	12,133,251
Receivables	699,721	4,232,820	4,545,121	125,586
Non-Cash provision movement	0	0	0	0
Inventories	31,952	39,798	27,168	16,298
	14,315,876	11,634,925	11,860,722	13,086,057
<b>Less: Current Liabilities</b>				
Payables and Provisions	(409,799)	(3,733,429)	(4,244,027)	(540,223)
	(409,799)	(3,733,429)	(4,244,027)	(540,223)
Less: Cash Restricted	(11,895,503)	(5,280,644)	(4,834,942)	(12,133,251)
<b>Net Current Funding Position</b>	<b>2,010,574</b>	<b>2,620,852</b>	<b>2,781,753</b>	<b>412,583</b>



**Comments - Net Current Funding Position**



**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 4: RECEIVABLES**

**Receivables - Rates, Sewerage and Rubbish**

Opening Arrears Previous Years  
 Rates, Sewerage & Rubbish Levied this  
 year  
Less Collections to date  
 Equals Current Outstanding

**Net Rates Collectable**

% Collected

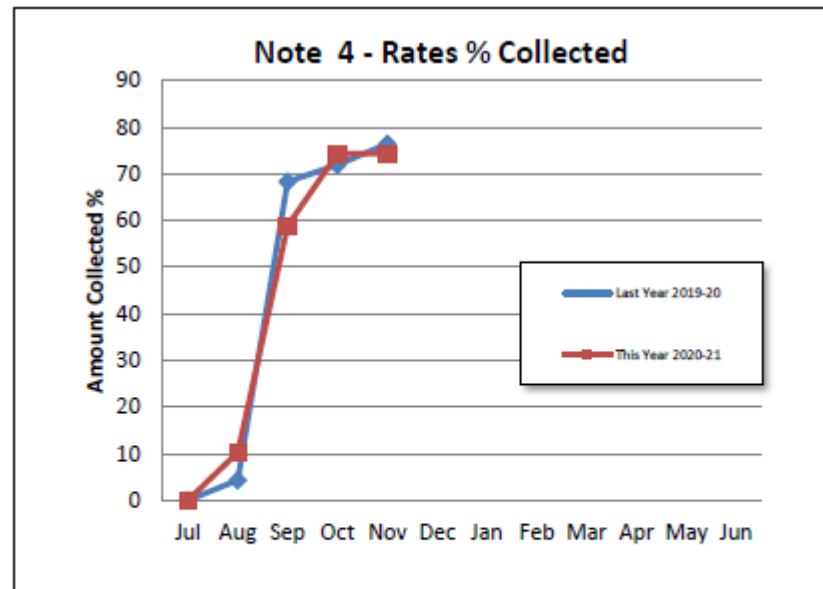
Current 2020-21	Previous Year 2019-20
\$	\$
234,381	86,273
2,699,336	2,639,434
(2,179,820)	(2,083,375)
<b>753,897</b>	<b>642,332</b>
753,897	642,332
74.30%	76.43%

**Receivables - General**

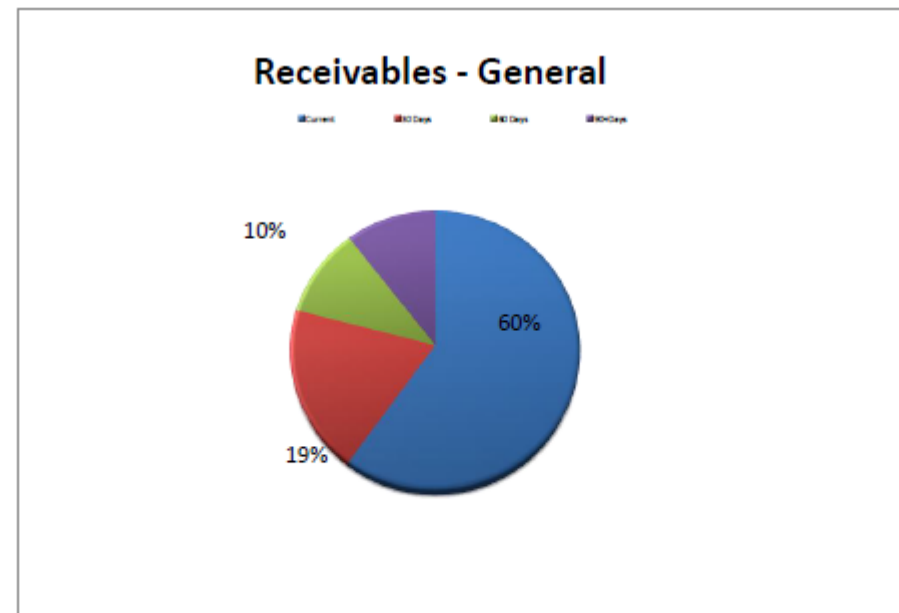
Current	30 Days	60 Days	90+Days
\$	\$	\$	\$
7,694	2,470	1,340	1,344
			<b>12,848</b>

**Total Outstanding**

**Amounts shown above include GST (where applicable)**



Comments/Notes - Receivables Rates, Sewerage and Rubbish



Comments/Notes - Receivables General



**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 5: Cash Backed Reserves**

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Adopted Budget Transfers In (+)	Current Budget Transfers In (+)	Actual Transfers In (+)	Adopted Budget Transfers Out (-)	Current Budget Transfers Out (-)	Actual Transfers Out (-)	Adopted Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$		\$	\$		\$	\$	\$
Leave Reserve	138,778	1,407	74	30,000		0		0		170,185	138,852
Plant and Vehicle Reserve and Community Bus Reserve	751,938	8,033	326	0		0	(414,500)		(280,500)	345,471	471,764
Land & Housing Development Reserve/Independent Living Units	1,391,205	14,201	739	0		0	0		0	1,405,406	1,391,944
Furniture and Equipment Reserve	21,194	369	11	0		0	0		0	21,563	21,205
Municipal Buildings & Facilities Reserve	330,737	3,800	176	269,000		0	(37,000)			566,537	330,913
Townscape and Footpath Reserve	125,068	1,277	66	0		0				126,345	125,134
Sewerage Scheme Reserve	410,425	4,394	218	35,000		0	(15,000)			434,819	410,643
Road and Bridge Infrastructure Reserve	327,787	6,408	174	0		0	(200,000)			134,195	327,961
Health & Wellbeing reserve	553,863	6,675	294	0		0	0		0	560,538	554,157
Sport & Recreation Reserve	31,625	323	17	0						31,948	31,642
Rehabilitation & Refuse Reserve	169,841	1,733	90	41,000						212,574	169,931
Caravan Park Reserve	153,899	1,571	82	200,000						355,470	153,981
Brookton Heritage/Museum Reserve	47,148	481	25	0						47,629	47,173
Kweda Hall Reserve	18,026	184	10	0						18,210	18,036
Aldersyde Hall Reserve	25,806	0	0				(25,806)		(25,806)	0	(0)
Railway Station Reserve	129,940	1,326	69	200,000			(35,000)			296,266	130,009
Madison Square Units Reserve	30,653	313	16	0						30,966	30,669
Cemetery Reserve	43,863	448	23	0			(25,000)			19,311	43,886
Water Harvesting Reserve	48,116	491	26	80,000			(55,000)		0	73,607	48,142
Developer Contribution	2,740	28	1							2,768	2,741
Cash Contingency Reserve	140,336	1,433	75	0						141,769	140,411
Brookton Aquatic Reserve	156,130	1,594	83	300,000						457,724	156,213
Future Fund Reserve	7,084,132	75,600	65,964	0		0	(3,080,000)			4,079,732	7,150,096
Innovations Fund Reserve	0	0		2,000,000						2,000,000	0
	<b>12,133,250</b>	<b>132,089</b>	<b>68,558.68</b>	<b>3,155,000</b>	<b>0</b>	<b>0</b>	<b>(3,887,306)</b>	<b>0</b>	<b>(306,306)</b>	<b>11,533,033</b>	<b>11,895,502</b>

Shire of Brookton  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
For the Period Ended 30 November 2020

**Note 6: CAPITAL DISPOSALS AND ACQUISITIONS**

Original Budgeted Profit(Loss) of Asset Disposal			Disposals	Actual Profit(Loss) of Asset Disposal			
Net Book Value	Proceeds	Profit (Loss)		Net Book Value		Proceeds	Profit (Loss)
222,543	133,000	(89,543)	PG7 Volvo Grader	\$ 222,543		\$ 133,000	\$ (89,543)
0	10,000	10,000	Side Winder Reel Mower				0
0	2,000	2,000	Single Cab Ute				0
14,246	0	(14,246)	Acer Server 2007				0
		0					0
		0					0
<b>236,789</b>	<b>145,000</b>	<b>(91,789)</b>		<b>222,543</b>		<b>133,000</b>	<b>(89,543)</b>

Comments - Capital Disposal

Summary Acquisitions				
	Budget	Current Budget	Actual	Variance
<b>Property, Plant &amp; Equipment</b>	\$		\$	\$
Land and Buildings	226,000	226,000	16,750	209,250
Plant & Equipment	559,500	559,500	499,743	59,757
Furniture & Equipment	12,000	12,000	5,310	6,690
<b>Infrastructure</b>				
Roadworks & Bridge Works & Footpaths	1,123,247	1,123,247	122,206	1,001,041
Footpath Construction - Richardson Street	0	0	0	0
Sewerage & Drainage	373,000	373,000	30,084	342,916
<b>Totals</b>	<b>2,293,747</b>	<b>2,293,747</b>	<b>674,093</b>	<b>1,619,654</b>

Comments - Capital Acquisitions

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 7: INFORMATION ON BORROWINGS**

					Principal 1-Jul-20 \$	New Loans \$	Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan Purpose	Due Date	Term (yrs)	Rate (%)			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Self Supporting Loans												
*Loan 82 Country Club	Extension and Refurbishment of the Club House	15/11/2027	20	6.95	215,828	-	11,206	22,801	204,622	201,217	5,584	14,611
Education & Welfare												
Loan 80 Kalkami Residency	Kalkami Residence	1/02/2026	25	5.63	63,602	-	4,529	9,185	59,073	60,149	305	3,453
Housing												
Loan 80 Staff Housing	Staff Housing	1/02/2026	25	5.63	104,944	-	7,473	15,156	97,471	99,246	503	5,698
Community Amenities												
Loan 80 Sewerage	Sewerage Extension	1/02/2026	25	5.63	44,521	-	3,170	6,430	41,351	42,104	213	2,417
Transport												
Loan 80 Grader	New Grader	1/02/2026	25	5.63	104,944	-	7,473	15,156	97,471	99,246	503	5,698
Recreation and Culture												
Loan 81 Sport & Recreation	Recreation Plan	1/11/2027	20	6.95	536,706	-	27,866	56,701	508,840	492,286	13,887	44,420
					1,070,545	-	61,716	125,429	1,008,829	994,248	20,996	76,297

(\*) Self supporting loan financed by payments from third parties.  
All other loan repayments were financed by general purpose revenue.

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 8: CASH AND INVESTMENTS**

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Investments \$	Total Amount \$	Institution	Maturity Date
(a) <b>Cash Deposits</b>								
Municipal Cash at Bank - Operating Account	0.00%	37,025				37,025	Bendigo	
Municipal Cash at Bank - Cash Management Account	0.00%	1,630,111				1,630,111	Bendigo	
Municipal Cash at Bank - Independent Living Units	0.15%	13,339				13,339	Bendigo	
Bond Fund	0.00%	8,225				8,225	Bendigo	
Trust Cash at Bank	0.00%			20,540		20,540	Bendigo	
(b) <b>Term Deposits</b>								
Savings Account	0.15%		4,745,407			4,745,407	Bendigo	
Reserves	0.75%		7,150,096			7,150,096	Bendigo	20/03/2021
(c) <b>Investments</b>								
Bendigo Bank Shares					10,000	10,000	Bendigo	
<b>Total</b>		1,688,700	11,895,503	20,540	10,000	13,614,743		
		-	0	0	-			

Comments/Notes - Investments

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 9: BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Account Code	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	<b>Adopted Budget Net Asset Surplus 30 June 2020</b>		Opening Surplus(Deficit)				<b>412,583</b>
E116510	MSCGCAP - Community Garden/Mens shed building	OCM 08.20-13	Capital Expenses			110,000	<b>302,583</b>
E116510	YSHEDCAP - youth/Girl Guides building	OCM 08.20-13	Capital Expenses			100,000	<b>202,583</b>
E132512	Caravan Park Upgrade	OCM 08.20-13	Capital Expenses			335,000	<b>(132,417)</b>
I032060	Drought Communities Grant funding	OCM 08.20-13	Capital Revenue		500,000		<b>367,583</b>
OL01841	Trans to Muni from Caravan Park Reserve	OCM 08.20-13	Capital Revenue		35,000		<b>402,583</b>
OL01661	trans to Muni from Municipal Buildings Reserve	OCM 08.20-13	Capital Revenue		10,000		<b>412,583</b>
E121565	YOURSFC - Yourling Rd extend bitumen seal 520 metre	OCM 08.20-14	Capital Expenses			85,000	<b>327,583</b>
E121565	SEWSFC - Sewel st road closure improvements	OCM 08.20-14	Capital Expenses			17,000	<b>310,583</b>
E121565	OTHERSFC - Corberding Rd, Withall St & Brookton Hwy intersection improvements	OCM 08.20-14	Capital Expenses			22,000	<b>288,583</b>
E142519	Shire Depot Improvements	OCM 08.20-14	Capital Expenses			131,540	<b>157,043</b>
I032070	Local Goads & Community Infrastrucutre Program funding	OCM 08.20-14	Capital Revenue		255,540		<b>412,583</b>
OL01951	Aquatic Centre Reserve	OCM 10.20-07	Capital Revenue		10,000		<b>422,583</b>
E112020	POOLGO - Aquatic Centre Equipment & Materials	OCM 10.20-07	Operating Expenses			10,000	<b>412,583</b>
OL01961	Cash Contingency Reserve	OCM 10.20-07	Capital Revenue		10,000		<b>422,583</b>
E101020	TIPOP - Landfill cover Material	OCM 10.20-07	Operating Expenses			10,000	<b>412,583</b>
OL01961	Cash Contingency Reserve	OCM 10.20-07	Capital Revenue		6,400		<b>418,983</b>
E111000	MHALLOP - Architectural Services	OCM 10.20-07	Operating Expenses			6,400	<b>412,583</b>
OL01701	Roads & Bridges Infrastructure Reserve	OCM 10.20-07	Capital Revenue		41,000		<b>453,583</b>
E122030	BRDGOP - Urgent repairs Bridge 3154A & 3158A	OCM 10.20-07	Operating Expenses			41,000	<b>412,583</b>
OL01961	Cash Contingency Reserve	OCM 10.20-07	Capital Revenue		4,407		<b>416,990</b>
E105030	Application Fee - Amend Happy Valey Water Licence	OCM 10.20-07	Operating Expenses			4,407	<b>412,583</b>
							<b>412,583</b>
							<b>412,583</b>
							<b>412,583</b>
	<b>Closing Funding Surplus (Deficit)</b>			<b>0</b>	<b>872,347</b>	<b>872,347</b>	<b>412,583</b>

**Classifications Pick List**

Operating Revenue  
Operating Expenses  
Capital Revenue  
Capital Expenses  
Budget Review  
Opening Surplus(Deficit)  
Non Cash Item

**Shire of Brookton**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 November 2020**

**Note 10: TRUST FUND**

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

Description	Opening Balance For the Period 1 July 2019	Amount Received	Amount Paid	Closing Balance For the Period Ended 30 November 2020
	\$	\$	\$	\$
Housing Bonds	0	0	0	0
Other Bonds	6,140	0	(140)	6,000
Rates Incentive Prize	0	0	0	0
Staff AFL Tipping	0	0	0	0
Les McMullen Sporting Grants	0	0	0	0
Gnulla Child Care Facility	0	0	0	0
Wildflower Show Funds	0	0	0	0
Kalkarni Resident's Accounts	0	0	0	0
Public Open Space Contributions	13,820	0	0	13,820
Developer Road Contributions	0.00	0	0	0.00
Unclaimed Money	830	0	(110)	720
	20,790	0	(250)	20,540

**1. Public Open Space Contribution:**

T148 - Paul Webb \$13,820

Contribution to be retained in Trust as required under the Planning and Development Act 2005.

**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**Sewerage Programm by Nature and Type**  
**For the Period Ended 30 November 2020**

**Note 11 Sewerage Operating Statement**

NOTE	2020/21 Adopted Budget \$	2020/21 YTD Budget \$	2020/21 YTD Actual \$	Variance YTD Budget vs YTD Actual \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Sewerage Connection Fees and Charges	650	650	708	58
Annual Sewerage Rates	203,265	203,265	194,636	(8,629)
	<b>203,915</b>	<b>203,915</b>	<b>195,344</b>	<b>(8,571)</b>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs	(16,350)	(6,813)	(810)	6,002
Materials and Contracts	(86,110)	(35,879)	(61,240)	(25,361)
Utilities	(5,600)	(2,333)	(727)	1,607
Depreciation	(42,067)	(17,528)	(17,921)	(393)
Interest Expenses	(2,723)	(1,135)	(213)	921
Insurance	(268)	(112)	(237)	(125)
General Operating Expenses	(13,907)	(5,795)	(1,118)	4,676
Allocation of Administration Expense	(45,800)	(19,083)	(15,748)	3,336
	<b>(212,825)</b>	<b>(88,677)</b>	<b>(98,014)</b>	<b>(9,337)</b>
	<b>(8,910)</b>	<b>115,238</b>	<b>97,331</b>	<b>(17,907)</b>
Add Back Depreciation	42,067	17,528	17,921	393
Non-Operating Grants, Subsidies & Contributions	-	-	-	-
Profit on Asset Disposals	-	-	-	-
Loss on Asset Disposals	-	-	-	-
Transfer to Sewerage and Drainage Reserve	(35,000)	(14,583)	-	(14,583)
Transfer from Sewerage and Drainage Reserve	15,000	15,000	-	15,000
<b>NET RESULT</b>	<b>13,157</b>	<b>133,183</b>	<b>115,251</b>	<b>(17,098)</b>
Capital Loan Repayments			(3,170)	

**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**WB Eva Pavilion by Nature and Type**  
**For the Period Ended 30 November 2020**

**Note 12 WB Eva Pavilion Operating Statement**

NOTE	2020/21 Adopted Budget \$	2020/21 YTD Budget \$	2020/21 YTD Actual \$	Variance YTD Budget vs YTD Actual \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Hire Fees - WB Eva Pavilion	2,980	1,242	2,205	964
Sporting Club Fees	5,500	2,292	2,723	431
Gymnasium Income	7,500	3,125	3,023	(102)
	<b>15,980</b>	<b>6,658</b>	<b>7,951</b>	<b>1,293</b>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs	-	-	-	-
Materials and Contracts	-	-	-	-
Utilities	-	-	-	-
Interest Expenses	(40,047)	(16,686)	(13,887)	2,800
Insurance	-	-	-	-
General Operating Expenses	-	-	-	-
Gymnasium Operating	(8,977)	(3,860)	(3,086)	774
	<b>(40,047)</b>	<b>(16,686)</b>	<b>(16,973)</b>	<b>2,800</b>
	<b>(24,067)</b>	<b>(10,028)</b>	<b>(9,022)</b>	<b>4,092</b>
<b>NET RESULT</b>	<b>(24,067)</b>	<b>(10,028)</b>	<b>(9,022)</b>	<b>4,092</b>
Capital Loan Repayments			(27,866)	



**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**Brookton Caravan Park and Brookton Aquatic Centre**  
**For the Period Ended 30 November 2020**

	Note	Adopted Annual Budget 2019/20	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9
<b>Note 13 (a): Brookton Caravan Park</b>		\$	\$	\$	\$	%
<b>Operating Revenue</b>						
Caravan Park Fees		33,000	13,750	17,194	3,444	25.05%
<b>Total Revenue</b>		<b>33,000</b>	<b>13,750</b>	<b>17,194</b>	<b>3,444</b>	<b>25.05%</b>
<b>Operating Expenses</b>						
Brookton Caravan Park	CARAOP	(22,888)	(9,537)	(12,888)	(3,351)	35.14%
Brookton Caravan Park	MARKOP	(8,000)	(3,333)	0		
Caravan Park Depreciation		(1,037)	(432)	(436)	(3)	0.79%
Caravan Park Abc Administration Expenses		(27,480)	(11,450)	(9,449)	2,001	(17.48%)
<b>Total</b>		<b>(59,405)</b>	<b>(24,752)</b>	<b>(22,772)</b>	<b>(1,353)</b>	<b>(5.47%)</b>
<b>Operating Surplus (Deficit)</b>		<b>(26,405)</b>	<b>(11,002)</b>	<b>(5,578)</b>	<b>2,091</b>	<b>19%</b>
<b>Excluding Non Cash Adjustments</b>						
Add back Depreciation		1,037	432	436	3	0.79%
<b>Net Operating Surplus (Deficit)</b>		<b>(25,368)</b>	<b>(10,570)</b>	<b>(5,142)</b>	<b>2,094</b>	<b>(19.81%)</b>
<b>Note 13 (b): Brookton Aquatic Centre</b>						
<b>Operating Revenue</b>						
POOL FEES & CHARGES		14,500	6,042	6,147	106	1.75%
POOL GRANTS & SUBSIDIES		0	0	0	0	0.00%
<b>Total Revenue</b>		<b>14,500</b>	<b>6,042</b>	<b>6,147</b>	<b>106</b>	<b>1.75%</b>
<b>Operating Expenses</b>						
POOL EMPLOYEE COSTS		(48,057)	(20,024)	(6,522)	13,502	0.00%
POOL GENERAL OPERATING EXPENSES		(25,500)	(14,792)	(15,928)	(1,137)	7.68%
POOL BUILDING MAINTENANCE		(16,998)	(7,083)	(6,865)	218	(3.08%)
POOL DEPRECIATION		(11,854)	(4,939)	(4,995)	(56)	1.13%
POOL ABC ADMINISTRATION EXPENSES		(27,480)	(11,450)	(9,449)	2,001	(17.48%)
<b>Total</b>		<b>(129,889)</b>	<b>(58,287)</b>	<b>(43,758)</b>	<b>14,529</b>	<b>24.93%</b>
<b>Operating Surplus (Deficit)</b>		<b>(115,389)</b>	<b>(52,245)</b>	<b>(37,611)</b>	<b>14,635</b>	<b>28.01%</b>
<b>Excluding Non Cash Adjustments</b>						
Add back Depreciation		11,854	4,939	4,995	56	1.13%
<b>Net Operating Surplus (Deficit)</b>		<b>(103,535)</b>	<b>(47,306)</b>	<b>(32,616)</b>	<b>14,690</b>	<b>31.05%</b>

Shire of Brookton  
**STATEMENT OF FINANCIAL ACTIVITY**  
**Road Program**  
For the Period Ended 30 November 2020

Note 14

Description	Adopted Annual Budget	Amended Budget	YTD Actual	% Completed	Federal Funding		State Funding				Own Source Funding		
					R2R	Other	RRG	RRG Carryover	Direct Grant	FAGS	Reserve	Contributions	Muni
	\$	\$	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
Town Street Maintenance	188,102	188,102	64,019	34%									188,102
Rural Road Maintenance	379,536	379,536	278,122	73%					84,910				294,626
Bridge Maintenance	63,016	104,016	27,974	27%									104,016
<b>R2R Work Schedule</b>													
Brookton - Kweda Road	218,633	218,633	930	0%	218,633								0
<b>Other Construction</b>													
Brookton-Kweda Road	162,080	162,080	0	0%							100,000		62,080
York-Williams Road	45,420	45,420	0	0%									45,420
Bartram Road	148,575	148,575	0	0%							50,000		98,575
Dale Kokeby Road	148,575	148,575	0	0%							50,000		98,575
Install & upgrade Headwalls to Culverts	24,964	24,964	0	0%									24,964
<b>RRG Approved Projects</b>													
Brookton-Kweda Road	324,150	324,150	121,093	37%			324,150						0
York-Williams Road	50,850	50,850	183	0%			50,850						
	<b>1,753,901</b>	<b>1,794,901</b>	<b>492,320</b>	<b>28%</b>	<b>218,633</b>	<b>0</b>	<b>375,000</b>	<b>0</b>	<b>84,910</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>916,358</b>

**Shire of Brookton**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**Capital Works Program**  
**For the Period Ended 30 November 2020**

**Note 15**

Description	Adopted Annual Budget	Amended Budget	YTD Actual	% Completed	Capital Funding					
					Muni	Grants	Reserves	Sale of Assets	Loan	Total Funding
	\$	\$	\$		\$	\$	\$	\$		\$
Chambers & Reception Area Upgrade	30,000	30,000	0	0%	30,000					30,000
Robinson Road - StreetBins	10,000	10,000	0	0%	10,000					10,000
Effluent Dosing Building/Shed	15,000	15,000	0	0%			15,000			15,000
Ablution Facility at Cemetery	25,000	25,000	0	0%			25,000			25,000
Railway Station Fencing and Lighting	35,000	35,000	0	0%			35,000			35,000
Youth Precinct - Fencing & Nature Play Area	50,000	50,000	0	0%	13,000		37,000			50,000
Aquatic Centre Improvements (new roof to Ablution)	24,000	24,000	16,750	70%	24,000					24,000
Memorial Park Gazebo and Disable access	22,000	22,000	0	0%	22,000					22,000
Tourist Information Bay	15,000	15,000	0	0%	15,000					15,000
Electronic Records system	0	0	5,310	0%	0					0
Display Cabinet & Memorabilia Board	12,000	12,000	0	0%	12,000					12,000
John Deere 670GP Grader per RFQ05/2020	413,500	413,500	413,500	100%			280,500	133,000		413,500
Side Winder Reel Mower	52,000	52,000	0	0%			42,000	10,000		52,000
Single Cab Ute	10,000	10,000	0	0%			8,000	2,000		10,000
Dual Cab Ute - BRMPO & CESM	84,000	84,000	86,244	100%			84,000			84,000
Brookton-Kweda Road	324,150	324,150	121,093	37%		324,150				324,150
York-Williams Road	50,850	50,850	183	0%		50,850				50,850
Brookton-Kweda Road	218,633	218,633	930	0%		218,633				218,633
Brookton-Kweda Road	162,080	162,080	0	0%	100,873		61,207			162,080
York-Williams Road	45,420	45,420	0	0%	28,268		17,152			45,420
Bartram Road	148,575	148,575	0	0%	92,468		56,107			148,575
Dale Kokeby Road	148,575	148,575	0	0%	92,468		56,107			148,575
Install & upgrade Headwalls to Culverts	24,964	24,964	0	0%	15,537		9,427			24,964
Happy Valley Bore Field	55,000	55,000	15,649	28%			55,000			55,000
Upgrade Inflow Meter with Electromagnetic Metre	18,000	18,000	14,435	80%	18,000					18,000
Upgrade- Refurb/Refining Pipe Network	300,000	300,000	0	0%					300,000	300,000
	<b>2,293,747</b>	<b>2,293,747</b>	<b>674,093</b>	<b>225%</b>	<b>473,614</b>	<b>593,633</b>	<b>865,500</b>	<b>145,000</b>	<b>300,000</b>	<b>2,377,747</b>

**14.12.20.03 ANNUAL REPORT FOR 2019-20**

<b>File No:</b>	ADM 0117
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	Not Applicable
<b>Name of Applicant:</b>	Shire of Brookton
<b>Name of Owner:</b>	Shire of Brookton
<b>Author/s:</b>	Ian D’Arcy
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	Nil
<b>Voting Requirements:</b>	Absolute Majority
<b>Previous Report:</b>	Nil

This item and attachment will be tabled early next week upon finalisation of the Shire’s end of year financials by the Office of the Auditor General.

## 15.12.20 GOVERNANCE

### 15.12.20.01 AMENDMENT TO POLICY 2.35 – INFORMATION SECURITY

<b>File No:</b>	ADM 0564
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	N/A
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author has a specific interest in this item.
<b>Voting Requirements:</b>	Simple majority
<b>Previous Report:</b>	N/A

#### Summary of Item:

This item involves a rewrite of ‘Policy 2.35 – Information Security’, including a title change to ‘Information Communications Technology – Security and Use’, with the aim to bolster the Council’s position on the management of its ICT equipment, and respective use of Shire information.

A copy of the amended Policy is presented as **Attachment 15.12.20.01A** to this report with suggested changes in red text.

#### Description of Proposal:

As above.

#### Background:

Given recent recommendations by the Office of the Auditor General (AOG) with a strong emphasis on the secure operation of the Shire Information Communications Technology (ICT) systems, and the need for appropriate conduct in using equipment and sharing information aligned back to recent investigation of other Local Governments, this policy has been amended in draft form to strengthen the security.

The intent is to ensure all users of the Shire ICT system are integrally committed to the principles as outlined in the amended Policy.

#### Consultation:

This draft policy has been sanctioned by the Audit and Risk Committee at their meeting on the 10<sup>th</sup> December 2020.

#### Statutory Environment:

This Policy relates to the following legislation:

- *Local Government Act, 1995*
- *Privacy Act, 1988*
- *State Records Act, 2000 (WA)*

Furthermore, Council may determine, review and amend the Local Government’s Policies pursuant to Section 2.7(2)(b) of the *Local Government Act, 1995*.

#### Relevant Plans and Policy:

There are no other existing policies that apply to this matter.

**Financial Implications:**

There is no specific financial implication in amending the attached Policy.

**Risk Assessment:**

On assessment the risk is assessed as 'High' given this policy relates to security and use of Shire equipment and information, some of which may be sensitive and confidential in nature.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

**Community & Strategic Objectives:**

The draft Policy aligns to the delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, this amended policy accords with:

Function 17	Records Management
	17.3 Capture / maintain / secure corporate records / archiving
Function 19	Risk Management
	19.3 Implement risk mitigation measures
Function 21	IT Management
	21.1 Review computer hardware and software operating system 3

**Comment:**

The policy changes are considered appropriate given recent events already mentioned. Also, they will be a clear demonstration of the Council's commitment to a more secure ICT environment particularly with members of the organisation having to complete and sign the attached 'ICT Use Agreement Declaration' form – refer to Appendix A.

#### **AUDIT AND RISK COMMITTEE RECOMMENDATION**

*That Council in accordance with Section 2.7(2)(b) of the Local Government Act, 1995 amend Policy 2.35 as presented in Attachment 15.12.20.01A to this report, including the titled being changed to 'Information Communications Technology – Security and Use'.*

(Simple majority vote)

#### **Attachment**

15.12.20.01A – Policy 2. 35 – Information Communications Technology – Security and Use

## 2.35 Information Communications Technology - Security and Use

<b>Directorate:</b>	Governance			
<b>Statutory Environment:</b>	<i>Local Government Act, 1995</i> <i>Privacy Act, 1988</i> <i>State Records Act, 2000 (WA)</i> <i>ISO/IEC 2700 – Information Security Management Systems – requirements</i> <i>ISO/IEC 20071 – Code of Practice for Information Security management</i> <i>NIST Cybersecurity Framework</i> <i>AS/ISO – 15483 – Records &amp; Information</i> <i>ISO – 15489</i>			
<b>Council Adoption:</b>	Date:	Aug 2018	Resolution #:	
<b>Last Amended:</b>	Date:	Nov 2020	Resolution #:	
<b>Review Date:</b>	June 2021			

### Objective:

The key objectives of this policy are to:

- ~~Minimise information security incidents &~~
  - ~~To ensure compliance with legislation and contractual obligations.~~
1. Provide understanding and guidance on the acceptable use of the Shire of Brookton's Information and Communication Technology (ICT) assets and resources.
  2. Demonstrate the Shire's commitment to upholding the relevant legislative and administrative requirements, whilst:
    - mitigating data loss and damage to the Shire's assets and reputation.
    - promoting organisational productivity.

### Scope:

This policy encompasses all information, ICT Services and ICT assets that are owned, managed or operated by the Council, and ~~applies to all Council employees and Councillors for the duration of their employment or term of office with Council.~~ recognises the importance of maintaining effective controls over information security, operational guidelines and records management procedures, and applies to anyone accessing or using the Shire of Brookton's ICT facilities, including all employees, contractors, volunteers and Elected Members.

~~The CEO is ultimately accountable for information security in the Shire of Brookton and will:~~

- ~~Ensure that a policy is in place and a "security aware" culture is established.~~
- ~~Approve changes to administrative processes and procedures that do not change the intent or the impact of the policy as they apply from time to time.~~



## Statement:

This policy and any procedures developed and adopted are mandatory and will support the Shire's Risk Management Policy and Records and Information Management Policy.

The Shire of Brookton (the Council) will ensure the confidentiality, integrity and availability of Council's information, ICT Services and ICT assets.

## Policy:

- a) All information, including electronic records, files and communications that forms part the Shire's computer network is considered a corporate asset and shall be treated as such.
- b) The following basic principles on information security must be upheld in using of Shire's ICT facilities:
  - *Confidentiality* – Ensuring information is accessible only to suitably authorised persons.
  - *Integrity* – Maintain confidence accuracy and comprehensiveness of information and processing methods.
  - *Availability* – Making certain authorised users have access to information when required.
  - *Compliance* – Confirming that the Shire meets all legislative obligations.
  - *Responsibility* – Ensuring users of the Shire's ICT resources do not adversely affect other users or systems.
- c) Each user is responsible and accountable for their use of the Shire's ICT facilities and have an ethical and legal obligation not to use Shire property improperly. Specifically, access, transmission, retrieval, storage and/or display of material relating of personal expression that is defamatory, discriminatory, harassing and/or illegal in nature and/or is for political gain is strictly forbidden. A violation of misuse, depending on severity, nature and status of the user, may result in a reprimand, loss of ICT access, report to a higher authority for investigation and possible disciplinary action, or termination of employment.
- d) All users have a responsibility to avoid, prevent and report any unauthorised access, disclosure, duplication, modification, diversion, destruction, loss, misuse or theft of Shire information. Misuse may consist of, but is not limited to:
  - Use of ICT equipment and material inconsistent with the Shire's values, mission, business functions or objectives.
  - Allowing another person unauthorised use or access to any resource outside the scope of user's authority and role or is contrary to the applicable guidelines and legislation.
  - Use of the Shire ICT system and content for illegal, offensive or other inappropriate activities.
  - Use, or knowingly allowing another party, to use any Shire system and/or equipment to defraud or obtain money, property, services or other items of value, or for political gain by false representation.
  - Publishing information which violates or infringes upon the rights of any other person or group.
  - Use which could expose the Shire to unfavourable publicity or negatively impact the Shire's reputation.
- e) At a minimum ~~the CEO this policy~~ will: ~~direct that: The CEO~~ establish, endorse and maintain standards, specifications and controls for the secure design, implementation, management and disposal of ICT services, assets (including information assets) and equipment.
- ~~f) The CEO maintain a register of all standards relating to ICT policies.~~
- ~~g) All Councillors and employees have an obligation to report Information Security breaches to the CEO.~~
- f) All ~~Councillors and employees~~ users have an obligation to understand the value and sensitivity of information they handle and to manage it accordingly.
- g) All ~~Councillors and employees~~ users have an obligation to not release information that they know, or should reasonably know, is information that is confidential to the Council.

- h) The **Chief Executive Officer (CEO)** and Manager Corporate and Community Services (MCC) are the only employees who have the authority to:
- determine a document is confidential.
  - accept a document under conditions of confidentiality.
  - determine a document is no longer confidential.
  - to make accessible or to disclose information that is either confidential or not confidential.

*Note: In relation to the above, consultation may be entertained with the Shire President prior to any action being taken in relation to this statement.*

- i) All users must keep secure and routinely change their personal access **PASSWORD** in accordance with the directives of the Shire's ICT support provider.
- j) All users must take reasonable care when downloading, accessing or executing files on or from internet services to prevent the introduction of viruses or harmful software.
- k) All software products used for Shire business must be authorised and licensed before being installed on any Shire equipment.
- l) Users must not open any suspicious attachments or links, and thereafter report any suspect activity (ie emails) to the Shire's ICT support provider for review.
- m) All hardware devices provided by the Shire shall:
- Remain property of the Shire unless ownership is granted under another agreement.
  - Be used in compliance with this policy, applicable licenses, notices, contracts and agreements.
  - Be kept in a neat and tidy condition.
- n) All users must read, understand, and sign the Shire's ICT Use Agreement Declaration, provided as **Appendix A** to this policy.

## Appendix A – ICT Use Agreement Declaration

As a user of the Shire’s ICT facilities, including electronic records, files and communications that forms part the Shire’s computer network and I respectfully:

- a) Acknowledge and agree to the statements detailed in this policy.
- b) Undertake to ensure that my PASSWORD is kept confidential.
- c) Acknowledge that unauthorised use of my personal USER ID may result in the integrity of the system being compromised.
- d) Accept that I am responsible for ensuring the Shire equipment and my personal USER ID provided to me is not shared with any other person and is only used for proper and authorised activities relating to Local Government business.
- e) Accept I am accountable for any actions undertaken using my USER ID and PASSWORD.
- f) Understand Shire monitors and records email and internet activity undertaken by those users who have access to resources provided by the Shire of Brookton.

I have read, understood, and will always adhere to the conditions this policy.

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

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

This declaration form once signed must be submitted to the Shire appointed ICT Officer.

## 15.12.20.02 DRAFT POLICY 2.42 – IPR REVIEW AND ANNUAL BUDGET PREPARATION

<b>File No:</b>	ADM 0564
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	N/A
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author has a specific interest in this item.
<b>Voting Requirements:</b>	Simple majority
<b>Previous Report:</b>	N/A

### Summary of Item:

This item presents to Council a draft ‘Policy 2.41 – IPR Review and Annual Budget Preparation’.

The intent of this policy is to heighten understanding, provide clarity and education, designate key times for review, and offer guidance on the Shire’s Integrated Planning and Reporting process and preparation of the Shire’s Annual Budget each year.

A copy of this draft Policy is presented as **Attachment 15.12.20.02A** to this report.

### Description of Proposal:

As above.

### Background:

Following a public meeting on the Shire’s Reserve 43158 Management Plan, and a subsequent review of the Council’s Corporate Business Plan (CBP), this Policy has been prepared to increase awareness and understanding of:

- The statutory Integrated Planning and Reporting framework and the role it plays in informing preparation of the annual municipal budget for each year.
- The process and indicative timeframe in the preparing the annual budget.

### Consultation:

This policy has been presented to and sanctioned by the Audit and Risk Committee at its meeting on Thursday 10<sup>th</sup> December 2020.

### Statutory Environment:

All local governments are required to adopt an annual budget in accordance with Part 6, Division 2, of the *Local Government Act, 1995* (The Act), Part 3 of the Local Government (Financial Management) Regulations 1996, Australian Accounting Standards (AASB) and the Australian Accounting Standards Board Interpretations (AASBI). In relation to budgeting, section 6.2 (1) of the Act states:

*During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt (absolute majority required), in the form and manner prescribed, a budget for its municipal fund for the financial years ending on the 30 June next following that 31 August.*

The legislative requirement for the Shire’s IPR framework is contained in Section 5.56(1) of the *Local Government Act, 1995* and the Pursuant to Section 5.56(1) and (2) of the *Local Government Act, 1995* where

each Local Government is required to 'plan for the future' for its local district in accordance with the relevant regulations of the Local Government (Administration) Regulations, 1996.

The Regulations state that the 'plan for the future' is to take the form of an Integrated Planning and Reporting (IPR) framework with specific reference to preparation of a Strategic Community Plan (SCP) and Corporate Business Plan (CBP), and the following accompanying/supporting plans:

- Shire of Brookton Long Term Financial Plan (LTFP)
- Shire of Brookton Asset Management Plan (AMP)
- Shire of Brookton Workforce Plan (WP)

Specifically, Regulation 19C states the SCP is to be reviewed at least every 4 years but may be modified within this period subject to formal consultation with the local community.

Regulation 19DA promotes in relation to the CBP:

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

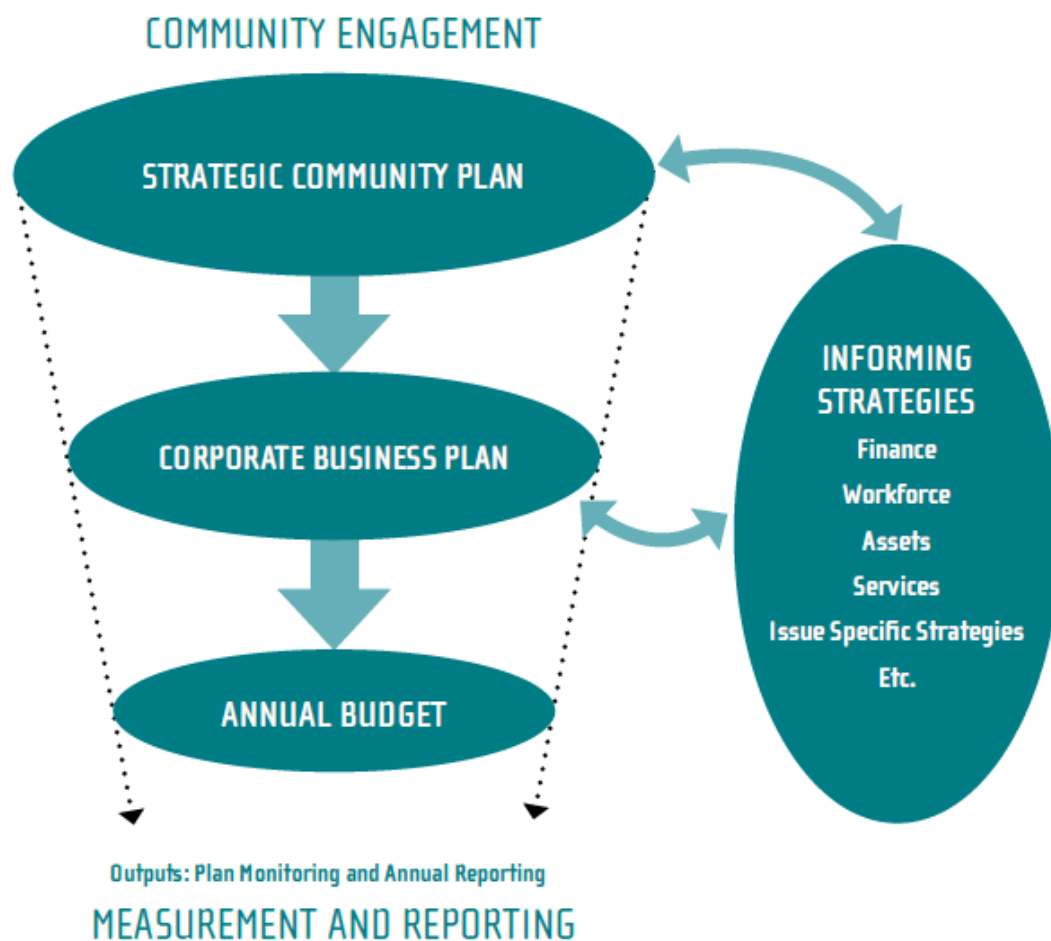
- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) A corporate business plan for a district is to cover the period specified in the plan,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

The following diagram provides an understanding of the statutory framework.

Elements of the Integrated Planning Framework



Additionally, consideration needs to be given the Shire's CBP Compendium, which details the operational functions and governance requirements coupled with the Council's 'Innovations Pathway' process.

Furthermore, Council's role in determining, reviewing and amending its policies is defined in Section 2.7(2)(b) of the *Local Government Act, 1995*.

**Relevant Plans and Policy:**

There are no other existing policies that apply to this matter.

**Financial Implications:**

There is no specific financial implication in relation to adoption of this draft Policy.

**Risk Assessment:**

On assessment the risk is assessed as 'Medium' premised on this policy being integral to improved understanding of the statutory IPR and Budget preparation processes.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

### Community & Strategic Objectives:

The draft Policy aligns to the delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, this draft policy accords with:

#### Function 3. Integrated Planning and Reporting

- 3.1 Review / adoption Strategic Community Plan
- 3.2 Review / adoption Corporate Business Plan

### Comment:

Importantly the Council is obliged to have, and adhere to, a 'Attendance at Events' policy to instill and maintain confidence with the local Community regarding the conduct of Elected Members and CEO.

### **AUDIT AND RISK COMMITTEE RECOMMENDATION**

***That Council in recognition of Section 5.56(1) and (2) and Section 6.2, and in accordance with to Section 2.7(2)(b) of the Local Government Act, 1995 adopt 'Policy 2.42 – IPR Review and Annual Budget Preparation' as presented in Attachment 15.12.20.02A to this report.***

(Simple majority vote)

### **Attachment**

**15.12.20.02A – Policy 2. 42 – IPR Review and Annual Budget Preparation**

## 2.42 IPR REVIEW AND ANNUAL BUDGET PREPARATION

<b>Directorate:</b>	Governance			
<b>Statutory Environment:</b>	Local Government Act, 1995 – Section 5.56 and Section 6.2 Local Government (Administration) Amendment Regulations (No. 2) 2011 – Regulation 19C, 19DA and 19DB			
<b>Council Adoption:</b>	<b>Date:</b>		<b>Resolution #:</b>	
<b>Last Amended:</b>	<b>Date:</b>		<b>Resolution #:</b>	
<b>Review Date:</b>	June 2021			

### Objective:

To provide structure and guidance on:

1. Review of the Shire's Integrated Planning and Reporting (IPR) Framework, and
2. Preparation of the Annual Budget for each year.

### Policy:

1. Integrated Planning and Reporting (IPR) Framework review shall accord to the following program:

<b>IPR Plan</b>	<b>Review</b>	<b>Direction</b>
<i>Strategic Community Plan (SCP)</i>	<i>September</i> - Minor Review every second year. - Major Review every fourth year. - Offset to following year of the Local Government election cycle.	<i>Minor Review – Assess Community Aspirations based on a 'desktop' approach with Elected Members.</i>  <i>Council may initiate consultative 'check-in' process with the Community to be conducted by Shire Administration.</i>  <i>Major Review – To involve the use of an independent person or company to perform min. six weeks community consultation on Community Aspirations - Elected Members and Shire staff participation excluded from this process.</i>
<i>Corporate Business Plan (CBP)</i>	<i>November/December</i> - each year.	<i>Assess projected annual program of works and implement changes for the coming financial year to the CBP and Corporate Compendium.</i>  <i>All amendments to CBP and Compendium to be implemented prior to preparation of annual budget for the following financial year.</i>  <i>Strategic projects to be drawn from Book of Initiatives.</i>
<i>Asset Management Plan (AMP)</i>	<i>November/December</i> - each year.	<i>Assess Policy, Strategy, and Plans specific to each asset class to inform the LTFP.</i>  <i>All amendments to be implemented prior to</i>



		<i>preparation of annual budget for following year.</i>
<i>Long Term Financial Plan (LTFP)</i>	<i>November/December - each year.</i>	<i>Review and amend the LTFP based on changes to the AMP and Shire's fiscal position.</i>  <i>All amendments to be implemented prior to preparation of annual budget for following year.</i>
<i>Workforce Plan (WP)</i>	<i>November/December - each year.</i>	<i>Assess Organisational Structure, staff resourcing, training and upskilling and together with adjustment of roles and responsibilities, as necessary.</i>  <i>Ensure all amendments to Workforce Plan are implemented prior to preparation of annual budget for following year.</i>
<i>Innovations Pathway</i>	<i>November/December - every second year immediately following the Local Government election cycle.</i>	<i>Assess effectiveness of framework, including Advisory Group representation and performance, Book of Ideas and Book of Initiates.</i>  <i>Reset representation on Advisory Groups and amend Terms of Reference, as required.</i>

2. Preparation of the Annual Budget shall occur each year with:

- a) Every endeavour to accord with the following 'Annual Budget Preparation Guide'.
- b) Specific reference being applied to and the budget being informed by the Council's IPR framework plans.

*Annual Budget Preparation Guide*  
*Annual Budget*

<b>Month</b>	<b>Function</b>	<b>Week</b>	<b>Responsibility</b>
<i>February</i>	<ul style="list-style-type: none"> <li>• Review salaries and wages</li> <li>• Review depreciation</li> <li>• Review plant allocations</li> <li>• Review ABC allocations</li> </ul>	<i>Week 1 - 2</i> <i>Week 2</i> <i>Week 2</i> <i>Week 3</i>	<i>CEO/Managers</i> <i>MCC/SFO</i> <i>MCC/SFO</i> <i>MCC/SFO</i>
<i>March</i>	<ul style="list-style-type: none"> <li>• Create budget workbook</li> <li>• Commence data input</li> <li>• Review fees and charges</li> <li>• Reference IPR Plans</li> <li>• Review financial reserves</li> <li>• Review capital items</li> </ul>	<i>Week 1</i> <i>Week 1 - 4</i> <i>Week 2 - 3</i> <i>Week 3 - 4</i> <i>Week 3 - 4</i> <i>Week 4</i>	<i>MCC/SFO</i> <i>MCC/SFO</i> <i>MCC/SFO</i> <i>MCC/SFO</i> <i>CEO/Managers/SFO</i>
<i>April</i>	<ul style="list-style-type: none"> <li>• Data input (Con't)</li> <li>• Review capital items (Con't)</li> <li>• Workshop - Fees &amp; charges               <ul style="list-style-type: none"> <li>- Set increase – rates</li> <li>- Set increase – rubbish and sewerage</li> </ul> </li> <li>• Model rates</li> </ul>	<i>Week 1 - 4</i> <i>Week 1 - 2</i> <i>Week 2</i>  <i>Week 3</i>	<i>MCC/SFO</i> <i>CEO/Managers/SFO</i> <i>Staff/Councillors</i>  <i>MCC/SFO/FO</i>
<i>May</i>	<ul style="list-style-type: none"> <li>• Data input (Con't)</li> <li>• <b>Workshop</b> – First review of draft</li> </ul>	<i>Week 1 - 4</i> <i>Week 1</i>	<i>MCC/SFO</i> <i>Staff/Councillors</i>
<i>June</i>	<ul style="list-style-type: none"> <li>• Data input (Con't)</li> <li>• Confirmation of grants income</li> <li>• Consolidate carry forward position</li> <li>• <b>Workshop</b> – Second review of draft</li> </ul>	<i>Week 1 - 3</i> <i>Week 1</i> <i>Week 2</i> <i>Week 3</i>	<i>MCC/SFO</i> <i>MCC/SFO</i> <i>MCC/SFO</i> <i>Staff/Councillors</i>
<i>July</i>	<ul style="list-style-type: none"> <li>• <b>Council Meeting</b> – Budget adoption</li> </ul>	<i>Week 3</i>	<i>Staff/Councillors</i>
<i>August</i>	<ul style="list-style-type: none"> <li>• Budget notification to LG Dept.</li> </ul>	<i>Week 1</i>	<i>MCC/SFO</i>
CEO means Chief Executive Officer MCC means Manager Corporate and Community SFO means Senior Finance Officer FO means Finance Officer			

**15.12.20.03 DRAFT LOCAL GOVERNMENT (MEETING PROCEDURE) LOCAL LAW 2021**

<b>File No:</b>	ADM 0624
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	Shire of Brookton
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author does not have a specific interest in this item
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	Nil

**Summary of Item:**

This item relates to:

- a) Preparation of a draft Local Government (Meeting Procedures) Local Law 2021 applicable to all Ordinary, Special and Committee meetings – see **Attachment 15.12.20.03A**.
- b) Repeal of the Shire of Brookton Extractive Industries Local Law 2011 – see **Attachment 15.12.20.03B**.

Both **Attachments** are provided under separate cover.

**Description of Proposal:**

As above

**Background:**

Section 3.16 of the *Local Government Act 1995* (the Act) provides direction for reviewing the currency and suitability of gazetted Local Laws and requires that all Local Laws be reviewed every eight years to determine their continued relevance.

At the July 2020 Ordinary Meeting the Council resolved to commence a review of its Local Laws. This included amendment and repeal where considered necessary over a period of 12 to 18 months, with the initial focus being on the preparation of a new Meetings Protocol Local Law and repeal of the existing Extractive Industry Local Law 2011.

As previously explained, the Standing Orders Local Law 2000 was prepared but never gazetted. Subsequently, the Council moved to adopt the 2000 Local Law as a Council Policy pending review and preparation of a new legislation to guide and regulate meeting procedures that partly forms the basis of this report.

The other Local Law under consideration as part of this report is repeal of the Shire Extractive Industries Local Law 2011. For the most part, this legislation is assessed as a double up on approval and enforcement, as an extractive industry use requires statutory approval from Council under the Shire of Brookton Local Planning Scheme No.4.

**Consultation:**

This Draft Local Government (Meeting Procedures) Local Law 2021 was considered by the Audit and Risk Committee meeting on Thursday 10<sup>th</sup> December 2020.

**Statutory Environment:**

Pursuant to Section 3.12 of the Act the following statutory procedure applies to amending, repeal or creating a new local law:

### 3.12.Procedure for making local laws

- (1) *In making a local law a local government is to follow the procedure described in this section, in the sequence in which it is described.*
- (2A) *Despite subsection (1), a failure to follow the procedure described in this section does not invalidate a local law if there has been substantial compliance with the procedure.*
- (2) *At a council meeting the person presiding is to give notice to the meeting of the purpose and effect of the proposed local law in the prescribed manner.*
- (3) *The local government is to —*
  - (a) *give local public notice stating that —*
    - (i) *the local government proposes to make a local law the purpose and effect of which is summarized in the notice; and*
    - (ii) *a copy of the proposed local law may be inspected or obtained at any place specified in the notice; and*
    - (iii) *submissions about the proposed local law may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given;*
  - and*
  - (b) *as soon as the notice is given, give a copy of the proposed local law and a copy of the notice to the Minister and, if another Minister administers the Act under which the local law is proposed to be made, to that other Minister; and*
  - (c) *provide a copy of the proposed local law, in accordance with the notice, to any person requesting it.*
- [(3a) *deleted*]
- (4) *After the last day for submissions, the local government is to consider any submissions made and may make the local law\* as proposed or make a local law\* that is not significantly different from what was proposed.*

*\* Absolute majority required.*
- (5) *After making the local law, the local government is to publish it in the Gazette and give a copy of it to the Minister and, if another Minister administers the Act under which the local law is proposed to be made, to that other Minister.*
- (6) *After the local law has been published in the Gazette the local government is to give local public notice —*
  - (a) *stating the title of the local law; and*
  - (b) *summarizing the purpose and effect of the local law (specifying the day on which it comes into operation); and*
  - (c) *advising that the local law is published on the local government’s official website and that copies of the local law may be inspected at or obtained from the local government’s office.*
- (7) *The Minister may give directions to local governments requiring them to provide to the Parliament copies of local laws they have made and any explanatory or other material relating to them.*
- (8) *In this section —*

**making** *in relation to a local law, includes making a local law to amend the text of, or repeal, a local law.*

Accompanying, Regulation 3 of the Local Government (Functions and General) Regulations 1996 provides that:

*“for the purpose of section 3.12 of the Act, the person presiding at a Council meeting is to give notice of the purpose and effect of a local law by ensuring that;*

a) the purpose and effect of the proposed local law is included in the agenda for that meeting; and

b) the minutes of the meeting of the Council include the purpose and effect of the proposed local law.”

#### Relevant Plans and Policy:

The only policy document applicable to this matter is Standing Orders and Meetings Procedure Local Law 2000 Policy 1.17.

This document is outdated and does not carry required the legal stature for the conduct of Council and Committee meetings.

#### Financial Implications:

It is estimated that the overall Local Law review process will cost approximately \$5,000 in Officer time and Advertising costs that has been allocated in the 2020-21 draft annual budget.

#### Risk Assessment:

The risk in relation to this matter is assessed as ‘High’ on the basis that the review is a legislated requirement and there is no current Local Law for meeting Procedures which is not ideal. Further, the current situation with the Extractive Industry Local Law is that it duplicates process and creates confusion and cost for the applicant which has proven unnecessary in the past.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

#### Community & Strategic Objectives:

This item relates to delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the amended Policy supports the following Business Unit and Functions:

##### 1. Governance

##### 1.8 Review Local Laws

## **Comment**

For the most part the draft Meeting Procedures Local Law, as provided in **Attachment 15.12.20.03A**, is based on the Western Australian Local Government Association (WALGA) template that aptly reflects the local government industry standard.

As for the Extractive Industry Local Law, the repeal of this legislation will reduce 'red tape' and unnecessary cost for both the applicant and the Shire. With the Local Planning Scheme No.4 requiring an application for planning approval to be lodged and granted by the Council, and the ability for Council to impose conditions on this land use, it is viewed that a second application for an Extractive Industry Licence is not warranted.

## **AUDIT AND RISK COMMITTEE RECOMMENDATION**

***That Council pursuant to Section 3.12 of the Local Government Act, 1995 and Regulation 3 of the Local Government (Functions and General) Regulations, 1996 progress:***

***1. The processing of the Local Government (Meeting Procedures) Local Law 2021 as presented in Attachment 15.12.03A to this report with:***

***a) The stated purpose and effect being:***

***(i) To provide rules and guidelines which apply to the conduct of meetings of the Council and its committees and to meetings of electors.***

***(ii) To conduct all Council and Committee in accordance with the Act, the Regulations and these Local Laws.***

***(iii) To afford through the implementation and use of these laws:***

- better decision-making by the Council and committees,***
- the orderly conduct of meetings dealing with Council business,***
- better understanding of the process of conducting meetings, and***
- the more efficient and effective use of time at meetings.***

***b) The Local Law being advertised for a minimum period of 6 weeks through public notice on the Shire website, Facebook page, e-news and the Brookton Telegraph, that includes:***

***(i) A summary the purpose and effect of the Local Law as outlined in a) above.***

***(ii) Information on where the draft Local Law can be viewed and/or obtained and where submissions about the proposed local law may be lodged.***

***c) A copy of the Local Law and public notice being forwarded to the Minister for Local Government; Heritage; Culture and the Arts immediately upon public notification being executed.***

***2. The repeal of the Shire of Brookton Extractive Industries Local Law, 2011 as presented in Attachment 15.12.20.03B to this report with public notice to be given in accordance with 1b) above.***

(Simple majority vote)

## **Attachments - Provided under separate cover**

Attachment 15.12.20.03A

Attachment 15.12.20.03B

#### 15.12.20.04 DRAFT POLICY 2.43 – INTERNAL AUDIT CHARTER

<b>File No:</b>	ADM 0624
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	Shire of Brookton
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author does not have a specific interest in this item
<b>Voting Requirements:</b>	Simple Majority
<b>Previous Report:</b>	Nil

#### Summary of Item:

This item applies to a draft policy that outlines the internal audit charter for the Shire and sets up the framework for an internal auditing program to compliment the annual external audits conducted by the Office of the Auditor General (OAG).

A copy of the draft Policy is provided as **Attachment 15.12.20.04A** to this report.

#### Description of Proposal:

This draft Policy sets out a framework for the conduct of internal audits to:

- Provide assurance to Council that the Shire’s financial and operational controls designed to manage the organisation’s risks and achieve its objectives, are operating in an efficient, effective and ethical manner.
- Assist management in improving and monitoring the Shire’s risk management, internal control and legislative compliance functions.

#### Background:

As part of the scope for Local Government to achieved compliance and deliver continuous improvement, there is a need for internal auditing to be performed by Council through its Audit and Risk Committee. This forms part of the requirements under Regulation 17 of the Local Government (Audit) Regulations, 1996 and has be highlighted by the OAG Auditors as an action to be performed.

The first step to performing internal auditing is the establishment of a framework through preparation and adoption of a policy to guide the auditing process under the auspice of the Audit and Risk Committee. To achieve this, this draft Charter if presented to Council for adoption.

#### Consultation:

This Policy has been considered and sanctioned by the Council’s Audit and Risk Committee on Thursday 10<sup>th</sup> December 2020.

#### Statutory Environment:

The head of power to perform internal auditing falls under Regulation 17 of the Local Government (Audit) Regulations, 1996. This regulation states:

#### *17. CEO to review certain systems and procedures*

- (1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —*

- (a) *risk management; and*
- (b) *internal control; and*
- (c) *legislative compliance.*

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

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

Furthermore, Council's role in determining, review and amending Local Government's Policies is defined in Section 2.7(2)(b) of the *Local Government Act, 1995*.

#### **Relevant Plans and Policy:**

This is no current plans or policies that apply to this matter.

#### **Financial Implications:**

There is no financial implication in relation to internal auditing should this function be performed in-house using the existing employee.

However, should Council prefer to have form of auditing conducted externally it may engage a qualified person at an estimated cost of \$120 - \$130 per hour.

Presently the Process and Compliance Officer, who reports directly to the CEO, would be assigned to perform this function with the wages for this position already accommodated in the 2020-21 budget.

#### **Risk Assessment:**

The risk in relation to this matter is assessed as 'High' on the basis that e review of the Shire's governance, including systems and performance, is a legislated and a highly accountable requirement. The failure of achieving necessary compliance and accountability can lead to significant issues, including opportunity of theft and other fraudulent activity.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.



### **Community & Strategic Objectives:**

This item relates to delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the draft Policy supports the following Business Unit and Functions:

*1. Governance*

*1.9 Maintain statutory compliance registers (complaints, declarations, etc)*

*18. Financial Control*

*18.6 Co-ordinate annual audits processes*

### **Comment**

The status table presented in the Audit and Risk Committee Agenda forms part of the review and reporting function of Regulation 17. With implementation of an Internal Audit Charter the Council can have further confidence that there is an increased focus by the administration on accountability and improvement of performance as required by Regulation 17.

An example of a typical internal audit subject is the Shire's fuel system. Routinely over the years there has been a failure to adequately account for diesel fuel through a manualised system, with discrepancies of 300 – 400 litres to on hand stock levels at the end of the calendar month in the main storage tank at the Shire depot. This has now been addressed with the Council acquiring an electronic dispensing and inventory control system that accurately regulates and accounts for the taking of fuel through a swipe card system. However, while the transfer of fuel from the main tank to smaller field tanks is accounted for, it has been further issue identified with accounting of fuel dispensed from the smaller tanks in the past few months. This issue has just been addressed with modification to the smaller tanks to incorporate a locking system with limited assigned access. Further monitoring and a subsequent review through a future internal audit will confirm the suitability of measures that has recently been implemented.

Therefore, it is important that Council (with oversight by the Audit and Risk Committee) is satisfied with the Administration's efforts and actions in addressing required compliance for the many statutory requirements and other accountabilities imposed on this organisation. To this end the Audit and Risk Committee's input as to the appropriateness of draft Policy 2.43 is current sought.

### **AUDIT AND RISK COMMITTEE RECOMMENDATION**

***That Council in accordance with Section 2.7(2)(b) of the Local Government Act, 1995 adopts 'Policy 2.43 – Internal Audit Charter' as presented in Attachment 15.12.20.04A to this report.***

(Simple majority vote)

### **Attachments**

**Attachment 15.12.20.04A**

**2.43 INTERNAL AUDIT CHARTER**

<b>Directorate:</b>	Governance			
<b>Statutory Environment:</b>	Local Government (Audit) Regulations 1996; Regulation 17			
<b>Council Adoption:</b>	<b>Date:</b>		<b>Resolution #:</b>	
<b>Last Amended:</b>	<b>Date:</b>		<b>Resolution #:</b>	
<b>Review Date:</b>	June 2021			

**Objective:**

The objectives of this internal audit charter are to:

- Provide assurance to Council that the Shire's financial and operational controls designed to manage the organisation's risks and achieve its objectives, are operating in an efficient, effective and ethical manner.
- Assist management in improving and monitoring the Shire's risk management, internal control and legislative compliance functions.

**Policy:**1. Scope

Internal audits may cover any programs and activities of the Shire and encompass the review of all financial and non-financial policies and operations.

2. Independence

Independence is essential to the effectiveness of the internal audit function.

Internal audits will be performed by dedicated employee or external contractors appointed through a transparent Expressions of Interest process.

Internal auditor is accountable to the CEO for the efficient and effective operation of the internal audit function and will report functionally to Council through the Audit and Risk Committee.

3. Authority and Confidentiality

Internal auditors are authorised to:

- Have free and unrestricted access to all Shire's records and other documentation, premises and Shire employees.
- Obtain assistance as required from Shire employees.

Internal auditors are responsible and accountable for maintaining the confidentiality of the information they receive during the course of their work.

4. Roles and Responsibilities

The internal audits shall encompass examination and evaluation of the Shire's governance, risk management and internal controls coupled with performance to achieve the Shire's strategic objectives

with a structured focus on adequacy and effectiveness.

Each audit may include (but not limited to):

- Evaluating risk exposure relating to achievement of the Shire's strategic objectives.
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify and report such information.
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on the organisation.
- Evaluating the means of safeguarding assets and verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are engaged/employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals.
- Monitoring, evaluating and identifying improvements to governance processes.
- Monitoring and evaluating the effectiveness of the Shire's risk management processes.
- Providing advice related to governance, risk management and internal control as appropriate.
- Reporting significant risk exposures and internal control issues, including fraud risks and governance issues
- Evaluating specific operations at the request of Council, Audit and Risk Committee or the CEO.

#### 5. Program

Internal audit activities:

- Shall be performed on a half yearly basis with at least two activities conducted as determined by the CEO and reported to the Audit and Risk Committee.
- Need to be coordinated to help ensure adequacy of overall audit coverage and minimise duplication with the Shire's external auditing conducted by the Officer of the Auditor General.
- The methodology, assessment criteria and checklist (where practical) provided in Appendix A to this policy should be adhered to in performing an internal audit:

## **Appendix A**

### **1. Methodology**

The following generic approach should routinely be applied to each internal audit:

- a) **Audit Objectives and Scope** – audit subject, relevant legislation (where applicable) and intended outcomes to be documented.
- b) **Audit Schedule** – required resources, information, timeframe, method of approach (ie documentation review, interviewing, observation) and expected participants to be scheduled.
- c) **Audit Pre-planning** – Audit Schedule and discussion with department manager and affected employees to be entertained.
- d) **Audit Execution** – Audit process (includes sighting and examination of hard-copy or electronic records, and verification of compliance with the management systems, procedures and effective implementation of processes and internal controls) to be progressed in a fair and unbiased manner.
- e) **Audit Recording** – All evidence and notes prepared together with identified deficiencies, non-compliances, other observations, summary of findings and response from the relevant Manager is to be recorded.
- f) **Audit Reporting** - All findings with reference to supporting evidence and recommended improvement/corrective action is to be presented to the CEO and then Audit and Risk Committee in a concise audit report.

### **2. Assessment Criteria**

The internal audit to consist of the following assessment categories/ratings:

- **Achieves Compliance (MC)** – Achieves compliance with the International Organization for Standardization (ISO) 9001 where all requirements have been effectively met.
- **Basic Improvement (BI)** – Identifies a small issue or flaw that requires some adjustment or basic improvement to be implemented.
- **Minor Non-Compliance (MI)**- Indicates issues exist of minor nature but not complete failure and requires some process improvements to be instigated.
- **Major Non-Compliance (MA)** – Identifies significant flaws and requires many changes to be addressed as a priority.

### 3. Checklist Template

The following table provides template to guide assessment and reporting for an internal audit.

#### Internal Audit Checklist

Audit No.		Auditor	
Section		Date	
Subject		Legislation	

No.	Requirement	Assessment Ranking				Notes / Findings
		MC	BI	MI	MA	

**15.12.20.05 ATTENDANCE AT COUNCIL MEETINGS BY INSTANTANEOUS COMMUNICATIONS – CR LILLY**

<b>File No:</b>	ADM 0699
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	Cr Tamara Lilly
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D’Arcy – Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author has no interest in this item.
<b>Voting Requirements:</b>	Absolute majority
<b>Previous Report:</b>	N/A

**Summary of Item:**

This item involves a request from Cr Tamara Lilly to attend Council Meetings by instantaneous communication (telephone or video hook-up) when working away in Port Hedland.

A copy of Cr Lilly’s email request is provided at **Attachment 15.12.20.05A** to this report.

**Proposal:**

This proposal seeks Council’s favorable consideration to allowing Cr Lilly to maintain continuity of involvement in Council business when working away on a two-week cycle in Port Hedland.

In support of the request Cr Lilly has provided following information:

<b>Meeting Location</b>	
<i>Unit 207 17/21 Welsh Street South Hedland WA 6722</i>	
<b>Dates Away – 12 months</b>	
<b>From</b>	<b>To</b>
<i>01 January 2021</i>	<i>15 January 2021</i>
<i>28 January 2021</i>	<i>12 February 2021</i>
<i>25 February 2021</i>	<i>12 March 2021</i>
<i>25 March 2021</i>	<i>09 April 2021</i>
<i>22 April 2021</i>	<i>07 May 2021</i>
<i>21 May 2021</i>	<i>05 June 2021</i>
<i>18 June 2021</i>	<i>03 July 2021</i>
<i>16 July 2021</i>	<i>31 July 2021</i>
<i>20 August 2021</i>	<i>04 September 2021</i>
<i>17 September 2021</i>	<i>02 October 2021</i>
<i>22 October 2021</i>	<i>05 November 2021</i>
<i>19 November 2021</i>	<i>04 December 2021</i>
<i>10 December 2021</i>	<i>23 December 2021</i>

**Background:**

Provisions exist within the Local Government (Administration) Regulations 1996 that supports an elected member attending a meeting(s) of the Council by means of instantaneous communication. In order for these regulations to take effect the Council needs to approve the arrangements, including the address from which the Elected Member will attend the meeting.

The Regulations also provide opportunity for Councillors to participate externally where circumstances relate directly to an emergency, including the COVID-19 pandemic, where advanced approval is not required. However, in this instance Council is compelled to consider Cr Lilly's request prior to participation in Council meetings taking place by instantaneous communications.

**Consultation:**

The Shire President in early December 2020 advised all Councillors by email of the legislative requirements regarding the attendance of meetings to avoid any misunderstanding and ensure due process is adhered too.

**Statutory Environment:**

The Council may determine Cr Lilly's request in accordance with Section 5.25(1)(ba) of the *Local Government Act, 1995* and Regulations 14A of the Local Government (Administration) Regulations 1996. Specifically, Regulation 14A reads as follows:

***Regulation 14A - Attendance at Meetings by means of Instantaneous Communication***

- (1) A person who is not physically present at a meeting of a council or committee is to be taken to be present at the meeting if -
  - (a) the person is simultaneously in audio contact, by telephone or other means of instantaneous communication, with each other person present at the meeting;*
  - (b) the person is in a suitable place; and*
  - (c) the council has approved\* of the arrangement.**
- (2) A council cannot give approval under subregulation (1)(c) if to do so would mean that at more than half of the meetings of the council, or committee, as the case may be, in that financial year, a person who was not physically present was taken to be present in accordance with this regulation.*
- (3) A person referred to in this regulation is no longer to be taken to be present at a meeting if the person ceases to be in instantaneous communication with each other person present at the meeting.*
- (4) In this regulation –*

*“suitable place” means a place that the council has approved\* as a suitable place for the purpose of this regulation and that is located –*

- (a) in a townsite or other residential area; and*
- (b) 150km or further from the place at which the meeting is to be held under regulation 12, measured along the shortest road route ordinarily used for travelling;*

*“townsite” has the same meaning given to that term in the Land Administration Act 1997 section 3(1).*

***\* Absolute Majority Required.***

**Relevant Plans and Policy:**

There is no plan or policy applicable to this matter.

**Financial Implications:**

There is no financial implication to Council in relation to this matter.

**Risk Assessment:**

The risk in relation to Cr Lilly's request is considered negligible and therefore is assessed as 'Low'.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

### Community & Strategic Objectives:

This request relates to delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – November 2020, duly appended to the Next Generation BROOKTON Corporate Business Plan <2024.

Specifically, the attendance of Council Meetings by instantaneous communications aligns to:

*Business Function 1 – Governance*

*Action – 1.4 Convene Council meetings, prepare agendas, minutes*

### Comment:

Regarding the information provided by Cr Lilly to support her request, there is no reason why Council should not support attendance by instantaneous communications for Special Council Meetings and possibly the Annual Electors Meeting during periods when Cr Lilly is away.

### OFFICER RECOMMENDATION

***That Council in accordance with Regulation 14A of the Local Government (Administration) Regulations 1996 under Section 5.25(1)(ba) grant approval for Councillor Tamara Lilly to attending no more than half of the meetings of the Council (or Committee) in a financial year by means of instantaneous communication when working in Port Hedland, conditional on the external attendance occurring from Unit 207 17/21 Welsh Street, South Hedland WA 6722.***

(Absolute majority vote required)

### **Attachments**

15.12.20.05A



3 December 2020

Mr Ian D'Arcy  
Chief Executive Officer  
Shire of Brookton  
14 White Street  
BROOKTON WA 6306

Dear Ian

This letter is in regards to our Shire President, Katrina Crute's email dated 30 November 2020 with regards to Regulation 14C(2) of the Local Government (Administration) Regulations 1996, to grant with leniency permission to myself, Cr Lilly to attend the Special Council Meeting scheduled for Thursday 3 December 2020 via ZOOM video conferencing.

As shared in my councillor report at the November 2020 Ordinary Meeting of Council, as a result of my new full time employment position (FIFO 2:2) as at 20th November 2020 with Ironport Mechanical in Port Hedland. I have the ability, thanks to my employer, to ensure that my FIFO roster allows for my attendance to all council meetings as at December 2020 through to December 2021.

I do seek the support from my fellow councillors to allow my attendance to all Special Meetings for the same period via remote ZOOM video conferencing. I have full support from my employer to allow for these meetings to be attended during work hours if required in a private location. As I am more than 150km away from my place of residence, I believe that my request for this allowance is justified, under Regulation 14C(2) of the Local Government (Administration) Regulations 1996.

If this request is not supported by council, I will be in regular contact with either yourself or our Shire President, to ensure I am abreast of all council matters for the 2 weeks of every month that I am away over the next 12 months.

Yours faithfully

Cr Tamara Lilly



**Cr Tamara Lilly**  
**Councillor**

☎ (08) 9642 1106



✉ [CrLilly@brookton.wa.gov.au](mailto:CrLilly@brookton.wa.gov.au)



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



14 White St, Brookton WA 6306



PO Box 42, Brookton WA 6306

## 15.12.20.06 AMENDMENT OF VARIOUS COUNCIL POLICIES

<b>File No:</b>	ADM 0660
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	N/A
<b>Name of Applicant:</b>	N/A
<b>Name of Owner:</b>	N/A
<b>Author/s:</b>	Ian D'Arcy - Chief Executive Officer
<b>Authorising Officer:</b>	As above
<b>Declaration of Interest:</b>	The author as the CEO has an interest in the respective policies from an operational perspective.
<b>Voting Requirements:</b>	Absolute majority
<b>Previous Report:</b>	N/A

### Summary of Item:

This item seeks Council's endorsement to amending the below policies:

- a) Policy 1.11 – Senior Employees – Amendment is sought to reinstating the Senior Employee status for the two Manager positions under Section 5.37 of the *Local Government Act, 1995*.
- b) Policy 1.18 – Appointment of Acting CEO - Through a change in management and recognition of the new Manager Corporate and Community experience in Local Government, consideration is sought to amending this policy to align with Section 5.36 of the *Local Government Act, 1995*.
- c) Policy 2.31 – Employee Leave – Due extended requests from employees the need has arisen to elaborate and clarify the criteria where the taking 'Leave without Pay' is reasonable and appropriate.

### Description of Proposal:

As above.

### Background:

The following outlines in summary the reasons why the respective policies are presented to Council for amendment:

- a) Policy 1.11 – Senior Employees – At the November 2019 the Council resolved to remove the 'Senior Employee' status for the respective management positions, although in hindsight this should be reinstated to reflect the intent of the legislation and allow Council to formally participate and have input through designated members into the recruitment of these positions.

A copy of Policy 1.11 with proposed wording changes highlighted in red text is presented as **Attachment 15.12.20.06A**

- b) Policy 1.18 – Appointment of Acting CEO – Amendment to this policy is promoted in recognition of experience of the new Manager Corporate and Community and emphasis under Section 5.36(2) of the *Local Government Act, 1995* that requires Council to not employ a person to the position of CEO unless the Council believes that person is suitably qualified and experienced. In consideration of the two current Managers, one has considerably more managerial experience (including holding more senior positions and previous Acting CEO experience with larger Local Governments) that the other prompting this policy to be amended to grant preference based on level of experienced.

An understanding of the wording changes is incorporated in a copy of Policy 1.18 with amendments

highlighted in red text as per **Attachment 15.12.20.06B**.

- c) **Policy 2.31 – Employee Leave** – The suggested amendments to this policy is to enhance understanding of the circumstance behind the taking of ‘leave without pay’. This has arisen through a number of employees seeking additional time off after having exhausted all other accrued entitlements of leave, which at times has and would continue to threaten operations performance if granted. While there has been merit in some circumstances coupled with a level of leniency, a number of employees have sought to benefit personally without reasonable consideration to the Shire’s operations and the burden placed on co-workers. This has promoted a firm stance on the taking of this form of leave that should be supported by a consistent policy position.

Similarly, a copy of this Policy with amendments highlighted in red text is presented as **Attachment 15.12.20.06C**.

#### Consultation:

Limited consultation has been entertained with the Shire President on Policies 1.11 and 1.18.

#### Statutory Environment:

Council’s role in determining, reviewing, and amending Local Government’s Policies is defined in Section 2.7(2)(b) of the *Local Government Act, 1995*.

#### Relevant Plans and Policy:

As evident, this report relates to existing Council Policies 1.11, 1.18 and 2.31.

#### Financial Implications:

There should be no financial impacts in Council endorsing the suggested changes to these policies.

#### Risk Assessment:

The risk associated with amending all three policies is assessed as ‘Medium’ premised on ensuring reasonable clarity and alignment to best practice and applicable legislation.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

### **Community & Strategic Objectives:**

The suggested policy updates align to the Shire of Brookton Corporate Compendium – May 2020, duly appended to the Next Generation BROOKTON Corporate Business Plan <2024.

Specifically, these policy amendments are in accordance with:

*Business Function 1 - Governance*

*Action 1.1 - Review policy manual*

*Business Function 16 – Organisational Development/Industrial Relations*

*Action 16.1 - Conduct employee performance reviews and development*

*Action 16.2 – Conduct employee recruitment*

### **Comment:**

The following comment is offered on each policy:

1. *Policy 1.11 – Senior Employees* – As mentioned this Policy is being amended to correct the position on the designation of Management positions being Senior Employees under the Local Government Act, 1995 that then requires the employees in management position to be signed to a performance based contract and the Council through the Employment Committee have input into the recruitment and performance review. While for the most part this already occurs, its deemed appropriate Council policy legitimizes the designation of ‘Senior Employee’ to the
2. *Policy 1.18 – Appointment of Acting CEO* – The proposed change to this policy is about recognition of the level of experience that exists at the managerial level and ensure the person acting in the CEO position is suitable and capable of managing all facets of the organisation. Presently, the Manager Corporate and Community has considerable knowledge, experience and broad understanding of Local Government that should not be over-looked and qualify and first preference in covering the Acting CEO role when required.
3. *Policy 2.31 – Employee Leave* – Amendments to this Policy is all about clarity and strengthening understanding on the use of ‘Leave without Pay’, which needs to be applied to ‘balancing’ some employee’s 9 day fortnight working arrangements, and assisting staff in genuine need for extended leave due to health issues and the like.

However, some employees have viewed ‘Leave without Pay’ as an absolute entitlement to satisfy other personal needs and desires without consideration of the burden placed on the operations, and in particular other co-workers. Therefore, amendment to this Policy will assist in addressing this matter.

### **OFFICER RECOMMENDATION**

***That Council pursuant to Section 2.7(2)(b) of the Local Government Act 1995 amends the following policies as presented in Attachments 15.12.20.06A, Attachments 15.12.20.06B, Attachments 15.12.20.06C of this report:***

1. ***Policy 1.11 – Senior Employees***
2. ***Policy 1.18 – Appointment of Acting CEO***
3. ***Policy 2.31 – Employee Leave***

(Absolute majority vote required)

**Attachments**

15.12.20.06A – Policy 1.11 – Senior Employees

15.12.20.06B – Policy 1.18 – Appointment of Acting CEO

15.12.20.06C – Policy 2.31 – Employee Leave

**1.11 SENIOR EMPLOYEES**

<b>Directorate:</b>	Executive			
<b>Statutory Environment:</b>	<i>Local Government Act 1995 s. 5.37</i>			
<b>Council Adoption:</b>	<b>Date:</b>	Aug 2009	<b>Resolution #:</b>	13.04.09.03
<b>Last Amended:</b>	<b>Date:</b>	<del>21 Nov 2019</del> Dec 2020	<b>Resolution #:</b>	
<b>Review Date:</b>	June 2021			

**Objective:**

~~To acknowledge the Chief Executive Officer is the only Senior Employee for the Shire of Brookton in accordance with Section 5.37 of the Local Government Act, 1995.~~

To nominate Senior Employee positions and assist the CEO with the selection and performance evaluation of these employee positions.

**Policy:**

1. The following positions are nominated as Senior Employees under Section 5.37(1) of the *Local Government Act, 1995*:
  - Manager Corporate and Community Services (MCC)\*
  - Manager Infrastructure and Emergency (MIE)
2. The CEO shall prepare a short list of candidates, conduct the interviews with the participation from two members of Employment Committee, and proceed to report to Council on the appointment the successful candidate.
3. The Chairperson of the Employment Committee shall participate in the performance review of nominated Senior Employees (other than the CEO) to provide input on behalf of the Shire Council.
4. The CEO performance review shall be conducted in accordance with Council Policy 1.12 – CEO Performance and Salary Review.

*Note: \* Designated Acting CEO – refer to Council Policy 1.18 – Appointment of Acting CEO*

**1.18 APPOINTMENT OF ACTING CEO**

<b>Directorate:</b>	Executive			
<b>Statutory Environment:</b>	<i>Local Government Act 1995, section 5.36 (2)</i>			
<b>Council Adoption:</b>	<b>Date:</b>	Nov 2016	<b>Resolution #:</b>	13.11.16.04
<b>Last Amended:</b>	<b>Date:</b>	August 2020 Dec 2020	<b>Resolution #:</b>	
<b>Review Date:</b>	June 2021			

**Objective:**

The objective of this policy is to appoint ~~either~~ the Manager Corporate and Community (MCC) ~~or the Manager of Infrastructure and Emergency (MIE)~~ to act in the role of the Chief Executive Officer (CEO) for periods of leave or vacation of the position for up to two (2) weeks only.

**Definitions:**

**Leave** means annual leave, sick leave, long service or personal leave.

Manager Corporate and Community (MCC) means the incumbent employee being:

- ~~Mrs Amy Eva~~
- Mrs Kellie Bartley

Manager Infrastructure and Emergency (MIE) means the incumbent employee being:

- Mr Mikel Haramboure

**Policy:**

The written consent (where practical) must be obtained from the Shire President ~~(or MCC or MIE) in the absence of the President)~~ prior to taking of annual leave by the CEO in line with this Policy.

Unless otherwise determined by a formal resolution of Council to appoint another person in an "Acting" capacity to the CEO position, the MCC ~~in the first instance~~ is appointed pursuant to Clause 5.39 (1a) of the *Local Government Act 2005* to the role of the CEO for any period up to two (2) weeks when the CEO is on leave or the CEO position has been vacated. ~~In the absence of the MCC the appointment will default to the MIE.~~

In any event, for periods in excess of two (2) weeks a separate report on each occasion is to be presented to Council for a formal resolution to extend the appointment of the MCC ~~(or the MIE)~~ or appoint another person to act in the CEO position. However, such a period is not to exceed twelve (12) months, ~~unless consent has been granted by the Minister for Local Government.~~

The MCC ~~(or the MIE)~~ is not required to act in the position of the CEO during periods when the CEO is away from the office on Local Government business, or for short periods of leave (up to 3 working days) when the CEO is contactable. Should the CEO not be contacted the MCC ~~(or the MIE)~~ shall automatically assume the responsibility and authority of the CEO.

The Acting CEO will receive the same rate of salary (cash component) as the CEO whilst acting in the role but is not entitled to specific allowances and benefits as detailed in the CEO's employment contract.

**Explanation:**

This Policy:

- Has been prepared on the need to fill the position of CEO for short periods in line with statutory requirements, and in an efficient manner to ensure the fluent operations of the organisation when, or if, the CEO needs, or seeks, to exercise a leave entitlement at short notice.
- Is subject to review every two (2) years or at the time of change of the MCC ~~(or MIE)~~ position.
- Does not bind Council from appointment of another person to Act in the CEO position at any time.
- Requires an **absolute majority** vote of Council in accordance Clause 5.36(2) of the *Local Government Act 2005*.



**2.31 EMPLOYEE LEAVE**

<b>Directorate:</b>	Corporate			
<b>Statutory Environment:</b>	Local Government Industry Award 2020 National Employment Standards Fair Work Act 2009			
<b>Council Adoption:</b>	<b>Date:</b>	Nov 2017	<b>Resolution #:</b>	13.11.17.01
<b>Last Amended:</b>	<b>Date:</b>	Dec 2020	<b>Resolution #:</b>	
<b>Review Date:</b>	June 2021			

**Objective:**

The objective of this policy is to afford structure and clarity around the taking of personal leave, particularly sick leave, by individual employees to ensure that equity, accountability and consistency in approach and procedure is achieved, and afford some additional benefit to the taking of other forms of leave.

**Definitions:**

- **Employee** means an employee of the Shire of Brookton currently that is on the payroll on a full-time and part-time basis.
- **Immediate Family Member** means an employee's spouse or de facto partner and their child, parent, grandparent, grandchild, sibling.
- **Personal leave** means sick leave, Carer's leave, but no compassionate leave, annual leave or long service leave.
- **Annual Leave** means the amount of hours or days an employee of the organization is permitted to be away from their employment position on full pay for the purpose taking a break or holiday.
- **Compassionate Leave** means leave taken when an employee's immediate family member dies or contracts/develops a life-threatening illness or injury that may result in imminent death or permanent disability.
- **Long Service Leave** means leave granted after having continuously worked 10 years for the Shire.
- **Leave without Pay** means an approved temporary absence from the employee's position in a no-pay status as requested by the employee and agreed by the employer.
- **Community Service Leave** means the absence of an employee from work while engaging in certain service activities such as a voluntary emergency management activity or jury duty.
- **COVID-19 Leave** means leave granted to an employee who has contracted COVID-19, or needs to care for another person who has COVID-19 or is required to self-isolate, or cannot access school or other care arrangements because of COVID-19 or are otherwise prevented from working because of COVID-19.

**Policy:****1.0 Personal Leave****1.1 The Shire acknowledges:**

- a) Personal and compassionate leave entitlements will be paid to an employee in accordance with the Local Government Award 2020 and the related procedure.
- b) An employee's anniversary of appointment is the basis point for accrual of personal leave.
- c) An employee can take personal/carer's leave if he/she or an immediate family member is sick, injured or has an emergency.

- 1.2** An employee seeking approval for personal (sick) leave is to submit a medical certificate, or statutory declaration or other supporting evidence of illness:
- a) For absences greater than 2 days; and
  - b) Where the staff member has exceeded 2 periods of sick leave (minimum 1 day) in any one year from the date of the staff member's anniversary of appointment.
- 1.3** An employee seeking approval for personal leave may also be required to submit a medical certificate, statutory declaration, or other supporting evidence of illness:
- a) For a single day of leave on a Monday or Friday, immediately before or after a public holiday or rostered day off.
  - b) If the manager/supervisor considers that the staff member is taking a series of single day's personal leave to a pattern, or on a regular or frequent basis.
- 1.4** An employee that does not accord with statement 1.2, or a request under statement 1.3, may be subject to review of conducted and potential disciplinary action in accordance with the applicable legislation.
- 1.5** An employee taking compassionate leave, must produce documented medical evidence or relevant certificates on request from the CEO or MCC of the circumstance (ie death, critical illness or injury) for which this leave is being taken. An employee who has used all of their personal and annual leave entitlements will be placed on leave without pay for up to 4 weeks, with the matter to be re-assessed by the CEO beyond this period.

## **2.0 Annual Leave**

- 2.1** The Chief Executive Officer may exercise discretion and:
- a) Decline an employee's request to take annual leave where there is an immediate or projected operational need.
  - b) Direct an employee where an employee's entitled annual leave entitlement is assessed as a financial liability for the organisation to:
    - i. Take annual leave; or
    - ii. Prepare an "annual leave clearance plan"; or
    - iii. Consider a partial pay-out of the employee's annual leave (see statement 2.1 below).
- 2.2** An employee may request in writing a 'pay out' of annual leave entitlement where:
- a) The employee has completed 3 years of full-time employment with the Shire.
  - b) The employee's annual leave entitlement exceeds 190 hours.
  - c) The 'pay out' amount does not exceed 50% of the employee's total annual leave entitlement (ie 4 weeks) and does not contravene the provisions of the Award.
  - d) The employee acknowledges through execution of a deed that the Shire is not responsible for any taxation implications that may arise for the employee as a result of the 'pay out' of annual leave.
  - e) The 'pay out' of annual leave by the Shire is to be:
    - i. formally applied for and approved by the employee's line Manager and endorsed by the CEO at least 1 month prior to the employee's employment anniversary date.
    - ii. transacted upon a written agreement (deed of payment) being duly executed by both the employee and the Chief Executive Officer.

**2.3** An employee may purchase through a written request an additional annual leave entitlement from the Shire under the following conditions:

- a) The purchase of additional annual leave by the employee is at the employee's 'standard' hourly rate up to a maximum of 5 working days per year (leave loading does not apply).
- b) The payment of additional annual leave by the employee:
  - i. Must be completed prior to the leave being taken.
  - ii. may be deducted (subject to written consent) from the employee's fortnightly pay over a period of no greater than 12 months, and for a period as agreed with the CEO.
- c) The taking of additional annual leave:
  - i. is to be formally applied for and approved by the Chief Executive Officer at least 1 month prior to the leave being taken; and
  - ii. must be taken within a 12 month period.

**2.4** An employee may request an increase in their annual leave allocation by an additional one week (pro-rata) based on a full waiver of their current 17.5% leave loading entitlement, subject to the following conditions:

- a) The request must be presented to the CEO through a written application.
- b) A deed of acceptance must be executed between the employee and CEO acknowledging the agreed amendment will constitute a change in employment conditions that is binding on both parties.

### **3.0 Leave Without Pay or Accrued Leave at ½ Pay**

**3.1** An employee may request to take 'leave without pay' or 'entitled leave' at ½ pay (typically this would apply to an extended illness period or the like), subject to:

- a) The employee having completed 3 years of full-time employment with the organisation.
- b) The request for un-paid or at ½ pay leave not exceeding 6 months.
- c) In the case of an application for leave without pay, the employee's applicable leave entitlements (accrued annual leave and entitled long service leave) having been exhausted prior.
- d) The department or section of the organisation is not likely to be compromised in its performance (ie can back fill the position) during the period upon which the leave period is requested.
- e) The employee providing a written assurance that a minimum 2 month notice period will be given should the employee decide not to return from leave.

**3.2** The exception to 3.1 is:

- a) The grant of unpaid leave in accordance with 4.1 below.
- b) Where an employee has recently commenced employment and has previously arranged or requires urgent leave. In this instance such leave may be granted at the discretion of the CEO.
- c) Where the CEO holds the view there is exceptional or mitigating circumstances for 'leave without Pay' to be granted on merit.

### **4.0 Time in Lieu/Rostered Days Off/Flexi Time**

**4.1** All full-time depot-based employees are entitled to one rostered day off every two weeks structured on working 76 hours each pay period, with the nominated day determined by the Chief Executive Officer. Should a depot-based employee not have accrued 7.6 hours over 9 days of work the sort fall of hours for their rostered day off shall be taken as unpaid leave.

**4.2** All full-time administration office employees, other than Chief Executive Officer and Manager Corporate and Community Services, are entitled to one rostered day off every four weeks structured on working 80 hours each pay period.

Accrual of time in lieu hours must not exceed 30.4 hours (ie 4 days) in total, unless prior written approval has been obtained from the CEO.

- 4.3** An employee may be able to vary their standard starting and finishing times at the discretion of their direct line manager and depending on their responsibilities and duties so long as the employee commences and finishes between the hours of 6.00 am to 6.00 pm.

## **5.0 Long Service Leave**

- 5.1** An employee must, prior to three (3) months out for Long Service Leave being due, make application to:

- a) Take all or part of their long service leave entitlement using the required leave form for consideration and endorsement of management; or
- b) Defer their long service leave entitlement for consideration by Council, but in doing so needs to detail their reasons for this request and provide a time frame for when this leave will be taken.
- c) Have all or part of their long service leave paid out. Such payment shall be transacted upon a written agreement (deed of payment) being duly executed by both the employee and the Chief Executive Officer.

- 5.2** Any acceptance to 5.1 b) and 5.1c) will only be accepted at the hourly rate of pay when the long service pay falls due.

## **6.0 Additional Leave**

All employees are granted 2 additional Local Government Recreation (LGR) leave days per annum on a pro-rata basis that must be taken during the Council approved Shire closure period between Christmas and New Year each year. Or as otherwise approved by the CEO.

## **7.0 Community Service Leave**

An employee registered as a volunteer with an emergency service organisation and actively called upon to assist with an emergency situation is entitled to be paid for the hours absent from work for up to five (5) days annually.

## **8.0 COVID-19 Leave**

A one-off payment of up to 20 days of COVID-19 leave to employees who:

- a) Have contracted COVID-19; or
- b) Need to care for another person who:
  - Has COVID-19 or is required to self-isolate; or
  - Cannot access school or other care arrangements because of COVID-19; or
- c) Are otherwise prevented from working because of COVID-19.

With this leave being:

- i. Available after an employee's existing paid personal, carers or sick leave credits have been exhausted.
- ii. Paid leave, with pay calculated in the same way as for annual leave, excluding loading.
- iii. Independent and not affecting existing annual leave or long service leave accruals.
- iv. Not accruable.

- v. Available to all full time, part time and casual employees calculated on the preceding 14 day pay period on a pro rata basis.

*Note: This Policy does not override the Local Government Industrial Award 2020, National Employment Standards, Fair Work Act 2009 or individual employment letters or contracts. Where this is a conflict between this policy and the various Awards and relevant employment legislation, the Award and relevant legislation shall apply.*

**16.12.20 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN****17.12.20 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING****18.12.20 CONFIDENTIAL REPORTS**

*This matter needs to be considered in accordance with Section 5.23 (2) (b) as this item relates to a matter that if disclosed could reveal information of a matter affecting the personal affairs of another person.*

**18.12.20.01 REQUEST FOR LEGAL FEES AND INTEREST WAIVER**

<b>File No:</b>	A512
<b>Date of Meeting:</b>	17 December 2020
<b>Location/Address:</b>	Lot 138 Richardson Street, Brookton
<b>Name of Applicant:</b>	Withheld
<b>Name of Owner:</b>	Withheld
<b>Author/s:</b>	Tricia Brown – Finance Administration Officer (Rates)
<b>Authorising Officer:</b>	Ian D’Arcy – Chief Executive Officer
<b>Declaration of Interest:</b>	The author has no interest in this item
<b>Voting Requirements:</b>	Absolute majority
<b>Previous Report:</b>	N/A

**Summary of Item:**

Council is in receipt of a request from owner of Lot 138 Richardson Street, Brookton seeking a waiver of legal fees and the interest associated late payment of rates applicable this property.

This matter has been an issue of contention between the Shire and the property owner for the past 3 financial years.

**OFFICER RECOMMENDATION**

***That Council pursuant to Section 6.12 (1)(c) of the Local Government Act, 1995 approves the waiver of legal fees and associated interest for Rates Assessment 512 – Lot 138 Richardson Street Brookton.***

(Absolute Majority vote required)

**Attachment**

Attachment 18.12.20.01A

**19.12.20 NEXT MEETING & CLOSURE**

The next Ordinary meeting of the Council will be held on 18<sup>th</sup> February 2021 commencing at 6.00 pm.